

PhD Dissertation

Tien Dung Nguyen

**The Level of Compliance of Vietnamese Labour Law
in the light of the EVFTA**

University of Debrecen

Géza - Marton Doctoral School of Legal Studies

Debrecen, 2026

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PhD Dissertation

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Tien Dung Nguyen

SUPERVISOR'S RECOMMENDATION

Tien Dung Nguyen:

"The Level of Compliance of Vietnamese Labour Law in the Light of the EVFTA"

Tien Dung Nguyen began his doctoral studies in the 2022/23 academic year at the Marton Géza Doctoral School of Legal Studies at the University of Debrecen. From the outset of his research, he proceeded systematically with his analysis of the topic, examining each layer separately, including the Vietnamese free trade agreement itself and the situation of Vietnamese labour law, and then combining his research findings to evaluate them collectively. During his research, he carried out in-depth analytical work, the partial results of which he published on an ongoing basis.

The title of his research topic is "***The Level of Compliance of Vietnamese Labour Law in the Light of the EVFTA***". With regard to the range of content issues related to the topic under investigation, the candidate has immersed himself in the literature, processed a number of relevant publications during the preparation of his thesis, and published studies underpinning his research in reputable domestic and foreign journals. The final content of the thesis, including its title, was developed in light of the research conducted. Since the workplace defence, the candidate has enriched the thesis with new literature. The thesis has been further refined based on the suggestions of the opponents. In addition to the legal analysis, the author has further defined the results of the empirical research.

In the introductory chapter of the thesis, the candidate outlined the directions, objectives and research methods of his research, highlighting the special perspective that results in differences in approach when dealing with the subject matter due to the specific characteristics of his own country's legal system, which differs from European legal systems. The candidate has a starting hypothesis and has chosen the research methodology with sufficient thoroughness.

The second chapter, which analyses the EU's free trade agreements, provides a useful overview for analysing the agreement with Vietnam. The author guides the reader through the maze of agreements, clarifying the differences between agreements with different countries and highlighting the increased expectations of the new generation of agreements. In the following chapters, the author conducts a more in-depth analysis of labour law in relation to the agreement, from the perspective of compliance, and also provides an overview of the legal framework in terms of compliance with other criteria. This provides a global picture of how the system of expectations formulated by the EU affects the development of Vietnamese law and how it relates to other developing legal solutions. The results can also serve as feedback for EU legislation, without the thesis having a specific EU legal chapter.

The strength of the thesis lies in its systematic approach and detailed treatment of the subject matter, which makes the regulatory system transparent step by step, while at the same time allowing us to identify the flaws, risks and contradictions inherent in the regulations, which the author boldly points out and acknowledges, thus paving the way for change.

The candidate structured his thesis logically, with a clear structure, proportionate layout and clarity, and presented the economic processes he discussed in a comprehensible and coherent manner. The thesis's reference system meets the requirements expected of doctoral theses. His knowledge of the literature is outstanding. I was convinced of the candidate's proficiency in the subject and professional depth during the preparation of the thesis, the workplace defence and the reading of the finished dissertation, and I consider the candidate suitable for obtaining a doctoral degree.

Debrecen, 28 February 2026.



Dr. Nádásné Dr. Rab Henriett
the candidate's supervisor

LIST OF ABBREVIATIONS

ACP	:	African, Caribbean, and Pacific
ASEAN	:	Association of Southeast Asian Nations
CEACR	:	Committee of Experts on the Application of Conventions and Recommendations
CLS	:	Core Labour Standards
CSDDD	:	Corporate Sustainability Due Diligence Directive
CSR	:	Corporate Social Responsibility
CSRD	:	Corporate Sustainability Reporting Directive
CPTPP	:	Comprehensive and Progressive Agreement for Trans-Pacific Partnership
CU	:	Customs Union
DAG	:	Domestic Advisory Group
DCFTA	:	Deep and Comprehensive Free Trade Area
DTA	:	Deep Trade Agreement
DWA	:	Decent Work Agenda
ECJ	:	European Court of Justice
EPA	:	Economic Partnership Agreement
ESG	:	Environmental, Social and Governance
EU	:	European Union
EVFTA	:	European Union - Vietnam Free Trade Agreement
FTA	:	Free Trade Agreement
GATT	:	General Agreement on Tariffs and Trade
GDP	:	Gross Domestic Product
GSP	:	Generalised Systems of Preferences
ILO	:	International Labour Organisation
IMF	:	International Monetary Fund
LC	:	Labour Code
LDC	:	Least Developed Country
MFN	:	Most-Favoured Nation
MOLISA	:	Ministry of Labour - Invalids and Social Affairs
MoIT	:	Ministry of Industry and Trade
NGO	:	Non-Governmental Organisation
OECD	:	Organisation for Economic Co-operation and Development
PTA	:	Preferential Trade Agreement
RTA	:	Regional Trade Agreement
RBC	:	Responsible Business Conduct
TPP	:	Trans-Pacific Partnership
TSD	:	Trade and Sustainable Development
UK	:	United Kingdom
UN	:	United Nations

UNDP : United Nations Development Program
US : United States
VCCI : Vietnam Chamber of Commerce and Industry
WTO : World Trade Organisation

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CHAPTER I INTRODUCTION

1.1. General Background and Scope of Dissertation

It is undeniable that the proliferation of FTAs has played a significant role in multilateral and bilateral collaboration, given the fast-paced evolution of international economic integration nowadays¹. As one of the leading partners of countries and regions around the world, the EU would also be regarded as one of the most prosperously open markets for developing countries², and it has paid a lot of attention to social dimensions in its trade agreements besides the pursuit of the policy of "Trade for all"³. To be more specific, from the EU's perspective, the EU-Korea FTA in 2011 paved the way for a new-generation FTA that embraces not only commercial but also non-commercial aspects, including labour and environmental commitments⁴, which are promulgated in the TSD chapters, even though there is some variation across the different agreements⁵. Using the same approach, the EVFTA in 2020 stands out among developing countries as the most comprehensive and promising FTA between the EU and a developing nation⁶.

As labour commitments have been introduced in TSD chapters of EU FTAs recently, including the EVFTA, the dissertation would clarify these commitments in the EVFTA regarding three pillars, and these would also be the foundation to examine the compliance of Vietnamese labour law in terms of labour commitments in the EVFTA. First, there are *substantive standards*. The EVFTA, most importantly, requires that the parties commit to upholding the ILO CLS, which covers freedom of association and collective bargaining, the elimination of forced or compulsory labour, child labour, and workplace discrimination⁷. The parties also commit to promoting the ILO's DWA and CSR⁸. Second, there are *procedural*

¹ Shujiro Urata, "Globalization and the growth in free trade agreements," *Asia Pacific Review* 9, no. 1 (2002): 27-28.

² EU, "EU position in world trade," *European Commission*, [EU position in world trade - European Commission](#).

³ European Economic and Social Committee, *Opinion on the Communication from the Commission "Trade for All – Towards a More Responsible Trade and Investment Policy"*, COM(2015) 497 final (Brussels: European Economic and Social Committee, Apr 28, 2016).

⁴ EU, *The EU-Korea Free Trade Agreement in Practice* (Luxembourg: Publications Office, 2011), 3.

⁵ Smith Adrian et al., *Free Trade Agreements and Global Labour Governance: The European Union's Trade-Labour Linkage in a Value Chain World* (S.1.: Routledge, 2022), 5.

⁶ Areg Navasartian, "EU-Vietnam Free Trade Agreement: Insights on the Substantial and Procedural Guarantees for Labour Protection in Vietnam," *European Papers – A Journal on Law and Integration* 5, no. 1 (2020): 562.

⁷ Even though the EVFTA also indicates other international labour standards from the ILO, within the scope of the dissertation, we focus on the aforementioned fundamental rights and principles (CLS), which were enshrined in the "ILO Declaration on Fundamental Principles and Rights at Work" in 1998 as the features in common of EU new-generation FTAs. See: Smith, *op. cit.*, 5.

⁸ Recently, the EU has introduced relevant policies regarding the CSR, for instance, ESG. Many organisations use the concepts of CSR and ESG interchangeably, despite their differences. And even though ESG is not indicated in the EVFTA, CSR and ESG, apart from being complementary, can be combined not only to improve the strategic management of the organisation

commitments. These include commitments on conducting dialogue and cooperation between the parties, transparency in introducing new labour standards measures, upholding levels of domestic labour protection, and monitoring and reviewing sustainability impacts of the FTA. Third, there are *institutional mechanisms*. Similar to agreements since the EU-Korea FTA, the EVFTA has a tripartite format. Committees of state/EU officials from the two parties are established to oversee the implementation of the TSD Chapter. These are advised by a civil society mechanism that takes the form of a DAG, including representatives of business, trade unions, NGOs, and occasionally academia. The DAGs of the two parties are expected to meet together on an annual basis in a joint forum. There is also a Panel of Experts that investigates complaints made by the parties. The Panel has the ability to recommend actions necessary to fulfil the parties' commitments. The implication of the agreement text is that these procedural commitments and institutions will interact so as to effectively implement the TSD Chapter.

**Table 1. Key Pillars of Labour Commitments
in the EVFTA Trade and Sustainable Development Chapter**

SUBSTANTIVE COMMITMENTS	PROCEDURAL COMMITMENTS
<ul style="list-style-type: none"> • CLS, as embodied by the ILO fundamental conventions • Promoting CSR • Promoting ILO DWA⁹ 	<ul style="list-style-type: none"> • Dialogue and cooperation between the Parties¹⁰ • Transparency in introducing new labour standards • Upholding levels of domestic protection on labour standards • Monitoring and review of the sustainability impacts of the FTA
INSTITUTIONAL MECHANISMS	
<p>⊕ COMMITTEE ON TRADE AND SUSTAINABLE DEVELOPMENT Senior officials from the EU and Vietnam oversee the overall implementation of the TSD Chapter and report to the Trade Committee.</p>	<p>⊕ DOMESTIC ADVISORY GROUPS A DAG each for Vietnam and the EU, with representatives from employers' and workers' organisations, businesses and so on. DAGs advise on the implementation of the TSD Chapter.</p>
<p>⊕ PANEL OF EXPERTS Independent experts nominated by the Parties are to be called upon to examine and make recommendations on matters not addressed satisfactorily by the Committee on Trade and Sustainable Development in the TSD Chapter.</p>	<p>⊕ JOINT FORUM Annual exchange of dialogue between the two DAGs and other civil society representatives on the sustainable development aspects of trade relations between the Parties.</p>

Source: Author derived from agreement text.

Regarding the three key types of provisions in the EVFTA aforementioned, as well as in other EU new-generation FTAs, these provisions aim to highlight the importance of the ILO and ILO CLS and the DWA in country partners to make sure that these labour standards and agendas are highly respected and truly implemented in these nations. The policy regimes to integrate these international labour standards/labour provisions and agendas into EU new-

but also, in a broader context, to serve the good of both the local community and the whole society. CSR aims to make business responsible, while ESG aims to make it measurable. See: Magdalena Kaźmierczak, "A Literature Review on the Difference between CSR and ESG," *Scientific Papers of Silesian University of Technology: Organization and Management Series* 2022, no. 162 (2022): 275-89.

generation FTAs have become the strategic theme, which is suitable within the context that the EU has emerged as a key partner of the ILO in promoting international law during trade negotiations⁹. Despite some variations, many developing countries have shared this strategy in their trading policies¹⁰. For instance, the US would also become an outstanding model besides the EU¹¹.

However, it seems to be believed that the ILO and its labour standards still have "*inherent limits*" due to the complexity of the ILO Conventions and Recommendations and the control procedures for their application, which is a factor that has a serious negative impact on their effectiveness¹². In addition to this, many factors must be taken into account to consider whether international labour standards could work effectively in destination countries or not. These factors, including political, social, and economic backgrounds, would somewhat be regarded as "barriers" for those labour standards to be implemented in a country or region. For instance, compliance with national labour laws or international labour standards in the areas of child labour, occupational safety and health, and the minimum wage remains a challenge in many countries and regions nowadays¹³.

So the question would be raised here that, in the case of being embedded in new-generation FTAs with supporting mechanisms to guarantee effective implementation, besides the context that the EU and the ILO have a tendency to intentionally strengthen hand-in-hand relationships in trade negotiations¹⁴, whether the international labour standards and the DWA could effectively and truly work in destination countries. In other words, would these "old wine"-ILO labour standards and DWA-be truly complied with by trading partners of the EU under "new bottles"-new-generation FTAs? To answer this question would be really meaningful in helping the EU assess and further achieve the sustainable development goals (SDG) in trade, besides maintaining a stable environment for trade and investment in partner countries. This argument would be easily proved because, on the one hand, recent experiences

⁹ Daniela Sicurelli, "The EU as a Partner of ILO in Trade Negotiations. Explaining Labour Reform in Vietnam", *Journal of Contemporary European Studies* 30, no. 3 (2021): 461-473.

¹⁰ This information would be further explained in Chapter II of the dissertation regarding the trade-labour linkages in EU FTAs.

¹¹ Francesco Giumelli and Gerda van Roozendaal, "Trade Agreements and Labour Standards Clauses: Explaining Labour Standards Developments through a Qualitative Comparative Analysis of US Free Trade Agreements," *Global Social Policy* 17, no. 1 (2017): 38-61.

¹² Nikita Lyutov, "The ILO System of International Labour Standards and Monitoring Procedures: Too Complicated to Be Effective," *Zbornik Pravnog Fakulteta u Zagrebu* 2, no. 64 (2014): 255-276.

¹³ ILO, *Handbook on Assessment of Labour Provisions in Trade and Investment Arrangements* (Geneva: ILO, 2017), 56. This similar scenario was recognised in the garment sector with the continuum of labour exploitation in Bangladesh; see Shaila Ahmed and Shoba Arun, "Limits to Disclosures and the Continuum of Labour Exploitation in the Bangladeshi Ready-made Garment Sector," *Development in Practice* 33, no. 2 (2022): 228-37.

¹⁴ EU, "Exchange of Letters between the European Commission and the International Labour Organization," *Official Journal of the European Communities*, 8 Jun 2001, LexUriServ.do

from international legal practice and labour dispute settlement cases reveal the fact that the limits of compliance under FTAs in terms of labour commitments among nations globally, even for developed ones like Korea¹⁵, the EU, and the US and as well as the country parties are unlikely to hesitate to launch the dispute settlement procedures related to these commitments¹⁶. On the other hand, it is undeniable that with the high level of codification in the EU legal system, there have been new trends in EU policy, including the trend in promoting CSR. The CSDDD (proposal in 2022) was provisionally agreed at a political level in Dec 2023¹⁷, and according to this trend, Germany, France, Italy, Sweden, Norway, Ireland, Denmark, and the Netherlands have internalised this policy into their domestic legislation¹⁸. In collaboration with the concept that in some countries, for example, Vietnam, there is a lack of a formal explicit CSR regulation regarding labour, while this trend in the EU is becoming mandatory, as a consequence, the legal gap between the EU and trading partners has broadened, along with much more attention paid by the EU to the compliance of trading partners under the labour commitments in TSD chapters¹⁹. Therefore, in order not to put Vietnam in Korea's place and so as to make this study contribute to setting a model for research not only for Vietnam but also for other countries when negotiating within new-generation FTAs in terms of labour commitments, it is urgently necessary to require an in-depth comprehension of labour commitments in EU FTAs in general and the EVFTA in particular and then examine the compliance of these commitments in the reality of the host nation, Vietnam. And within the scope of the dissertation, "compliance" here can be understood as the fulfilment of obligations arising out of labour commitments promulgated in the TSD Chapter in the EVFTA through whatever implementation measures on the domestic level²⁰ in Vietnam regarding law and practice perspectives.

¹⁵ European Commission, *Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Implementation and Enforcement of EU Trade Agreements*, COM(2022) 730 final (Brussels: European Commission, 2022), 17-18.

¹⁶ See the case involving the US and Guatemala within the Dominican Republic-Central America FTA (CAFTA-DR), in Kevin Banks, Theodore R. Posner and Ricardo Ramirez Hernandez, *Dominican Republic – Central America – United States Free Trade Agreement: Arbitral Panel Established Pursuant to Chapter Twenty*, In the *Matter of Guatemala – Issues Relating to the Obligations Under Article 16.2.1(a) of CAFTA-DR*, 2017.

¹⁷ EU, "Corporate Sustainability Due Diligence," *European Commission*, [Corporate sustainability due diligence - European Commission](#).

¹⁸ Xuan Thu Nguyen, Tien Dung Nguyen and Huyen Nguyen, "Towards the Corporate Social Responsibility on Labour in the Era of New-Generation Free Trade Agreements: the Case of EVFTA," *Acta Universitatis Carolinae Iuridica Journal* 70, no. 3 (2024): 71-89.

¹⁹ European Commission, *Communication from the Commission to the European Parliament, the Council and the European Economic and Social Committee on Decent Work Worldwide: For a Global Just Transition and a Sustainable Recovery*, COM(2022) 66 final (Brussels: European Commission, 2022), 15-16.

²⁰ Lars Thomann, *Steps to Compliance with International Labour Standards: The International Labour Organization (ILO) and the Abolition of Forced Labour* (Wiesbaden: VS Verlag für Sozialwissenschaften / Springer Fachmedien Wiesbaden, 2012), 11.

1.2. The Importance, Aims, and Relevance of the Research

In addition to the general background of the dissertation, Vietnam has been becoming the strategic trading partner of not only the EU but also other developed and developing countries²¹. So it is undeniable that Vietnam has to comply with international obligations under multinational and bilateral treaties, including labour commitments. Under these circumstances, the dissertation would play a significant role in: *First*, giving Vietnam a valuable chance and timely warning to revisit and reform the domestic legal system²², especially labour law, and most importantly, in order to adhere to the ILO labour standards within the context of the EU and ILO “making friends” in trade negotiations²³. It is really meaningful for this country because of the consequence that Vietnam has just ratified almost all ILO fundamental conventions, but the process of internalisation in domestic legislation is still relatively "slow", and there are also inherent limitations beside the new LC²⁴. *Second*, as the most comprehensive and ambitious FTA between the EU and a developing country²⁵, the dissertation may then be utilised as a blueprint and instructional tool for the EU's ongoing FTA negotiations with developing ASEAN countries (Thailand²⁶, Malaysia²⁷) and then provide key recommendations and future lessons for other developing nations to effectively implement labour commitments included in new-generation EU FTAs in the long run because the EVFTA has something in common (key provisions indicated) with previous EU FTAs like the FTA between the EU and Korea and upcoming EU FTAs in negotiations. *Third*, by examining the nature of labour commitments in the EVFTA, the dissertation also helps Vietnam avoid undesired international disputes related to these commitments that may be harmful to the trade and investment environment, and moreover, this would give a hand in promoting sustainable development in this country²⁸.

²¹ For instance, under the CPTPP between Canada, Australia, Brunei, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Vietnam; See: Munim Kumar Barai, Thi Ai Lam Le and Nga Hong Nguyen, “Vietnam: Achievements and Challenges for Emerging as a FTA Hub,” *Transnational Corporations Review* 9, no. 2 (2017): 51-65.

²² Angie N Tran, Jennifer Bair and Marion Werner, “Forcing Change from the Outside? The Role of Trade-Labour Linkages in Transforming Vietnam’s Labour Regime,” *Competition & Change* 21, no. 5 (2017): 397–416.

²³ Sicurelli, “EU Partner ILO Trade Negotiations”, 461-473.

²⁴ Xuan Thu Nguyen, Tien Dung Nguyen and Xuan Hung Nguyen, “Labour Commitments in the EVFTA: Amendments and Supplements to Vietnamese Law and Recommendations,” *Journal of Law, Policy and Globalization* 125(2022): 76-83.

²⁵ Delegation of the EU to Vietnam, *Guide to the EU-Vietnam Trade and Investment Agreements* (Hanoi, 2019), 6.

²⁶ EU, “EU Trade Relations with Thailand. Facts, Figures and Latest Developments,” *European Commission*, [EU trade relations with Thailand](#).

²⁷ EU, “EU trade relations with Malaysia. Facts, Figures and latest Developments,” *European Commission*, [EU trade relations with Malaysia](#).

²⁸ EVFTA, art. 13.1.

To be consistent with the dissertation topic and scope, this research aims to clarify and provide profound knowledge²⁹ of theories regarding compliance with international agreements and labour commitments in the EVFTA under the TSD Chapter, which is the representative of the new-generation EU FTAs among developing countries, and then to judge the level of compliance of Vietnamese labour law regarding these commitments in law and practice. One more key aim of this dissertation is that even though, in terms of labour commitments compliance under the EVFTA in Vietnam, some official documents have been released by the Vietnamese government, there are still conflicts or drawbacks within these materials when compared to reports from other nations or international organisations³⁰. So we strive to conduct independent empirical research to disclose the "*inherent limits*" of Vietnam in fulfilling labour commitments in the EVFTA, including both legislative and practical perspectives, and then to make valuable and direct recommendations to help this nation fully abide by these labour commitments and, last but not least, further improve the level of compliance with an international agreement, in the case of Vietnam under the EVFTA.

The dissertation is not just focusing on labour commitments in the EVFTA; we pursue looking at the whole picture, not only the second (new)-generation but also the first-generation EU FTAs among developing countries as well as some developed countries and FTAs from the US and regional FTAs in which Vietnam has been a member, and of course, we have also examined recent EU FTAs to have deeper insights into labour commitments under the EVFTA and conclude what is becoming the "vogue". This is absolutely meaningful for Vietnam, under the circumstances of liberalisation and globalisation, to prepare earlier and narrow down the legislative gap between this nation and other partners, especially among EU members³¹.

1.3. Research Questions and Research Hypotheses

There are major research questions with the aims of the dissertation and sticking to the dissertation topic:

²⁹ The dissertation would also shed light on the rationales of labour commitments in EU FTAs, the characteristic traits and nature of these commitments in the EVFTA in particular and other EU FTAs in general. These are logically explained in Section 2.3 of Chapter II.

³⁰ This argument would be indicated in Chapter V.

³¹ For instance, regarding labour commitments in EU FTAs, from the EU's perspective, in Apr 2021, the European Commission published its proposal for the new CSDDD, which intends to make new sustainability reporting mandatory from 2023. However, the legislative aspects of these concerns might still be ambiguous in Vietnam.

(1) *What does the EVFTA require Vietnam to comply with in terms of labour commitments?* (2) *What has Vietnam done to fulfil labour commitments under the EVFTA? and* (3) *Has Vietnam truly complied³² with these labour commitments?*

In order to respond to the aforementioned research questions, the dissertation has several minor questions: (1) *Why has the EU introduced labour commitments into EU FTAs?;* (2) *How would "compliance" be understood within the international legal system?* (3) *How are labour commitments promulgated in the EVFTA and other EU FTAs?;* (4) *What are amendments and supplements to Vietnamese labour law in accordance with the EVFTA?;* (5) *What are the pros and cons of the implementation of labour commitments under the EVFTA in Vietnam?.*

The first question was triggered by the phenomenal proliferation of labour commitments/provisions (social standards) in FTAs recently and stems from the circumstance that, dating back to the 1990s, the EU, US, and developed countries attempted to integrate labour standards into multilateral coordination of trade liberalisation (WTO negotiations) but unsuccessfully because of opposing ideas from other developing nations, leading the EU and many states to turn to bilateral coordination to further their agendas. Hence, labour commitments/provisions have featured significantly in EU trade policy-making. Since the 2011 FTA with Korea, the EU has packaged such commitments with environmental protection rules in a TSD chapter. These chapters have become an integral part of the EU's new generation trade agreements, understood within Brussels as comprehensive agreements that go beyond WTO rules to address "behind the border" issues such as competition policy, regulatory cooperation, and public procurement contracting³³. These contexts urge us to find the reasons why the EU has incorporated labour commitments into EU FTAs; in other words, what are the rationales that underlie trade-labour linkages in EU policy in general and the labour commitments under the new-generation EU FTA in particular? This query would be answered in Chapter II of the dissertation.

The second and third questions come from the logical thinking that before giving a judgement on the compliance of Vietnamese labour law under labour commitments in the EVFTA, we should have a thorough understanding of compliance with commitment in the international legal system and of these commitments by examining three key pillars/provisions of labour commitments in the EVFTA and related EU FTAs as well, and then further disclose

³² In other words, this means to follow directions or instructions of those labour commitments fully and sincerely. See: [TRULY | English meaning - Cambridge Dictionary](#).

³³ Roberto Bendini, "The Future of the EU Trade Policy", *Policy Department, DG EXPO*, 2015, [The future of the EU trade policy](#).

the nature of these commitments, which are placed in Chapter III of the dissertation. Moreover, this would also set a firm foundation to assess and evaluate what Vietnam has done to fulfil labour commitments under the EVFTA in the next research question.

The fourth question, following the ideas in the second and third ones, focuses on the amendments and supplements to Vietnamese labour law in terms of the three key pillars/provisions for labour commitments in accordance with the EVFTA. This would be clarified in Chapter IV of the dissertation, which is deemed to assess the level of compliance of Vietnamese labour law within the EVFTA in terms of legal aspects.

The final question would be expected to be the key question of the whole dissertation's aim-to not only recognise the positive outcomes but also ultimately reveal the "*inherent limits*" of Vietnam in fulfilling labour commitments under the EVFTA. Chapter V, which focusses on practical aspects, will answer this final question, unlike the fourth question.

To answer the further question of whether Vietnam has truly complied with labour commitments within the EVFTA, which also helps us more carefully assess the level of compliance of Vietnamese labour law under the labour commitments in the EVFTA, we are supposed to examine two hypotheses: (1) *The signing of the EVFTA has played a significant role in revolutionising Vietnamese labour law* and (2) *Labour commitments under the EVFTA have a great impact on improving labour rights in Vietnam.*

For the first hypothesis, as discussed earlier, becoming an FTA hub among countries and regions around the world-not only the EVFTA but also other FTAs, for instance, the CPTPP-requires Vietnam to comply with labour commitments, first and foremost from a legislative perspective. But whether the EVFTA has impacted on the Vietnamese labour law revolution recently is still a concern for us when conducting the dissertation. In other words, is the Vietnamese government willing to reform domestic labour laws to adhere to the EVFTA? Is there anything changed from the beginning phase (pre-ratification of the EVFTA) to the next phase (post-ratification of the EVFTA)? This subject matter would be examined in Chapter IV of the dissertation.

For the second hypothesis, to answer the ultimate research question as well as the desired goals of the dissertation, we should bear in mind that labour commitments under the EVFTA are promulgated in the TSD Chapter, and under this chapter, the EU and Vietnam have mutual objectives of sustainable development³⁴. Therefore, evaluating the compliance of Vietnamese labour law with EVFTA labour commitments also involves assessing the practical

³⁴ EVFTA, art. 13.1.

outcomes of labour rights and conditions in Vietnam. It is also the ILO DWA's purposes that both the EU and Vietnam have pursued to fulfil in the upcoming years under the context of the EVFTA³⁵.

1.4. Methodology

This dissertation employs the following fundamental methods:

1. Comparative Method
2. Case Study Method
3. Deductive Method
4. Qualitative Method

Not to utilise each method solely, we make the most of each in collaboration with each other if possible. But in general, we intentionally apply the methods that help us achieve the desired aims of the dissertation. For more details:

The comparative method is mainly used in Chapter III of the dissertation to compare the EVFTA with other EU FTAs from developing and some developed countries, as well as between first-generation and second-generation EU FTAs, to show the unique features of labour commitments in the EVFTA specifically and in EU FTAs overall, supporting the EU's claim that the EVFTA is the most promising and comprehensive FTA between the EU and a developing country. Additionally, the comparative method is used to provide a wider view of labour commitments in other FTAs, like the CPTPP or regional FTAs that Vietnam is part of, to further confirm the special features of labour commitments in EU FTAs.

In addition, the case study method is also employed in Chapter III of the dissertation, which concisely examines the case as a "milestone dispute" between the EU and Korea within the context of labour commitments in the EU-Korea FTA. The case study will help provide a deeper understanding of labour commitments in the TSD Chapter of EU FTAs compared to US FTAs, and it will also give a complete view of labour commitments in EU FTAs. As a result, the dissertation shows what these labour commitments are, what they mean for policy, and what is expected from the EU's partners in EU FTAs, especially regarding important

³⁵ See the *Johannesburg Plan of Implementation of the World Summit on Sustainable Development* of 2002, the *Ministerial Declaration of the United Nations Economic and Social Council on Full Employment and Decent Work* of 2006, the *ILO Decent Work Agenda*, the *Outcome Document of the United Nations Conference on Sustainable Development* of 2012, and the *Outcome Document of the United Nations Summit on Sustainable Development* of 2015, entitled *Transforming Our World: the 2030 Agenda for Sustainable Development*. Also see: EU, "Employment and Decent Work," [European Commission, Employment and decent work - European Commission](#).

commitments, and then offers recommendations for Vietnam and other EU FTA countries in the future to avoid facing the same issues as Korea.

The deductive method is employed to test and prove general observations through specific facts, in contrast with the inductive method, which initiates from specific facts, reaching general results³⁶. Hence, the deductive approach in this dissertation is an obligatory method to test the hypothesis. For this end, the dissertation encompasses relevant data from Vietnam in empirical research to prove the actuality of the hypothesis, so this method would be used mostly in Chapters IV and V of the dissertation.

The qualitative method is also selected to conclude the results of the dissertation. It is important to note that despite the utilisation of numbers and statistics, this can still be classified as a qualitative study, as it primarily emphasises legal documents, case studies, literature reviews, and data analysis. The dissertation is typically articulated through writings and language to convey concepts, ideas, or experiences. Statistics and graphs are employed to substantiate notions and evaluate our hypotheses. This dissertation utilises both secondary and primary data. The primary sources for the secondary data include international legal documents, legislation, scholarly books, treaties, journal articles, and statistics and graphs produced by both formal and informal entities for various objectives that differ from the aims of this study. The core data resources comprise the outcomes of empirical research undertaken in Vietnam, namely surveys and experiments. For more details, the author has conducted the empirical research³⁷ in two years, from June 2023 to June 2025, with one mobility semester in Vietnam (the second semester in the academic year 2024-2025³⁸). As a senior lecturer at Hanoi Law University, one of the biggest and most prestigious universities of law in Vietnam, the author has employed a huge number of respondents who are postgraduates or contemporary students and have one or more bachelor's degrees. These groups include people who are in varied positions in the labour market, ranging from experts, state management officials, and enterprise-level managers to workers. The results have been collected through either a single interview (cited in the dissertation) or an online interview. The author has tried to invite respondents from various working and different geographical areas in Vietnam, especially in the construction, processing and manufacturing industries, finance, banking and insurance, to

³⁶ Earl Babbie (Chapman University), *The Practice of Social Research*, (Belmont, CA: Cengage Learning, Inc, 2020), 23.

³⁷ The key findings and results of the empirical research have been published in the latest article:

Tien Dung Nguyen et al., *Insights into Labour Commitments in the EVFTA and Policy Implications for Vietnam*, *Lentera Hukum*, ISSN 2355-4673 (Print) 2621-3710 (Online), 12:3 (2025), 456-495.

³⁸ Approved by Professor Henriett Rab and the University of Debrecen

figure out that, according to the government, the EVFTA has an economic impact on these areas, but the legal impact of this FTA is still low³⁹. See Table 2 below⁴⁰:

Table 2. Distribution of Interviewees by Category*
June 2023 - June 2025

	Capital <i>Business managers/ owners, industry representatives</i>	Labour <i>Trade union officials, labour representatives, workers</i>	State <i>Politicians, civil servants, labour inspectors, EU/Vietnam delegates</i>	Others <i>Academics, researchers, consultants, advisers, jurists, NGO representatives, ILO officials</i>	Civil Society Mechanism <i>Interviewees involved in Consultative Committee or Domestic Advisory Group</i>
Red River Delta	32	45	8	16	4
Ha Noi Capital City, Vinh Phuc, Bac Ninh, Quang Ninh, Hai Duong, Hai Phong, Hung Yen, Thai Binh, Ha Nam, Nam Dinh, Ninh Binh					
Northern midlands and mountainous	27	38	6	10	
Ha Giang, Cao Bang, Bac Kan, Tuyen Quang, Lao Cai, Yen Bai, Thai Nguyen, Lang Son, Bac Giang, Phu Tho, Dien Bien, Lai Chau, Son La, Hoa Binh					
North Central & Central Coast	20	25	5	3	
Thanh Hoa, Nghe An, Ha Tinh, Quang Binh, Quang Tri, Hue, Da Nang, Quang Nam, Quang Ngai, Binh Dinh, Phu Yen, Khanh Hoa, Ninh Thuan, Binh Thuan					
Western Highlands	16	24	3	4	
Kon Tum, Gia Lai, Dak Lak, Dak Nong, Lam Dong					
Southeast Regions	30	42	6	8	
Binh Phuoc, Tay Ninh, Binh Duong, Dong Nai, Ba Ria-Vung Tau, Ho Chi Minh City					
Mekong Delta	25	18	2	6	
Long An, Tien Giang, Ben Tre, Tra Vinh, Vinh Long, Dong Thap, An Giang, Kien Giang, Can Tho, Hau Giang, Soc Trang, Bac Lieu, Ca Mau					
Total	150	192	30	47	4

Source: Author

Note: * includes individuals in focus groups who are cited in the text as a single interview

³⁹ Section 5.2.3 and 5.2.4 in Chapter V

⁴⁰ Interview form available at: <https://forms.gle/4SGrQ56KhYXjtUyW9>

1.5. Structure of the Research

This dissertation consists of six chapters. Chapter I, Introduction, addresses the general background, scope of dissertation, research questions and hypotheses, methodology and dissertation structure.

Chapter II provides the theories and policies behind the proliferation of EU FTAs, ranging from the trade liberalisation theory to the beginning of PTAs and then FTAs. This chapter focuses on EU policy regarding FTAs, especially new-generation FTAs, including the EVFTA. Chapter II also illustrates the rationales behind the trade-labour linkage in EU FTAs to explain the presence of labour commitments in EU new-generation FTAs. In addition to this, and in order to set a foundation to examine the level of compliance of Vietnamese labour law in terms of labour commitments in the EVFTA, Chapter II clarifies the theory regarding compliance with international agreements, and in collaboration with the EVFTA labour commitments model exempted from the general modelling approach in the EU-Korea FTA and other FTAs, this chapter ultimately formalises the theoretical framework-"Vietnamese Labour Law Compliance Evaluation under the EVFTA"-that would be utilised in the next sections of the dissertation.

Then labour commitments in the EVFTA would be carefully examined from the point of view of EU policy. Stemming from the initiative ideas to introduce labour commitments in TSD chapters and signing the new-generation FTAs with ASEAN, including Vietnam, and then the EVFTA, in collaboration with the case study as a "milestone case" regarding the dispute settlement between the EU and Korea in terms of labour commitments in the TSD Chapter, Chapter III would shed light on the nature of labour commitments and policy implications that are exempt from the case above as well as trends in EU FTA negotiations recently. These would be the obligations and requirements from the EU that Vietnam has to comply with in the context of the EVFTA labour commitments.

Chapter IV focuses on amendments and supplements to the Vietnamese legislation, especially labour law in Vietnam, by way of the process tracing method to highlight the importance of the EU and the EVFTA in revolutionising the domestic legal system. In this chapter, it also illustrates the limitations of Vietnamese labour law from the legal perspective and then suggests the solutions to restrict these limitations regarding the three key pillars of labour commitments aforementioned.

Compared to the legislative perspective in Chapter IV, Chapter V focuses on the practical perspective of implementing labour commitments in the EVFTA. To be consistent

with Chapter II, especially the theoretical framework concluded in this chapter, it sticks to the international, national and local levels of state behaviour regarding substantive and procedural compliance. And similarly to Chapter IV, by pointing out the limitations of the implementation of labour commitments in the EVFTA, further solutions would be highly recommended to enhance the level of compliance of Vietnamese labour law regarding these labour commitments in the EVFTA.

Each chapter has its final remarks to summarise and highlight the key findings and important achievements gained. Concluding thoughts and answers to the research questions and hypotheses would be located in Chapter VI. With these ultimate findings and conclusions, this chapter would be expected to depict the whole picture of Vietnamese labour law regarding labour commitments in the EVFTA from the view of compliance so as to make useful and practical recommendations for the Vietnamese government to truly fulfil their international obligations under a new-generation FTA with the EU.

CHAPTER II
EU FREE TRADE AGREEMENTS AND LABOUR COMMITMENTS:
POLICIES AND THEORIES

2.1. Trade Liberalisation and Free Trade Agreements

2.1.1. Historical and Theoretical Backgrounds

*"Trade liberalisation is the removal or reduction of barriers in the flow of goods and services across the border of economies/countries. This removal is for both tariff and non-tariff barriers. Tariff barriers include duties and surcharges; likewise, non-tariff barriers include licensing rules, quotas, and other requirements. The ultimate goal of trade liberalisation is free trade."*⁴¹

In recent decades, trade liberalisation has been regarded as a significant policy instrument for integrating the activities of the poor in developing countries into global markets and enhancing their livelihoods. Thus, trade liberalisation serves as a mechanism for economic growth and equitable distribution⁴².

To thoroughly examine trade liberalisation from an economic standpoint, certain milestones warrant discussion:

Initially, concerning the "classical" underpinnings of trade liberalisation. The principle that commerce promotes prosperity and growth has a rich historical lineage, tracing back to eminent classical economists such as Adam Smith (1723–90), David Ricardo (1772–1823), and John Stuart Mill (1806–73). Smith emphasised the significant function of trade as an outlet for excess domestic production and as a mechanism for expanding the market, so facilitating more specialisation or division of labour. Increased trade will promote growth by fostering "dynamic economies of scale" linked to capital accumulation, technological advancement inherent in capital, and the dissemination of knowledge⁴³. Ricardo emphasised that the foundation of commerce is not merely a means to dispose of surplus goods and facilitate market expansion and specialisation, as proposed by Smith, but rather the disparities in labour productivity (or relative costs) among countries in the production of various goods. This

⁴¹ Sanjaya Acharya (2015), "Trade Liberalization," in *Palgrave Dictionary of Emerging Markets and Transition Economics*, ed. Jens Hölscher and Horst Tomann (Basingstoke England, Boston, Massachusetts: Palgrave Macmillan, Credo Reference, 2017), 393.

⁴² *Ibid.*, 394.

⁴³ A. P. Thirlwall and Pénélope Pacheco-López, *Trade Liberalisation and The Poverty of Nations* (Cheltenham: Edward Elgar, 2009), 4.

introduces the concept of comparative advantage. A nation may possess an absolute productivity advantage in the production of all goods; however, according to Ricardo's notable theorem, it remains beneficial for a country to specialise in commodities where it holds a comparative advantage, specifically in those goods where relative labour productivity is maximised or where the opportunity cost of production is minimised. Ricardo does not specify the factors that influence relative disparities in productivity and costs; however, it is evident that resource endowments-such as natural resources, labour, human capital, and technological advancement-will be the primary determinants⁴⁴.

Ricardo's theorem is a potent and highly influential principle, as it underpins the idea of free trade, asserting that countries would invariably gain from trade liberalisation. The theoretical foundation of trade liberalisation is the principle of comparative advantage, which posits that it is logical for nations to specialise in and export those goods in which they possess relative efficiency. In David Ricardo's (1817) seminal two-country, two-product model, even if Portugal incurs higher absolute costs in producing wine and cloth compared to England, engaging in trade remains advantageous due to specialisation, which optimally allocates resources, particularly labour, to their most productive uses, thereby enhancing overall economic output. The model for unrestricted resource allocation establishes equilibrium between the two nations; in its absence, although one nation may excel in the production of both items, it will lack export opportunities. The core of Ricardo's theory concerning specialisation has formed the foundation of conventional neo-classical economic analysis since⁴⁵.

John Stuart Mill reaffirmed Adam Smith's assertion that trade expands the market for goods, facilitating the division of labour: "A country that produces for a market larger than its own can implement a more extensive division of labour, utilise machinery more effectively, and is more inclined to innovate and enhance production processes." Mill emphasised the function of trade as a medium for the global transmission of ideas and technologies. Three primary forces are at play here. A domestic purchaser of an imported product may replicate the production method or modify the new process if it is patented. Secondly, a direct exchange of ideas may occur between the importer and exporter. Thirdly, newly imported goods may inspire concepts for further product types, hence enhancing welfare⁴⁶.

⁴⁴ Ibid., 5-6.

⁴⁵ Ibid., 7-11.

⁴⁶ Ibid., 12-13.

Despite differing viewpoints, these classical economists would endorse trade liberalisation as a mechanism to enhance the standard of living, as indicated by the average per capita income of a nation's population. The static benefits of trade liberalisation are expected to elevate income levels through resource reallocation in accordance with the law of comparative advantage, while the dynamic benefits, linked to increased competition, the influx of new knowledge, and accelerated capital accumulation, are anticipated to enhance income growth.

Secondly, concerning the *neo-classical evolution of the doctrine of comparative advantage*, attributed to Swedish economists Eli Heckscher (1919) and Bertil Ohlin (1933) in the 1930s, known as the Heckscher-Ohlin theorem (H-O theorem), the H-O theorem posits that when countries engage in trade, each country exports the good that utilises the resource abundant in that nation⁴⁷. Poor countries with an abundance of labour and limited capital should find it comparatively economical to produce and export labour-intensive goods, whereas wealthier nations with greater capital and a relative scarcity of labour should find it more cost-effective to produce and export capital-intensive commodities. This trend is expected to result in enhanced wage equality in impoverished nations and increased inequality in affluent countries. The relationship between trade and wages is mediated by fluctuations in product pricing. They contended that the specialisation pattern was dictated by the relative availability of "factor endowments" in capital, land, and labour, with commerce functioning as an arbitrage mechanism that reallocates factors from areas of abundance to areas of scarcity. Consequently, it was anticipated that trade would establish an international division of labour, wherein capital-abundant economies export capital-intensive products such as automobiles, land-abundant economies export commodities like maize, and labour-abundant economies export items such as apparel. The Heckscher-Ohlin model underwent additional development based on this fundamental logic⁴⁸.

The 1941 Stolper-Samuelson theorem asserted that trade-induced changes must lead to a decrease in real income for at least one factor of production. In impoverished nations, the prices of labour-intensive goods will increase, reallocating resources to those sectors and elevating the demand, and consequently salaries, for unskilled labour. Conversely, the prices of skill-intensive products will decline, leading to a decrease in the demand for skilled labour and a reduction in salaries. In affluent nations, the demand for unskilled labour diminishes while the demand for skilled labour increases. Paul Samuelson (1948) later provided a logical

⁴⁷ Acharya, *op. cit.*, 395.

⁴⁸ Thirlwall and Pacheco-López, *op. cit.*, 14-17.

demonstration that, under specific conditions, free trade would result in the equalisation of factor prices, such as wages, across countries. Other economists, in contrast, differentiated labour into "skilled" and "unskilled" components to ascertain more precise distributional effects. This body of work suggests that without the redistribution of trade gains, workers in capital-abundant economies engaged in import-competing sectors may experience wage erosion, highlighting a concern regarding international convergence that has been a focal point in Anglophone scholarship on trade politics, particularly relevant to the industrial manufacturing sectors in North America and Western Europe⁴⁹.

Although neoclassical theory appears attractive and credible at first glance, its fundamental assumptions are weak in practice, and empirical data fails to substantiate it. The salary disparity between unskilled and skilled labour in developing nations has not diminished with trade liberalisation, and the income gap between affluent and impoverished countries has not decreased over time; rather, it has expanded. The aforementioned theorem is constrained by its focus on only two categories of nations: impoverished developing countries and affluent developed countries. However, when a developing nation liberalises its trade, it will increase both exports and imports with developed and other developing countries. As the demand for labour-intensive exports from impoverished nations increases in wealthy countries, wages in these nations may rise; yet, they may also decline due to competitive imports from other emerging countries. Mexico, for instance, gains from exporting labour-intensive goods to the US but currently endures labour-intensive imports from China. The wages of unskilled work in impoverished nations result from a balance of competing forces. The Heckscher–Ohlin theorem neglects the influence of long-term capital flows between nations, especially the ramifications of multinational investments in developing countries. The liberalisation of trade typically enhances the influx of foreign direct investment into emerging nations, hence increasing the need for both skilled and unskilled employment. An increase in the demand for skilled labour, relative to its supply, will elevate the wages of skilled work compared to unskilled labour in developing nations, hence contradicting the forecasts of the Heckscher–Ohlin model.

*Thirdly, concerning contemporary enthusiasm for free trade*⁵⁰. Despite the emergence of "new" growth theory, or endogenous growth theory, which integrates trade as introduced by Grossman and Helpman, wherein technical change is endogenous, trade influences growth by facilitating access to imported inputs and innovative ideas, as well as by expanding market size.

⁴⁹ Smith, *op. cit.*, 50-51.

⁵⁰ Thirlwall and Pacheco-López, *op. cit.*, 17-22.

They demonstrate that trade protection can enhance the long-term development rate of an economy if it stimulates investment in research-intensive sectors where a country possesses a competitive advantage. Protection will maintain anticipated profits at levels beyond those under free trade competition. Furthermore, this is corroborated by China's situation, which, despite not adhering to a laissez-faire, free trade economy, exhibits the highest growth rate of exports and GDP globally. China adopts an autonomous development policy, often referred to as the "Beijing Consensus", which renders it circumspect regarding free trade and the unrestricted flow of international money, however not in relation to attracting long-term foreign direct investment. However, it cannot be denied that significant pressures exist on developing nations: (i) the intellectual shift towards free markets; (ii) institutional pressures from the WTO (the successor to the GATT), established in 1995, as well as the World Bank, the IMF, and other international organisations; many developing countries are, regrettably, either too small and vulnerable or too unstable to resist the orthodoxy of trade liberalisation due to their dependence on financial assistance from the IMF and World Bank; (iii) increased awareness of the efficiency losses associated with trade restrictions, derived from major empirical studies conducted across countries, sponsored by the OECD and the National Bureau of Economic and Social Research in the US; and (iv) the perceived inadequate economic performance of countries that adopt protectionist measures. Consequently, these serve as motivations for trade liberalisation in the international and bilateral trade frameworks that the EU, US, and other industrialised nations have pursued since that time. Particularly for the EU, despite fluctuations, they have consistently adhered to this liberalisation policy⁵¹ by participating in recent trade deals⁵².

To capitalise on the benefits of trade liberalisation for poverty alleviation in developing countries, their exports must have duty- and quota-free access to global markets; hence, the EU has granted preferential treatment to numerous developing nations in this context. To enhance the effectiveness of this provision, access to these markets must be perpetual, inclusive of all commodities and services, and accompanied by straightforward and transparent norms of origin. This is anticipated to influence further domestic economic reforms and the efficient utilisation of debt and aid collaboration⁵³. Consequently, particularly through bilateral trade agreements, the liberalisation of trade among nations fosters "fairer trade"⁵⁴, and the majority

⁵¹ Yelter Bollen, Ferdi De Ville and Jan Orbie, "EU Trade Policy: Persistent Liberalisation, Contentious Protectionism," *Journal of European Integration* 38, No. 3(2016): 279-294.

⁵² This would be further clarified in the next part of this chapter.

⁵³ Acharya, *op. cit.*, 397.

⁵⁴ Jagdish Bhagwati, "After Seattle: Free Trade and the WTO," *International Affairs* 77, no. 1 (2001): 15-29.

of nations would endorse the "invisible hand" of a free market comprising rational actors, wherein bilateral agreements diminish trade barriers, reduce the costs of goods and services, and contribute to the enhancement of living standards in partner nations⁵⁵.

2.1.2. From Preferential Trade Arrangements to Free Trade Agreements

PTAs represent a contemporary reality in the global economy and serve as one of the two principal pillars governing international trade, alongside the WTO. In light of the persistent impasse in multilateral trade negotiations, both developed and developing nations are increasingly inclined to participate in PTAs. The quantity of PTAs has surged recently, indicating a significant transition from multilateralism to bilateralism in the global trading system⁵⁶.

Milner and Mansfield characterise PTAs as “international agreements that aim to promote economic integration among member states by improving and stabilising the access that each member has to the other participants’ markets.⁵⁷” This is accomplished by eliminating trade obstacles among PTA participants, thereby allowing preferential access to each other’s markets. In contrast to the multilateral trading system founded on the MFN principle, PTAs are inherently discriminatory, as trade benefits are only granted to their members. Despite ongoing debates among experts over the efficacy of bilateral agreements inside the multilateral trading framework represented by the WTO⁵⁸, PTAs are unequivocally the predominant characteristic

⁵⁵ The conception of the “invisible hand” in the free market is attributed to Adam Smith and his *Wealth of Nations*, although in the two passages in which he refers to the invisible hand of the individual, not the state. See: Adam Smith, *An Inquiry into the Nature and Causes of the Wealth of Nations*: Volume 01 (London: Printed for W. Strahan, 1776); and T. Cadell, paras IV.2.9 and IV.1.10.

⁵⁶ To date, history points to complementarity between PTAs and external liberalisation, where bilateral agreements during the 19th century induced broader trade liberalisation. See: Evgeny Postnikov, *Social Standards in EU and US Trade Agreements* (Abingdon, Oxon: Routledge, 2020), 1; Jean-Pierre Chauffour and Jean-Christophe Maur, *Preferential Trade Agreement Policies for Development: A Handbook* (Washington: World Bank, 2011), 134.

⁵⁷ PTA—a broad class of international agreements that includes preferential agreements, free trade areas, customs unions (CUs), common markets, and economic unions. See: Mansfield, Edward D., and Helen V. Milner, *Votes, Vetoes, and the Political Economy of International Trade Agreements*, Princeton, NJ: Princeton University Press, 2012. Recently, in the international economics and law literature, “PTA” is an umbrella term encompassing several types of reciprocal agreements between trading partners: regional trade agreements (RTAs), FTAs, and CUs. This definition differs from that of the WTO, which defines PTAs as agreements that grant unilateral (i.e., non-reciprocal) trade preferences such as the GSP schemes, under which developed countries grant preferential tariffs to imports from developing countries. This study, adhering to the definition from international economics and law, uses the term “PTA” to encompass all types of trade agreements, both within and across regions. Additionally, since FTAs that eliminate tariff and non-tariff barriers to trade among their participants are a subset of PTAs, the terms “PTA” and “FTA” are often used interchangeably. See: Aaditya Mattoo, Nadia Rocha and Michele Ruta, “Article 3 - The Evolution of Deep Trade Agreements,” *Perspectivas - Journal of Political Science* 27 (2022): 36.

⁵⁸ See the continuing debate on whether PTAs are the building or stumbling blocks for multilateral trade liberalisation (e.g. Richard Baldwin and Caroline Freund, “Preferential Trade Agreements and Multilateral Liberalization,” in *Preferential Trade Agreement Policies for Development: A Handbook*, ed. Jean-Pierre Chauffour and Jean-Christophe Maur (Washington: World Bank, 2011); Nuno Limão, “Preferential vs. Multilateral Trade Liberalization: Evidence and Open Questions,” *World Trade Review* 5, No. 2 (2006) : 155–76).

of the contemporary global economic environment and are thus integral to significant policy and scholarly discourse.

In the developed world, both the EU and US have led the establishment of PTAs with numerous nations, emerging as the foremost advocates of bilateral trade liberalisation⁵⁹. The EU and US PTAs constitute the most extensive collection of agreements between industrialised and developing nations, or North-South PTAs. The EU and US, as the two predominant economies, vie for access to emerging markets by establishing “defensive” PTAs⁶⁰ in reaction to newly signed agreements, a dynamic characterised by researchers as “competitive interdependence”⁶¹.

The agreements, classified as international treaties-including those of a commercial nature, as exemplified here-are governed by the 1969 Vienna Convention, which delineates the legal framework defining the essential components related to the validity of such agreements between states and/or international organisations. Trade agreements vary not only by the number of participants, duration, objectives, and purposes, but also by the reciprocity associated with the provision of tariff favours⁶². This indicates that various categories of trade agreements exist (refer to Table 3), defined as an alliance of nations and/or commercial blocks aiming to liberalise trade either reciprocally or non-reciprocally, based on a defined set of conditions concerning access to particular markets. This association can be classified as unilateral, bilateral, or multilateral⁶³.

⁵⁹ The EU acts as a single actor when negotiating and signing trade agreements, as external trade is a supranational policy area in which the individual member states transferred their sovereignty to EU institutions.

⁶⁰ Mark S. Manger, *Investing in Protection*, Sep 3, 2009, <https://doi.org/10.1017/cbo9780511635311>.

⁶¹ Alberta Sbragia, “The EU, the US, and Trade Policy: Competitive Interdependence in the Management of Globalization,” *Journal of European Public Policy* 17, no. 3 (2010): 368–82.

⁶² Victor M. Sánchez, *Derecho Internacional Público* (Barcelona: Huygens Editorial, 2010); Germán Pardo, *Acuerdos Comerciales y Aspectos Relacionados Con el Comercio Exterior* (Bogotá: Editorial Universidad del Rosario, 2014); Jose Baena and Giovanni Cardona, “Unión Europea y Japón: ¿El tratado de libre comercio más grande del mundo?” *Revista de Ciencias Sociales (RCS)* 15 (2019): 62–81.

⁶³ Zhenis Kembayev, *Legal Aspects of the Regional Integration Processes in the Post-Soviet Area* (Berlin, Heidelberg: Springer Berlin Heidelberg, 2009); WTO, “World Trade Report 2011: The WTO and Preferential Trade Agreements: From Co-Existence to Coherence,” *United Nations Digital Library*, 2011, [World trade report 2011](https://www.wto.org/World_trade_report_2011); Maria E. De Boyrie and Roger Johns, “The Effects of Trade Agreements on the Growth of Major Latin American Economies,” *The Journal of International Trade & Economic Development* 22, no. 3 (2013): 377–97; Paul Missios, Kamal Saggi and Halis Murat Yildiz, “External Trade Diversion, Exclusion Incentives and the Nature of Preferential Trade Agreements,” *Journal of International Economics* 99 (2016): 105–19.

Table 3. Types of Trade Agreements within the Multilateral Trading System

Types of Agreements	Regulation	Generalities	Information Sources
PTAs -Unilateral-	Vienna Convention on the Law of Treaties 1969 - UN	These trade agreements are also known as “preference law and/or unilateral tariff preferences” and are characterized by the fact that one of the two participating parties-usually a developed economy-grants full or partial nonreciprocal tariff preferences on the tariff universe of products from the beneficiary country-usually a developing economy.	USTR(2018) ⁷² ; WTO(2019) ⁷³ ; CBP (2020) ⁷⁴
Partial scope agreements -Bilateral-	General Agreement on Tariffs and Trade (GATT) 1947 and 1994 (WTO)	These trade agreements are also known as “economic complementation agreements” according to their liberalisation level and are characterized in that their parties grant each other reciprocal and partial tariff preferences on the tariff universe of products from the participating countries; these, however, are eventually expected to turn into full preferences.	SUBREI(2019) ⁷⁵ ; WTO (2019) ⁷⁶ ; UNESCAP(2019) ⁷⁷
Free trade zones -Bilateral-	<ul style="list-style-type: none"> • <i>Art. I</i> “General Most-Favored Nation Treatment”; • <i>Art. III</i> “National Treatment of Internal Taxation and Regulation”; and • <i>Art. XXIV</i> “Territorial Application - Frontier Traffic - CUs and FTAs.” 	These agreements are also known as “free trade agreements (FTAs)” and are characterized in that their two parties grant each other, as a general rule and in most cases, full, reciprocal tariff preferences on the tariff universe of the products from the participating countries.	WTO (2019) ⁷⁸ ; SUBREI (2019) ⁷⁹
CUs -Multilateral-	Enabling Clause 1979 Tokyo Round	These agreements are also known as “economic integrations” and are characterized in that their three or more parties grant each other full, reciprocal tariff preferences on the tariff universe of the products from the participating countries. Given the complexity, matters that go beyond the merely commercial are present within this type of agreement, such as economic matters, monetary affairs, social issues, immigration issues, and even political matters, which are addressed to different extents or integration levels over time within a complex supra-nationality model.	European Parliament (2018) ⁸⁰

Source: the authors’ analysis

To elucidate the transition from PTAs to FTAs within the multilateral trade system, one must first reference the total number of current PTAs, as illustrated in Table 4. This table encompasses the period following the conclusion of World War II, specifically when international cooperation became significant in international relations, immediately subsequent to the ratification of the GATT as a regulatory framework for international trade.

Table 4. Historical List of the PTAs registered under the WTO

Nº	Provider	Name of PTA	In Force Since	Duration
1	US	Former Trust Territory of the Pacific Islands	1948	Indefinite
2	EU	Generalized System of Preferences - EU	1971	Indefinite
3	Japan	Generalized System of Preferences - Japan	1971	2031
4	Norway	Generalized System of Preferences - Norway	1971	Indefinite
5	New Zealand	Generalized System of Preferences - New Zealand	1972	Indefinite
6	Switzerland	Generalized System of Preferences - Switzerland	1972	Indefinite
7	Australia	Generalized System of Preferences - Australia	1974	Indefinite
8	Canada	Generalized System of Preferences - Canada	1974	Indefinite
9	US	Generalized System of Preferences - US	1976	Indefinite
10	Australia	South Pacific Regional Trade and Economic Cooperation Agreement	1981	Indefinite
11	New Zealand	South Pacific Regional Trade and Economic Cooperation Agreement	1981	Indefinite
12	US	Caribbean Basin Economic Recovery Act	1984	Indefinite
13	Canada	Commonwealth Caribbean Countries Tariff	1986	Indefinite
14	US	Andean Trade Preference Act	1991	2013
15	EU	Trade preferences for countries of the Western Balkans	2000	Indefinite
16	South Korea	Preferential Tariff for LDCs - Republic of Korea	2000	Indefinite
17	US	African Growth and Opportunity Act	2000	Indefinite
18	Morocco	Duty-free treatment for African LDCs - Morocco	2001	Indefinite
19	Iceland	Generalized System of Preferences - Iceland	2002	Indefinite
20	Turkey	Generalized System of Preferences - Turkey	2002	Indefinite
21	Chinese Taipei	Duty-free treatment for LDCs - Chinese Taipei	2003	Indefinite
22	Tajikistan	Duty-free treatment for LDCs - Tajikistan	2003	Indefinite
23	Kyrgyz Republic	Duty-free treatment for LDCs - Kyrgyz Republic	2006	2016
24	EU	Trade preferences for the Republic of Moldova	2008	2015
25	India	Duty-Free Tariff Preference Scheme for LDCs	2008	Indefinite
26	China	Duty-free treatment for LDCs - China	2010	Indefinite
27	Russian Federation	Generalized System of Preferences - Russian Federation	2010	2016
28	EU	Trade preferences for Pakistan	2012	2013
29	Chile	Duty-free treatment for LDCs - Chile	2014	Indefinite
30	Thailand	Duty-free treatment for LDCs - Thailand	2015	2020
31	Armenia	Generalized System of Preferences - Armenia	2016	Indefinite
32	Kazakhstan	Generalized System of Preferences - Kazakhstan	2016	Indefinite
33	Kyrgyz Republic	Generalized System of Preferences - Kyrgyz Republic	2016	Indefinite
34	Montenegro	Duty-free treatment for LDCs - Montenegro	2016	Indefinite
35	Russian Federation	Generalized System of Preferences - Russian Federation	2016	Indefinite
36	US	Trade preferences for Nepal	2016	2025
37	UK	Generalized System of Preferences - UK	2021	2023
38	UK	Developing Countries Trading Scheme - UK	2023	Indefinite

Source: Own elaboration based on data from the WTO (2019)⁶⁴. Note: Least Developed Countries (LDCs).

Moreover, scholars indicated that in light of the prevailing conditions of the global economy, following the Great Recession and the stalling of the multilateral trading system, certain developed nations implemented a revised foreign trade policy strategy. This entails prioritising unilateral preferences from PTAs over international cooperation as an economic tool. Consequently, these forms of trade agreements are now incompatible with the emerging

⁶⁴ WTO OMC, "Regional Trade Agreements Database"; See: WTO, "List of PTAs," *WTO*, [WTO | Preferential Trade Arrangements](#).

trend of non-reciprocity with developing economies. Consequently, industrialised economies often renegotiate their existing PTAs and transition to FTAs, which feature reciprocal tariff benefits.

The economic research has provided many explanations for the motivation for countries signing FTAs, notably the surge in regionalism⁶⁵ or the proliferation of democracy, whereas Mansfield and Pevehouse (2000), Martin et al. (2010), and Vicard (2008) focused on the matter of geopolitical stability⁶⁶. Consequently, this approach identified the decrease in PTAs and negatively impacted the multilateral trading system⁶⁷.

Conversely, considering that the EU and member states have historically prioritised trade multilateralism, particularly within the GATT and subsequently the WTO, the multilateral coordination of trade liberalisation has waned due to the unsuccessful conclusion of the 2001 Doha round of WTO negotiations, prompting numerous states to pursue bilateral coordination to advance their objectives⁶⁸. During that period, numerous PTAs that produced new FTAs are identifiable in Table 5. This emphasises certain providers and economic blocks that have entered into various bilateral and/or reciprocal business agreements with their previous recipient nations.

⁶⁵ Jagdish Bhagwati (2008) argues that the trend toward regionalisation has encouraged countries to sign FTAs instead of PTAs. The trend of regionalisation refers to the proliferation of trade agreements within the same region, forming regional economic blocks such as the EU, NAFTA, ASEAN, etc. These regional agreements often include more comprehensive FTAs instead of just limited PTAs. The focus on FTAs has helped create closer economic linkages, promoting freer trade among countries within the same region. See: Jagdish Bhagwati, *Termites in the Trading System: How Preferential Agreements Undermine Free Trade* (New York: Oxford University Press, 2008).

⁶⁶ Mansfield and Pevehouse (2000), Martin et al. (2010) and Vicard (2008) argue that geopolitical stability is also a reason why countries choose FTAs over PTAs. Signing FTAs not only helps economic development but also acts as a diplomatic tool to build alliances and strengthen relations between countries. FTAs often include tighter and longer-term commitments than PTAs, creating sustainable economic links between countries and contributing to reducing the risk of conflict. This is especially meaningful in the context of globalisation, where countries tend to seek trade allies to enhance their international positions and ensure security. See: Edward D. Mansfield and Jon C. Pevehouse, "Trade Blocs, Trade Flows, and International Conflict," *International Organization* 54, no. 4 (2000): 775–808; Philippe Martin, Thierry Mayer, and Mathias Thoenig, *The Geography of Conflicts and Free Trade Agreements*, CEPR Discussion Paper No. 7740 (London: CEPR – Centre for Economic Policy Research, 2010); Vincent Vicard, *Trade, Conflicts and Political Integration: Explaining the Heterogeneity of Regional Trade Agreements*, CES Working Papers 2008.22 (Paris: Centre National de la Recherche Scientifique, 2008).

⁶⁷ The proliferation of FTAs has the effect of reducing the importance of PTAs and, according to Bhagwati (2008), may have a negative impact on the multilateral trading system. FTAs are often more detailed and comprehensive than PTAs; thus, they are gradually replacing PTAs. However, the large number of FTAs concluded can also have a negative impact on the multilateral trading system, as it reduces the role of organisations such as the WTO. This can cause fragmentation in the global trading system as countries focus on individual trading blocks rather than complying with the common rules of the WTO.

⁶⁸ Smith, *op. cit.*, 4

Table 5. List of PTAs resulting in the creation of FTAs

Provider	Name of PTA	Nº	FTA	Signed in	In Force Since
EU	Trade preferences for the Republic of Moldova	1	EU - Moldova	2014	2014
	Generalized System of Preferences - EU	2	EU - Colombia and Peru	2012	2013
	Trade Preferences for Western Balkan Countries	3	EU - North Macedonia	2001	2004
		4	EU - Albania	2006	2009
		5	EU - Montenegro	2007	2010
		6	EU - Serbia	2008	2013
Australia	Generalized System of Preferences - Australia	7	Australia - Papua New Guinea	1976	1977
		8	Australia - Singapore	2003	2003
		9	Australia - Thailand	2004	2005
		10	Australia - Chile	2008	2009
		11	Australia - Malaysia	2012	2013
Turkey	Generalized System of Preferences - Turkey	12	Turkey - Tunisia	2004	2005
		13	Turkey - Albania	2006	2008
		14	Turkey - Serbia	2009	2010
		15	Turkey - Jordan	2009	2011
		16	Turkey - Malaysia	2014	2015
US	Andean Trade Preference Act	17	US - Colombia	2006	2009
		18	US - Peru	2006	2012
	Generalized System of Preferences - US	19	US - Jordan	2000	2001
	Caribbean Basin Economic Recovery Act	20	Dominican Republic - Central America - US FTA	2004	2006
Japan	Generalized System of Preferences - Japan	21	Japan - Philippines	2006	2008
		22	Japan - Peru	2011	2012
		23	Japan - Mongolia	2015	2016
India	Duty-Free Tariff Preference Scheme for LDCs	24	India - Afghanistan	2003	2003
		25	India - Bhutan	2006	2006
New Zealand	Generalized System of Preferences - New Zealand	26	New Zealand - Malaysia	2009	2010
		27	New Zealand - Thailand	2005	2005
Tajikistan	Duty-free treatment for LDCs – Tajikistan	28	Tajikistan - Ukraine	2001	2002
		29	Treaty on a Free Trade area between members of the Commonwealth of Independent States	2011	2012
Canada	Generalized System of Preferences - Canada	30	Canada - Honduras	2013	2014
Kazakhstan	Generalized System of Preferences - Kazakhstan	31	Eurasian Economic Union - Vietnam	2015	2016
Russian Federation	Generalized System of Preferences - Russian Federation	32	Russia - Serbia	2000	2006

Source: Own elaboration based on data from the WTO (2019)⁶⁹.

The EU, nowadays, is a signatory of a variety of multilateral, bilateral and regional agreements, serving the role of a key player in the international trade system. The EU has not only made a number of PTAs that provide for reciprocal preferences, which are implemented under Article XXIV of the GATT/WTO, but also intentionally vary from each other

⁶⁹ WTO OMC, “Regional Trade Agreements Database”.

considerably depending on a business partner⁷⁰. For more details, between 2001 and 2019, there were 212 new reciprocal trade agreements that came into force, and the EU was party to 27 of these, more than any other WTO member state. By 2018, 31% of all goods traded by the EU with the rest of the world were covered by FTAs, while pending agreements with Japan, Singapore, Vietnam and Mercosur countries would see that figure rise to 41%⁷¹. Others, especially developed countries, are in the pipeline, including negotiations on a prospective FTA with the UK as it begins its secession from the EU⁷².

2.1.3. Generations of EU Free Trade Agreements

As mentioned, the EU is a prominent player in international commerce, signing multilateral, bilateral, and regional accords. Several EU PTAs offer reciprocal privileges. They are implemented under GATT/WTO Article XXIV and vary greatly by business partner⁷³. They fall into four categories⁷⁴: The first, second, deep and comprehensive FTAs, and EPAs⁷⁵.

Before the 2006 message, “Global Dimension of Europe”, the EU had signed first-generation FTAs. Most of these agreements involved trade in goods, mostly industrial, with the partial and selective liberalisation of agricultural products. The EU says these agreements aim for “tariff elimination”⁷⁶ and include: Agreements made with Norway, Switzerland, eight Mediterranean countries⁷⁷, Mexico and Chile; Agreements to form a CU with Turkey, Andorra and San Marino; Stabilisation and association pacts with five Western Balkans countries containing additional provisions designed to prepare them for gradual integration into the EU market.

⁷⁰ That would be clarified in the next section; See: European Commission, *Commission Staff Working Document: Individual Information Sheets on Implementation of EU Trade Agreements*, SWD(2022) 730 final (Brussels: European Commission, 2022).

⁷¹ European Commission, *Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Implementation of Free Trade Agreements (1 Jan 2018 – 31 Dec 2018)*, COM(2019) 455 final (Brussels: European Commission, 2019).

⁷² Smith, *op. cit.*, 4 and See: Dominic Webb, *Progress on UK Free Trade Agreement Negotiations*, House of Commons Library Research Briefing No. 9314 (London: House of Commons, 2024).

⁷³ Malgorzata Czermińska, “New-Generation Trade Agreements and Their Importance to Trade Relations Between European Union and Third Countries – Vietnam Case,” *Eastern European Journal of Transnational Relations* 6, no. 1 (2022): 24.

⁷⁴ European Commission, 2022, *op. cit.*

⁷⁵ Even these FTAs can vary in four types; in this dissertation, we mainly focus on the first- and second- (new-) generation FTAs between the EU and other partners that include the EVFTA. With this regard, it is supposed to set the foundation to examine the EVFTA in the next sections. See more about the FTAs at: EU, “Free trade agreements”, *European Commission, Free trade agreements | Access2Markets*.

⁷⁶ Also in this vein, these first-generation FTAs of the EU would be overwhelmed by the second- (new-) generation FTAs regarding social standards in the TSD Chapter, in Chapter III. See: EU, “EU Trade Agreements: Delivering New Opportunities in Time of Global Economic Uncertainties,” *European Commission, EU trade agreements implementation annual report*.

⁷⁷ Including these countries: Algeria, Egypt, Israel, Jordan, Lebanon, Tunisia, Morocco and Palestine. See: EU, “Euro-Mediterranean Association Agreements,” *EUR-Lex*, 27 Mar 2020, [Euro-Mediterranean Association Agreements | EUR-Lex](#).

Second-(new-)generation FTAs agreed after 2006 with selected third countries go beyond goods trade. "Global Europe"-a strategic paper from Oct 2006-launched this new wave of EU FTAs by shifting EU commercial policy towards active bilateralism⁷⁸. Commercial policy to boost economic growth and job creation was the keynote. The Commission believed that the global economy had changed and that the EU's commercial policy should reflect the growing role of emerging markets in global trade and competitors' commercial strategies, particularly the US. When selecting significant trading partners for PTAs, it is important to consider economic factors such as market size, economic growth, and EU import security, which includes both tariff and non-tariff obstacles. So ASEAN⁷⁹, South Korea, and Mercosur were the most important partners. These countries and areas, which aggressively pursue FTAs with EU competitors, prioritise high security and market potential. Today's EU FTAs include Colombia, Peru, Ecuador, Central America, South Korea, Canada, Japan, Singapore, and Vietnam⁸⁰.

New-generation EU FTAs liberalise trade, services, investments, non-tariff barriers, and quantitative constraints to the greatest extent possible⁸¹. New EU FTAs have "deep and comprehensive"⁸² traits, according to this. They cover trade liberalisation problems, ranging from products and services to investment to intellectual property (comprehensiveness). Second, they want to integrate markets (depth) as well as eliminate tariffs and quantitative constraints. Third, bilateral agreements are common. These differences distinguish new FTAs from traditional EU FTAs, which are narrower, largely involve developing countries, and prioritise developmental issues⁸³.

Deep and Comprehensive Free Trade Areas (DCFTAs) aim to strengthen economic ties between the EU and its neighbours by aligning their regulatory frameworks, particularly in trade. These include the Ukraine, Georgia, and Moldova agreements⁸⁴. DCFTAs, or deep trade agreements (DTAs), are reciprocal agreements between countries that cover trade, investment, labour, intellectual property rights, and the environment. Despite being called trade

⁷⁸ European Commission, *Global Europe: Competing in the World – A Contribution to the EU's Growth and Jobs Strategy*, COM(2006) 567 final (Brussels: European Commission, 2006).

⁷⁹ ASEAN: membership was granted to the following countries (in the order of accession): the Philippines, Indonesia, Malaysia, Singapore, Thailand (founding states), Brunei (since 8 Jan 1984), Vietnam (since 28 Jul 1995), Laos and Myanmar (since 23 Jul 1997), and Cambodia (since 30 Apr 1999). The following countries are members: Thailand, Indonesia, Malaysia, Singapore, the Philippines, Brunei, Laos, Myanmar, and Cambodia.

⁸⁰ EU, "Free trade agreements", *European Commission*, [Free trade agreements | Access2Markets](#)

⁸¹ European Commission, *Global Europe*, 10.

⁸² The next chapter will provide a more detailed explanation of this argument, particularly focussing on the labour commitments and provisions in the new-generation EU FTAs.

⁸³ Finn Laursen and Christilla Roederer-Rynning, "Introduction: The New EU FTAs as Contentious Market Regulation," *Journal of European Integration* 39, no. 7 (2017): 764.

⁸⁴ EU, "Deep and comprehensive free trade agreements," *European Commission*, [Deep and comprehensive free trade agreements | Access2Markets](#).

agreements, these legal frameworks aim for deep integration. DCFTAs seek five “economic integration” rights: free movement of commodities, services, capital, people, and ideas⁸⁵. While this type of FTA prioritises economic goals, the TSD chapter(s), like EU second-generation FTAs, also promotes social criteria, notwithstanding some variances⁸⁶.

The EU and African, Caribbean, and Pacific (ACP) nations negotiated EPAs to boost trade liberalisation and development. While ACP allies let EU imports partially over transition periods⁸⁷, they open EU markets fully and immediately. In addition, EPAs leverage trade and investment for sustainable development. They include a partnership of equals, free access to EU markets, flexible rules of origin, better access to EPA countries' markets for EU goods, strengthening competitiveness and industrialisation; attracting investment, encouraging regional integration, and trade aid⁸⁸. EPAs include social standards, with some variances, like DCFTAs and EU second-generation FTAs⁸⁹.

In general, even with changes in the scope and titles of the EU FTAs recently, these FTAs' nature and their impacts have remained, namely trade creation and trade diversion⁹⁰. However, the EU has a tendency to focus on long-term goals instead of only commercial interests; for instance, non-commercial aspects, including labour and environmental provisions, are necessary in order to achieve sustainable development purposes⁹¹.

2.2. Trade - Labour Linkages in EU Free Trade Agreements

Trade-labour relations are longstanding⁹². It is one of the most contentious trade and labour policy issues today⁹³. The first half of the 19th century saw European social reformers advocate implementing international labour standards to safeguard workers from economic

⁸⁵ Mattoo, Rocha and Ruta, *op. cit.*, 27.

⁸⁶ See more on the EU-Ukraine Association Agreement, the EU-Georgia Association Agreement and the EU-Moldova Association Agreement, Chapter 13 on TSD and relevant labour provisions, and Jean-Baptiste Velut et al., *Comparative Analysis of Trade and Sustainable Development Provisions in Free Trade Agreements*, report prepared by LSE Consulting for the European Commission (London: LSE Consulting, 2022), 21, 32, 33.

⁸⁷ EU, “Economic Partnership Agreements” *European Commission*, [Economic Partnership Agreements \(EPAs\) | Access2Markets](#).

⁸⁸ EU, “Economic Partnership”, *European Commission*, [Economic Partnerships](#).

⁸⁹ See more on the EU-Japan Economic Partnership Agreement, Chapter 16, and Velut et al., *op. cit.*, 22, 32, 33.

⁹⁰ Jagdish Bhagwati, Arvind Panagariya, “The Theory of Preferential Trade Agreements: Historical Evolution and Current Trends,” *The American Economic Review* 86, no. 2 (1996): 82-87.

⁹¹ That is the reason why in the next sections, the rationales for trade-labour linkages in EU FTAs in general and the labour provisions under such FTAs in particular will be discussed.

⁹² Steve Charnovitz, “The Influence of International Labour Standards on the World Trading System: An Historical Overview,” *International Labour Review* 126 (1987): 565; Virginia Leary, “Workers’ Rights and International Trade: The Social Clause,” in *Fair Trade and Harmonization*, vol. 2, ed. Jagdish Bhagwati and Robert Hudec (Cambridge, MA: MIT Press, 1996), 177, 182- 83;

⁹³ See generally Brian A. Langille, “Eight Ways to Think About International Labour Standards,” *J. World Trade* 31 (1997): 27-53. Langille discusses the arguments and motives of eight major debates regarding international labour on page 33.

exploitation during the Industrial Revolution and the free trade movement. Many NGOs, particularly international trade union associations, took over these reformers' work. These early efforts were driven by the fear that international competition in an environment of increasingly freer trade would lead to "a race to the bottom", a concern that still drives trade policy–labour standards debates today⁹⁴.

2.2.1. An Argument Related to "Unfair Competition"

The economic view holds that countries that sell goods into export markets produced by processes that violate internationally recognised labour standards are unfairly competing with domestic producers and producers and exporters in third-country markets who comply with these standards⁹⁵. Countries that artificially decrease their labour standards below "appropriate" levels to minimise worker costs are participating in an "unfair form of competition"⁹⁶. Economic dumping and direct subsidisation are similar to "social dumping"⁹⁷. Countervailing duties should counteract competitive advantages from looser labour standards to level the playing field⁹⁸. Labour provisions must be coordinated internationally to enhance global welfare/efficiency⁹⁹. Compliance may improve welfare in developing countries, at least

⁹⁴ Michael J. Trebilcock and Robert Howse, "Trade Policy & (and) Labor Standards," *Minnesota Journal of Global Trade* 14 (2004): 261. In the context of contemporary international trading systems, the EU's incorporation of labour commitments into its FTAs is often mistakenly perceived by observers as a typical manifestation of the Brussels Effect. However, when examined from both a legal and operational perspective, this mechanism does not reflect the true nature of the Brussels Effect. The Brussels Effect is traditionally defined as the EU's unilateral market power, whereby its stringent internal regulations compel multinational corporations to comply voluntarily on a global scale to maintain access to the Single Market. By contrast, in the field of labour standards, the EU does not seek to externalise its own specific internal rules. Rather than imposing distinctively European standards, its free trade agreements consistently make direct references to core international labour standards, most notably the ILO's conventions. Moreover, the enforcement of these labour commitments does not rely on harsh economic sanctions or the creation of barriers preventing goods from entering the market, as is the case with product safety or chemical regulations. Violations of labour commitments by partner countries do not lead to the immediate suspension of trade flows. In essence, what the EU exports is not unilateral market power designed to impose rules, but an institutional governance framework built upon the establishment of DAG and social dialogue forums operating through a soft and cooperative approach. In sum, the EU's motivation regarding labour provisions in its FTAs follows a clear strategic equation. It involves using human rights values and labour standards as a means of achieving internal political legitimisation, and through that legitimisation, unlocking and safeguarding pragmatic commercial interests on a global scale. This model is fundamentally distinct from the coercive and unilateral market character of the Brussels Effect. It affirms a uniquely European approach to the governance of contemporary international trade, one that prioritises institutional dialogue mechanisms and normative power to reconcile value based ideals with core economic interests. See more at Smith Adrian et al., *Free Trade Agreements and Global Labour Governance*, 65

⁹⁵ *Ibid.*, 266.

⁹⁶ Adelle Blackett, "Whither Social Clause - Human Rights, Trade Theory and Treaty Interpretation," *Colum. Hum. Rts. L. Rev.* 31, no. 1 (1999): 48–49.

⁹⁷ Social dumping: "The practice whereby workers are given pay and/or working and living conditions which are substandard compared to those specified by law or collective agreements in the relevant labour market, or otherwise prevalent there." See European Commission, *Social Dumping*, [social dumping - European Commission](#).

⁹⁸ Trebilcock and Howse, "Trade Policy Labor Standards", 266.

⁹⁹ In this regard, the EU, for instance, has shared the similar approach in the policy of external relations. See: EU, "External Relations," *European Commission*, [External relations - European Commission](#).

for CLS¹⁰⁰. Since capital is mobile but labour is not, multinational corporations can easily move their enterprises to countries with more flexible labour regulations or lower unit labour costs¹⁰¹. This tactic forces states into "a race to the bottom" and lowers everyone's welfare¹⁰². Similar to the prisoner's dilemma, all countries must work together to address the issue of lack of trust by implementing conditionality-based labour measures that can penalise states violating labour rules in exchange for trade or investment benefits¹⁰³.

2.2.2. An Argument Related to "Human rights"

Normative arguments for trade-labour links include the idea that some labour rights are human rights. Since then, the UN Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights¹⁰⁴, and the International Covenant on Economic, Social, and Cultural Rights have recognised several CLS as human rights¹⁰⁵. The 1998 ILO Declaration of Fundamental Principles and Rights at Work (amended in 2022) lists a few CLS, which are defined more fully in five background covenants: freedom of association and collective bargaining, elimination of forced labour, child labour, employment discrimination and occupational safety and health¹⁰⁶. These rights correspond to human rights, notably those

¹⁰⁰ This argument was strongly supported by contemporary studies conducted by OECD, which concluded that compliance with CLS is likely to have no negative implications for exporting countries in terms of export and growth performance (See OECD, *Trade, Employment and Labour Standards: A Study of Core Workers' Rights and International Trade* 98 (1996); or another recent ILO study, using state of the art techniques of economic modeling, predicts that substantial welfare gains from the elimination of child labour over a two decade period will net the required investment in education and related programs (See: ILO, *Investing in Every Child. an Economic Study of the Costs and Benefits of Eliminating Child Labour* (Geneva: ILO, 2004), 4; or another study, by Morici and Schultz, echoes the OECD 1996 conclusions, finding a significant positive correlation between improvements in respect to CLS and economic growth and development in Southern countries (See: Peter Morici and Evan Schulz, *Labor Standards in the Global Trading System* (Washington, D.C: Economic Strategy Institute, 2001).

¹⁰¹ Stephen Hardy, "Regulating Labour in the Wake of Globalisation: New Challenges, New Institutions edited by (the late) Brian Bercusson and Cynthia Estlund," *King's Law Journal* 19, no. 3 (2008): 651-655.

¹⁰² Brian Langille, "Persuading the Prisoners," *International Labour Review* 154, no. 1 (2015): 99.

¹⁰³ Richard H. McAdams, "Beyond the Prisoners' Dilemma: Coordination, Game Theory, and Law," *Southern California Law Review* 82, no. 2 (2009): 212.

¹⁰⁴ This is illustrated in particular by three major spheres of labour standards - the abolition of forced labour, freedom of association and the elimination of discrimination - clearly demonstrate the role of ILO standards in this domain. In 1930, the first convention (No. 29) prohibiting forced labour led the way in the protection of individual freedoms, particularly in the colonial territories of the period. A new Convention (No. 105) on the abolition of forced labour was adopted in 1957 to combat particular forms of forced labour that had been identified during the course of the enquiries. These conventions, widely ratified, generated a new spirit of freedom and offered substantial protection against forced labour as a mode of coercion or mobilisation of labour for purposes of economic development or labour discipline, as a reprisal for participating in strikes, or as a form of racial or other discrimination. Subsequently, the International Covenant on Civil and Political Rights also prohibited forced or compulsory labour (Article 8). For other ILO standards, see: Nicolas Valticos, "International Labour Standards and Human Rights: Approaching the Year 2000," *Int'l Lab. Rev.* 137, no. 2 (1998): 138-139.

¹⁰⁵ The similarities between international labour standards and human rights include equal remuneration for men and women (ILO Convention No. 100 and Article 7 of the UN Covenant), occupational safety and health (numerous ILO Conventions and Article 7 of the Covenant), weekly rest, limitation of hours of work and holidays with pay (several ILO Conventions and Article 7 of the Covenant), the right to social security (several ILO Conventions and Article 9 of the Covenant), maternity protection (several ILO Conventions and Article 10 of the Convention), protection and assistance for children and young persons (several ILO Conventions and Article 10 of the Covenant), etc. See: *Ibid.*, 137, 139-140.

¹⁰⁶ ILO, *Fundamental Rights at Work: Overview and Prospects* (Geneva: International Labour Office, 2001), 67; <https://www.ilo.org/resource/news/ilc/110/international-labour-conference-adds-safety-and-health-fundamental>

that protect basic freedom of choice in job relations. This argument treats workplace human rights abuses as self-serving and values labour rights protection. Some researchers argue for a non-protectionist trade policy that allows product discrimination based on whether it violate basic labour rights, namely human rights in trade-labour links¹⁰⁷. They believe that other nations must respond to serious or systemic human rights abuses in a country with diplomatic complaints, trade restrictions, or military action. The best response depends on circumstances and "both on the seriousness of the abuses and the likely efficacy of the response"¹⁰⁸. Thus, sanctioning a trading partner's immoral or illegal treatment of their workers' human rights should be acceptable if it is not motivated by protectionist goals and is reasonably effective in correcting abuses severe enough to justify foreign intervention.

Regardless of the justification of the arguments indicated, advocates have supported the ideas to introduce social/labour standards into trade regulations and further strengthen the trade-labour linkages in FTAs in general. This situation significantly influences the selection of instruments and institutional arrangements for establishing the link between trade policy and labour standards. In the following discussion, we will primarily focus on EU policy while also considering the perspectives of the US and developed countries to highlight the "unique style" of policy that the EU has now employed.

2.2.3. Towards Labour Commitments in EU New-Generation Free Trade Agreements

In addition to those aforementioned arguments, under pressure from rising unemployment in Europe, besides the social dumping effects of international commerce and the impact of globalisation and human rights, the EU found a way to incorporate these matters into its trade policy.¹⁰⁹ However, attempts by the EU, US, and other developed countries at that time to integrate labour standards into multilateral coordination of trade liberalisation (WTO negotiations) were unsuccessful, leading the EU and many states to turn to bilateral coordination to further their agenda.¹¹⁰ And thereby, labour provisions have featured significantly in EU trade policy-making through three milestones, as follows: (i) From the mid-1990s, they were most prominent in the EU's unilateral systems for developing countries, which include commitments in relation to labour standards under its Generalised Systems of

¹⁰⁷ Trebilcock and Howse, *op. cit.*, 271–272.

¹⁰⁸ *Ibidem*

¹⁰⁹ Jan Orbie, Hendrik Vos and Liesbeth Taverniers, "EU Trade Policy and a Social Clause: A Question of Competences?," *Politique Européenne* 17, no. 3 (2005): 159–187.

¹¹⁰ Smith, *op. cit.*, 4.

Preferences Plus (GSP+)¹¹¹; (ii) During the 2000s, quotations to labour standards within those FTAs "widened and deepened", especially with the presence of the 2007 Lisbon Treaty as an important institutional factor¹¹² that accorded greater influence to the European Parliament; a body that has intended to emphasise the labour, human rights and environment dimensions of trade. The first agreement to be signed after the Lisbon Treaty was the 2008 EPA with the CARIFORUM group in the Caribbean. This contained more concrete references to the ILO's CLS than previous FTAs, allowed for disputes on social issues to be referred to government consultations and independent experts for resolution, and institutionalised dialogue about the trade agreement within a civil society mechanism. From the EU's perspective, typical for this time were the first-generation agreements with Egypt, Israel, Jordan, Lebanon, Tunisia and Morocco, signed in the early 2000s and collectively known as the Euro-Mediterranean Association Agreements, followed by the agreement with Mexico and Chile signed in 2000 and 2002, respectively; (iii) The second and newest generation of EU FTAs came into being after the signing of European Commission's "Global Europe: Competing in the World" communication in 2006. Under the new strategy for international trade laid out in this communication, the EU embarked on aggressive negotiations of bilateral trade deals in response to the US's successful wave of FTAs in the 1990s and early 2000s. Multiple FTAs have been negotiated following this communication. The EU-Korea FTA, signed in 2010, was the first one signed under the new strategy and has been a model for the agreements that followed. Since this FTA, within the chapter titled "Trade and Sustainable Development", these provisions have been combined with rules governing environmental protection. And these chapters are now a crucial component of the EU's "new-generation" FTAs¹¹³. According to this, the FTA between the EU and Columbia/Peru/Ecuador and the one between the EU and Central America, both signed in 2012, were significant FTAs in this period. It was not until 2020, with the signing of EVFTA, the EU, for the first time, expected that it would be the most comprehensive and promising FTA between the EU and a developing nation¹¹⁴.

¹¹¹ EU, "European Union's GSP+ Scheme," *European Commission*, May 2019, [Factsheet on the European Union's GSP+ scheme](#).

¹¹² Lore Van den Putte, "EU Bilateral Trade Agreements and the Surprising Rise of Labour Provisions," *International Journal of Comparative Labour Law and Industrial Relations* 31, no. 3 (2015): 263-269.

¹¹³ Bendini, *op. cit.*

¹¹⁴ Navasartian, *op. cit.*, 562.

2.3. Compliance with Labour Commitments in EU Free Trade Agreements

Typically, in the negotiation of international agreements, states allocate substantial time and money to establish compliance procedures that guarantee adherence to the stipulated conduct by the parties involved. In international relations, compliance refers to a condition when state conduct aligns with an international legal norm that mandates such behaviour¹¹⁵. Consequently, compliance is associated with but distinct from issues of implementation or effectiveness. Moreover, compliance has two dimensions about the nature of the obligation: procedural compliance pertains to formal responsibilities stemming from an agreement, while substantive compliance relates to requirements designed to implement a regulation.

To classify certain conduct as adhering to a particular agreement, it is essential to establish an intersubjective definition of "compliance". Henkin asserts that "almost all nations observe almost all principles of international law and almost all of their obligations almost all of the time."¹¹⁶ Any examination of adherence to international law pertains to established laws and regulations and, to a lesser extent, to social norms that dictate specific behaviour. Uncodified rules also exist in international law; various principles and regulations have developed throughout time that dictate specific state conduct; however, they are not fully articulated in a written instrument. In international law, nations prefer positively phrased norms in treaties to provide clarity and mitigate any ambiguities regarding the precise interpretation of specific provisions. Various definitions of compliance are available: Black's Law Dictionary defines it as "submission; obedience; conformance"¹¹⁷; the International Encyclopaedia of Social and Behavioural Science asserts that "for the law to be effective in fulfilling its role of minimising the occurrence of socially damaging behaviours, people must comply with the dictates of the law - i.e. the law must be obeyed."¹¹⁸ This study defines compliance as the accomplishment of specified duties outlined in an international instrument, achieved through various domestic implementation strategies. Compliance, however, lacks *causal logic*, as it just illustrates whether a legal requirement aligns with real action¹¹⁹. This indicates that compliance is founded on a discernible standard accompanied by a certain level of legal duty. At the international level, such "prescriptions for action in situations of choice, carrying a sense of

¹¹⁵ Thomann, *op. cit.*, 21.

¹¹⁶ Louis Henkin, *How Nations Behave: Law and Foreign Policy* (Columbia U.P, 1979), 47.

¹¹⁷ Henry Campbell Black, *Black's Law Dictionary* (St. Paul's, Minn: West Pub. Co, 1991), 285.

¹¹⁸ Tom R. Tyler, "Procedural Fairness and Compliance with the Law," *Swiss Journal of Economics and Statistics* 133, no. 2/2 (1997): 240.

¹¹⁹ Kal Raustiala, "Compliance and Effectiveness in International Regulatory Cooperation," *Case Western Reserve Journal of International Law* 32, no. 3 (2000): 398.

obligation"¹²⁰ are present in treaties, covenants, conventions, or accords. However, even when states have ratified an international norm, thereby acknowledging it as legally enforceable, this act does not guarantee their compliance.

Moreover, adherence to international treaty obligations is frequently unintentional, fortuitous, or a byproduct of the selected legal rule or standard; the mere occurrence of compliance with a specific obligation reveals little about the effectiveness and influence of that obligation. Consequently, it provides minimal direction for the formulation and modification of forthcoming obligations¹²¹. Compliance should not be conflated with implementation or effectiveness; although the former pertains to nations' endeavours to achieve compliance, the latter is conceptually distinct, albeit related to compliance. Implementation denotes the actions that render international accords operative within domestic legislation via administrative procedures that alter public policy substance. Implementation measures operationalise an international treaty domestically and include, for instance, legislative amendments, the establishment of institutions, or the enforcement of regulations. Implementation is a crucial component of states' endeavours to achieve conformity with an agreement, while the specific actions adopted are at the discretion of the states. Compliance encompasses implementation but is more extensive, focusing on the alignment of state behaviour with international norms¹²²: "Compliance refers to whether countries in fact adhere to the provisions of the accord and to the implementing measures that they have instituted."¹²³ Compliance may occur without any implementation efforts if, for example, the duties of an agreement already align with a state's current practices. Numerous international treaties establish merely minimal criteria, while many countries already implement superior local norms¹²⁴. Compliance may also arise entirely exogenously, devoid of any deliberate implementation efforts. Economic crises, for instance, frequently result in nearly complete adherence to multinational environmental agreements, if inadvertently, or implementation may occur without compliance, legally prohibiting trade in

¹²⁰ Abram Chayes and Antonia Handler Chayes, *The New Sovereignty: Compliance with International Regulatory Agreements* (Cambridge, MA: Harvard University Press, 2022), 113.

¹²¹ Raustiala, *op. cit.*, 391-392.

¹²² Norms include all rules of conduct, while some relevant terms should be clarified: "Standards" refer to measures of compliance or technical objectives, and "instruments" are the variety of texts in which they are contained. However, these terms, including norms, legal rules, and standards, are often used interchangeably within the dissertation as the international legal obligations derived from FTAs/international treaty commitments. See Shelton, Dinah L., *Commitment and Compliance: The Role of Non-Binding Norms in the International Legal System (Introduction)* (2000)., GWU Legal Studies Research Paper No. 2013-50, GWU Law School Public Law Research Paper No. 2013-50, 5

¹²³ Edith Brown Weiss and Harold Karan Jacobson, *Engaging Countries: Strengthening Compliance with International Environmental Accords* (Cambridge, Mass: MIT Press, 1998).

¹²⁴ For instance, at the ratification time of the EVFTA, Vietnam had already ratified the ILO Conventions related to three out of four CLS, and almost all of these conventions had been internalised into the domestic legal system, especially the Vietnamese LC 2019. Additionally, this code establishes higher and more explicit domestic standards (see more in Chapter IV).

endangered species, yet failing in practice. Since the requirements of an agreement are typically executed by implementation measures, these will be seen as integral to compliance.

Effectiveness pertains to the problem-solving capacity of an agreement, specifically whether its stipulations ultimately address the specific issue that necessitated the agreement's establishment¹²⁵. From an alternative perspective, particularly in relation to the dissertation, effectiveness can be delineated in multiple ways: as the extent to which a specific rule engenders behavioural changes that advance its objectives, the extent to which a rule ameliorates the underlying issue, or the extent to which a rule fulfils its intrinsic policy aims¹²⁶. Most international agreements delineate the target of providing answers to specific issues¹²⁷; yet, these goals may occasionally remain unachieved due to the inadequacy of the proposed remedies. States may adhere completely to the stipulations of an instrument; nonetheless, the treaty may still prove ineffective in addressing the issue as intended. International agreements frequently represent the lowest common denominator among participants: compliance rates may be elevated; however, effectiveness is typically diminished¹²⁸. The causes of the inadequate effectiveness of an agreement may not solely be internal but might also be elucidated externally¹²⁹. Insufficient participation and inclusiveness are significant impediments to the effectiveness of an agreement; if a limited number of states engage in an agreement, it would likely result in the inadequate provision of a particular global public good. Figure 1 illustrates the correlation among compliance, implementation, and effectiveness: Compliance is influenced by implementation measures, whereas both compliance and implementation may impact the effectiveness of an agreement. This study defines compliance as the alignment between the stipulations of an international agreement and the actions of governments to actualise these promises through various implementation measures. In the context of this dissertation, "compliance" refers to the fulfilment of obligations stemming from labour commitments outlined in the TSD Chapter of the EVFTA, implemented through various domestic measures in Vietnam from legal and practical perspectives. Compliance, as a notion, does not establish a causal relationship between a legal rule and behaviour; it merely identifies a correspondence between the rule and behaviour. Discussing effectiveness inherently involves

¹²⁵ Marc A. Levy, "The Effectiveness of International Environmental Regimes," in *The Effectiveness of International Environmental Regimes*, ed. Oran R. Young (Cambridge, MA: MIT Press, 1999), 3.

¹²⁶ *Ibid.*, 3-6; Lawrence Lessig, "The New Chicago School," *Journal of Legal Studies* 27 (1998): 661–691.

¹²⁷ Peter M. Haas, *Institutions for the Earth: Sources of Effective International Environmental Protection* (Cambridge MA: The MIT Pr, 2001).

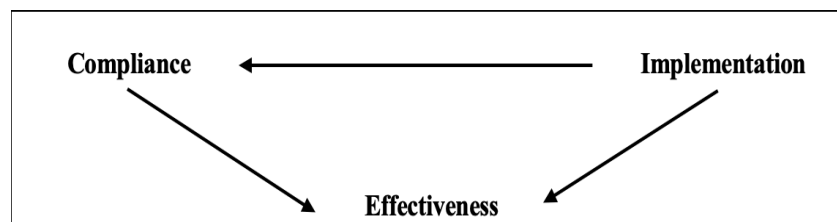
¹²⁸ Kal Raustiala and Anne-Marie Slaughter, "International Law, International Relations and Compliance," in *Handbook of International Relations*, ed. Walter Carlsnaes, Thomas Risse and Beth A. Simmons (London: SAGE Publications, 2013), 539.

¹²⁹ Robert Owen Keohane, Peter M. Haas and Marc A. Levy, "The Effectiveness of International Environmental Institutions", in *Institutions for the Earth: Sources of Effective International Environmental Protection*, ed. Robert Owen Keohane, Peter M. Haas and Marc A. Levy (Cambridge MA: The MIT Pr, 2001), 7.

causality: asserting that a rule is "effective" implies that it has resulted in specific actions or results, which may or may not satisfy the legal criterion of compliance¹³⁰. Furthermore, inferences on compliance cannot be dependably derived from data concerning state behaviour.

Evaluating and enhancing compliance necessitates data on state behaviour, alongside a theoretical framework and study of compliance causation, as well as a counterfactual analysis or, if feasible, a natural experiment. A counterfactual analysis compares the observed outcome with the analyst's informed conjecture regarding the probable trajectory of events had the treaty, commitment, or specific institution not been in place¹³¹.

Figure 1. Compliance, Implementation and Effectiveness



Source: Thomann, op. cit., 24

Compliance is a multifaceted and ambiguous issue that seldom correlates with a singular component; it should be comprehended through a multi-causal study framework¹³². International, transnational, regional, national, and local factors affect governmental behaviour, which dictates compliance¹³³. Compliance should not be viewed as an “on-off switch”¹³⁴ or a binary concept but rather as a matter of degree, indicating that various levels and instances of partial compliance are feasible¹³⁵. The extent of compliance is significant, especially when government officials perceive a behaviour as compliant, even if it only partially aligns with the required standard, and if, according to the official, partial or occasional compliance is considered part of the expected framework of the parties involved in the agreement¹³⁶. Consequently, a post-agreement compliance bargaining game frequently arises, wherein the

¹³⁰ Raustiala, *op. cit.*, 398.

¹³¹ *Ibid.*, 397-398. This is also the reason why even though being independent in the relationship with compliance, the evaluation of “effectiveness”, with the meaning of this term indicated, would be examined to improve the level of compliance of Vietnamese labour law regarding the EVFTA labour commitments in Chapters IV and V, especially since the two hypotheses are raised and tested.

¹³² Renate Mayntz, *Implementation Politischer Programme. I., Empirische Forschungsberichte* (Königsstein/Ts: Verlagsgroupe Athenäum, Hain, Scriptor, Hanstein, 1980), 15.

¹³³ Within the scope of the dissertation, we focus on the vital role of the EU in influencing Vietnamese legal reforms in general and domestic labour law evolution in particular.

¹³⁴ Thomann, *op. cit.*, 24.

¹³⁵ Oran R. Young, *Compliance and Public Authority: A Theory with Practical International Applications*, (Baltimore: John Hopkins University Press, 1979), 105.

¹³⁶ Bilder Richard, “Beyond Compliance: Helping Nations Cooperate,” in *Commitment and Compliance: The Role of Non-Binding Norms in the International Legal System*, ed. Dinah Shelton (New York: Oxford University Press, 2003), 69.

extent of compliance or non-compliance and its management are discussed¹³⁷. Compliance is best conceptualised as a process¹³⁸ wherein states infrequently have a definitive choice between "comply or not comply," since the extent of compliance is shaped by decisions made at multiple governmental tiers¹³⁹. To assess a certain behaviour as complying or non-compliant, compliance must be viewed as existing on a gradual continuum that illustrates the extent to which state behaviour deviates from established obligations. Compliance must be distinguished according to the characteristics and unique nature of the requirements demanded. Conversely, it is essential to note that the legal terminology utilised in the trade agreement-specifically, the articulation of labour provisions is crucial in assessing their robustness and enforceability. Modal verbs, which denote the manner in which actions are performed or states exist, are crucial in trade agreements as they convey obligation¹⁴⁰. Modal verbs like *shall*, *should*, *may*, and *must* differentiate between 'soft' responsibilities (*may*, *should*) and 'hard' commitments (*shall*, *must*). Verbs like *shall*, *will*, *agree*, and *ensure* commonly denote binding commitments, while '*should*' and '*may*' generally indicate less rigorous requirements¹⁴¹. Two fundamentally interconnected sorts of duties arise when implementing an agreement: procedural obligations and substantive commitments. Although both criteria are components of a singular agreement, they are analytically separate; adherence to one responsibility does not inherently influence adherence to the other: nations may fulfil procedural requirements while failing substantively and vice versa.

2.3.1. Procedural Compliance

Procedural compliance pertains to duties that are formal and legalistic, as they solely include the execution of strictly formal requirements outlined in an agreement. This dimension of compliance does not address specific behavioural provisions, obligations, or features of

¹³⁷ Christer Jönsson and Jonas Tallberg, "Compliance and Post-Agreement Bargaining," *European Journal of International Relations* 4, no. 4, (1998): 371-408.

¹³⁸ In the next chapters, to evaluate the level/degree of compliance of Vietnamese labour law regarding the EVFTA labour commitments, the two milestones would be examined, including pre-ratification and post-ratification of the EVFTA. In addition to this, process-tracing method would also be employed because by engaging in counterfactual analysis and tracing the processes by which specific factors influence behaviour, it is easier to begin to identify and disentangle the key variables that lead to compliance with international commitments and making further recommendations to improve the degree/level of compliance of Vietnamese labour law indicated. See: Raustiala, *op. cit.*, 398.

¹³⁹ Bilder, *op. cit.*, 66; Haas Peter M, "Choosing to Comply: Theorizing from International Relations and Comparative Politics", in *Commitment and Compliance: The Role of Non-Binding Norms in the International Legal System*, ed. Dinah Shelton (New York: Oxford University Press, 2003), 45.

¹⁴⁰ John E. Guendling, "Modal Verbs and the Grading of Obligations," *The Modern Schoolman* 51, no. 2 (1974): 117-138; Ben Russell, "Shall, Must, May: The Logic of Legal Obligation and Permission," *Alberta Law Review* 32, no. 1 (1994): 94-114; Claude Rivière, "Is 'Should' a Weaker 'Must'?", *Journal of Linguistics* 17, no. 2 (1981): 179-195.

¹⁴¹ Bourgeois Jacques, Kamala Dawar and Simon J. Evenett, "A Comparative Analysis of Selected Provisions in Free Trade Agreements," *DG TRADE* (Brussels: European Commission, 2007).

implementation. Procedural duties primarily function as a mechanism to ensure transparency in the conduct of parties about the agreement. Transparency is, therefore, the foundational element for any future identification or categorisation of state actions as compliant or non-compliant. The primary formal obligation under international accords is the necessity for nations to periodically report on the actions done to fulfil international regulatory responsibilities¹⁴². Reporting duties often encompass an initial report submitted following a state's accession to an agreement, along with subsequent periodic interim reports. Initial reports are crucial, as they establish a benchmark for assessing subsequent implementation efforts¹⁴³. The examination of received reports, including the method and responsible parties, is contingent upon the degree of institutionalisation of the reporting procedure: some agreements utilise a peer-review mechanism, while others employ more complex third-party processes, including independent specialists. If required reports are not submitted and the reviewing body lacks other methods to evaluate the legal and factual circumstances regarding the regulation's implementation, identifying instances of non-compliance will be challenging. The procedural aspect of compliance is a prerequisite for the subsequent examination and evaluation of substantive compliance.

Some international institutions have established a procedural requirement mandating the presentation of adopted instruments to national legislative bodies¹⁴⁴. The aim of these requirements is to highlight the normative activities of international institutions in national legislatures or authorities and to facilitate the ratification of the issued instrument. In international law, there exists no need to ratify any agreement, even if negotiated by the relevant party; the decision to ratify treaties that impose legal obligations remains at the discretion of nations¹⁴⁵. There is no duty to ratify accords pertaining to rights deemed *jus cogens* (or peremptory norms) in international law¹⁴⁶. *Jus cogens* denotes principles universally recognised that cannot be overridden by consensus or consent. International law, recognised as

¹⁴² An overview on international human rights treaties is provided in Gerd Oberleitner, *Menschenrechtsschutz Durch Staatenberichte* (Frankfurt am Main: P. Lang, 1998).

¹⁴³ Marauhn Thilo, "Towards a Procedural Law of Compliance Control in International Environmental Relations," *Zeitschrift für ausländisches öffentliches Recht und Völkerrecht* 56, no. 3-4 (1996): 699.

¹⁴⁴ See article 19, paragraphs 2 and 4, of the ILO's Constitutions, article IV paragraph 4, of the UNESCO's Constitutions or article XIV of the FAO's Constitutions.

¹⁴⁵ Verdross Alfred and Bruno Simma, *Universelles Völkerrecht. Theorie und Praxis* (Berlin: Duncker & Humblot, 1984), 451.

¹⁴⁶ Article 53 of the Vienna Convention on the Law of Treaties of 1969: "[...] a peremptory norm of general international law is a norm accepted and recognized by the international community of States as a whole as a norm from which no derogation is permitted and which can be modified only by a subsequent norm of general international law having the same character." However, as discussed in Chapter III of the dissertation, the ratification obligation would become mandatory within the EVFTA, especially for the conventions related to fundamental rights and principles at work. It is different from the "voluntary" obligations, as they are just derived from the ILO's membership, and this approach further highlights the way that the EU has been employed to strengthen the impact of labour commitments with trading partners, including Vietnam.

jus cogens, places a definitive responsibility on governments to adhere to specific regulations concerning the implementation of international treaties, irrespective of their ratification. The enumeration of specific rights deemed to comprise *jus cogens* is not exhaustive nor undisputed¹⁴⁷. The procedural aspect of compliance excludes the ratification of international agreements but includes the submission of fulfilment. The primary indicator for evaluating procedural compliance is the adherence to reporting duties¹⁴⁸ beside other similar institutions, like dispute settlement mechanisms, inquiries, dialogues among the parties or sanctions¹⁴⁹.

2.3.2. Substantive Compliance

The compliance with substantive obligations is fundamental to any international agreement. Substantive compliance pertains to all duties, excluding procedural ones, associated with the legislative and practical execution of treaty requirements¹⁵⁰. Assessing instances of substantive compliance is contingent upon the nature of the obligations: the more specific a substantive requirement of an agreement, the easier it is to monitor its fulfilment¹⁵¹. For example, assessing whether the tariff on product X has been diminished by Y percentage points or whether the production and trade of toxic product Z have ceased by the year 2025 is uncomplicated: in both instances, the substantive criteria are sufficiently clear to readily evaluate the compliance of the relevant states with their obligations. When provisions are vague, imprecise, or arbitrary, it becomes difficult to determine compliance with specific behaviours. A treaty stating that “state parties will take appropriate steps to ensure the realisation of the right to...” lacks specificity regarding the requisite conduct, complicating the determination of whether states have undertaken appropriate actions and whether they have fulfilled their substantive obligations. Evaluating whether state behaviour is substantively compliant is intrinsically linked to the procedural aspect of compliance; procedural requirements, such as regular reporting, serve as mechanisms to ascertain the fulfilment of substantive obligations under an international treaty.

¹⁴⁷ Simma Bruno and Philip Alston, “The Sources of Human Rights Law: Custom, *Jus Cogens* and General Law Principles,” *The Australian Year Book of International Law Online* 12, no. 1 (1992): 82, 94.

¹⁴⁸ Reporting obligations here also include the reporting obligations as a trading partner of the EU, for instance, Vietnam, within the EVFTA, and reporting obligations that would be referred from this agreement, for example, the reporting ones fulfilled by Vietnam with the ILO's membership with the ILO.

¹⁴⁹ PUNZHIN SM. Procedural Normative System of the International Court of Justice. *Leiden Journal of International Law*. 2017;30(3):661-683. doi:10.1017/S0922156517000280

¹⁵⁰ Harold K. Jacobson and Edith Brown Weiss, “Strengthening Compliance with International Environmental Accords,” *Global Governance*, no. 1 (1995): 122.

¹⁵¹ For this reason, we attempt to use analytical frameworks from the EU, ILO, and other leading labour law experts and scholars in the following sections to evaluate the degree of compliance of Vietnamese labour law with the EVFTA labour commitments.

Evaluating substantive compliance begins with an examination of current domestic legislation in relation to the stipulations outlined in the treaty. Legislative measures, jurisdictions, and administrative or other executive implementation actions establish the foundation for assessing a nation's compliance. A more decentralised residential environment complicates the detection of such instances¹⁵². Most international agreements provide mechanisms for monitoring and supervision to enable the identification of norm violations. Observations, evaluations, and suggestions from adjudicatory authorities offer a comparative analysis of the compliance of parties to an agreement with their substantive obligations. Assessing the alignment of a certain behaviour with the stipulations of an agreement is typically conducted through the examination of domestic legal regulations. The legislative enactment of an international treaty constitutes merely the initial phase in a series of measures required for compliance. Administrative and executive actions for the implementation of the treaty must also be considered. This *de facto* aspect of compliance pertains to the overarching normative framework that underlies the specific duties of an instrument¹⁵³.

Table 6. Two Dimensions of Compliance

	<i>Procedural</i>	<i>Substantive</i>
<i>Definition</i>	<i>Formal requirements</i>	<i>Substantial requirements</i> <i>Convergence of factual situation with objective of the treaty</i>
<i>Assessment</i>	<i>Submission to authorities</i> <i>Reporting requirements</i>	<i>De jure implementation</i> <i>De facto implementation</i>

Source: Thomann, op. cit., 27.

Given the aforementioned approach to compliance, to assess the level of compliance of Vietnamese labour law under the EVFTA, the dissertation would, first and foremost, shed light on labour commitments within the EVFTA and then illustrate the obligations that Vietnam has to fulfil in terms of three key types of provisions: substantive commitments, procedural commitments, and institutional mechanisms¹⁵⁴. In each key type of provision, procedural and substantive obligations would be clarified and explained. And then, by process tracing, the dissertation would assess the legislation, strategy, plans, etc. of the state (Vietnam) (state behaviour) regarding both law and practice in order to conclude whether a behaviour is congruent with the provisions of the agreement/labour provisions. Therefore, the dissertation would evaluate how well the state is following the rules by looking at how they are being put

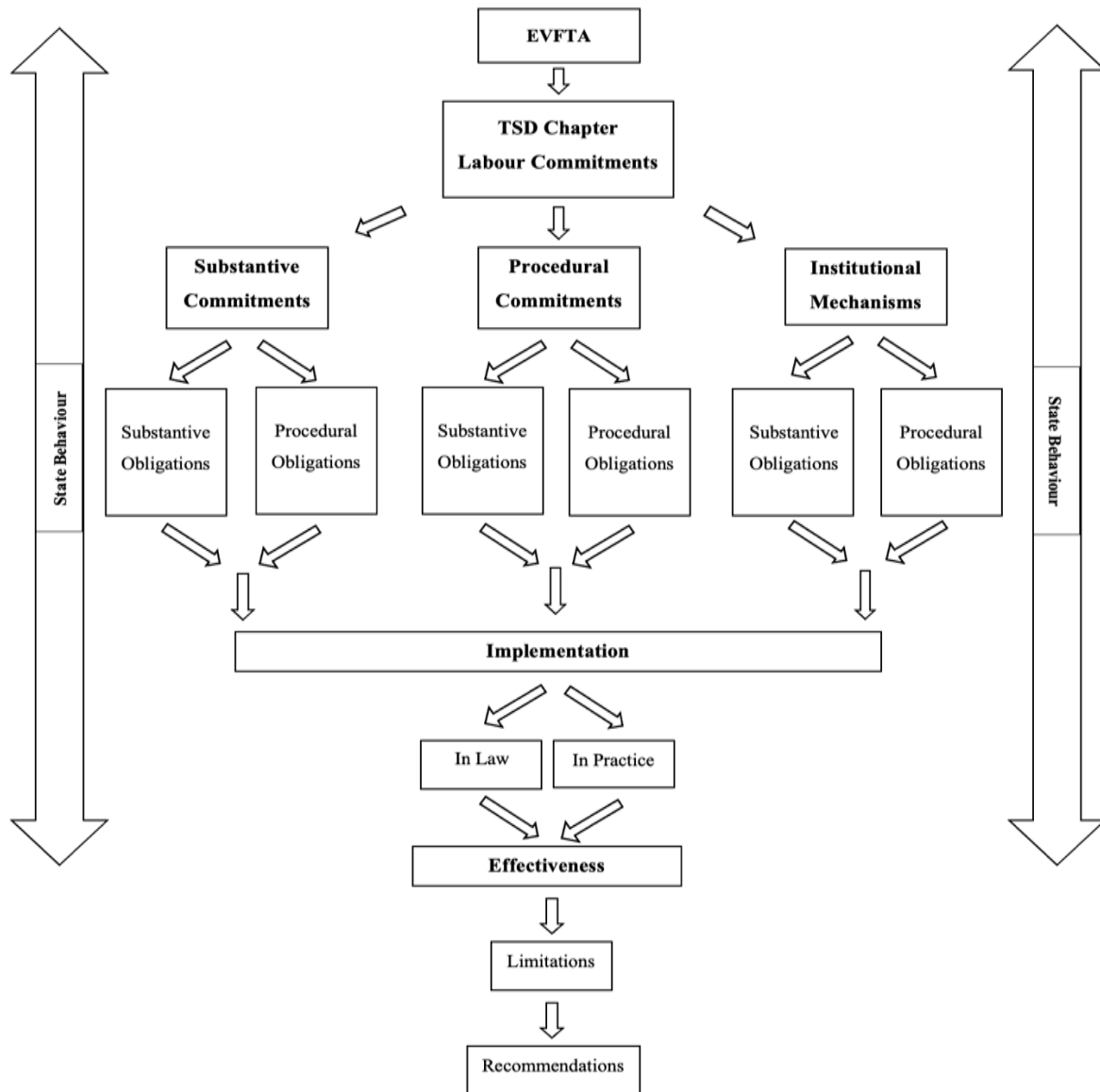
¹⁵² Young, *op. cit.*, 36.

¹⁵³ Jacobson and Weiss, *op. cit.*, 122.

¹⁵⁴ As illustrated in Chapter 1, Section 1.1

into practice, to identify current problems and suggest improvements to Vietnamese labour law, ultimately aiming to increase compliance with Vietnamese labour law in light of the EVFTA. See the following Figure 2 for more details:

Figure 2. Vietnamese Labour Law Compliance Evaluation under the EVFTA



2.4. Final Remarks

By using historical and theoretical approaches to underline the origin of FTAs in this chapter, trade liberalisation would be regarded as the foundation of PTA theory. The rapid evolution of international commerce has led to the transfer of PTAs to FTAs, such as EU FTAs and the EVFTA, in recent times.

Nowadays, EU FTAs have significantly evolved from the first generation to the second (new-) generation, and then to DCFTAs and EPAs. Despite changes in the scope and titles of these EU FTAs, they still play an important role in trade creation and trade diversion.

Not just focussing on commercial interests, with the strategy "Trade for All," the EU has paid more and more attention to sustainable development. So, besides commercial provisions, the EU has introduced non-commercial provisions, especially labour commitments, in the new generation of FTAs with the specialised chapter (TSD). In this chapter of the dissertation, on the one hand, the rationales of trade-labour linkages in EU FTAs are revisited, and on the other hand, the TSD Chapter in general and the labour commitments in particular under this TSD Chapter are generalised from the very beginning: The EU-Korea FTA and now the EVFTA, the most comprehensive and promising FTA between the EU and a developing country, share key pillars of labour provisions within the TSD chapters, including substantive commitments, procedural commitments and institutional mechanisms. These key types of labour commitments would be deeply revisited in the next chapter of the dissertation.

On the other hand, the general theoretical background of compliance with international agreements is also illustrated in this chapter, being regarded as a complex and ambiguous matter. Compliance here means the fulfilment of two key types of obligations embedded in agreements, including procedural and substantive obligations in terms of law and practice perspectives regarding different levels of state behaviour to finalise whether a behaviour is congruent with the provisions of the agreement/labour provisions or not.

And finally, by way of evaluating the effectiveness of the state behaviour through the aforementioned implementation with diverse approaches so as to conclude the contemporary limitations and suggest further recommendations for future reforms of Vietnamese labour law and then enhance the level of compliance of Vietnamese labour law under the context of the EVFTA.

CHAPTER III
EVFTA: GOING BEYOND LABOUR COMMITMENTS IN A NEW GENERATION
FREE TRADE AGREEMENT

3.1. EVFTA: A New-Generation Free Trade Agreement

3.1.1. Historical Background and Content of the EVFTA

Following 14 rounds of discussions commencing in Jun 2012, the negotiations for the EVFTA were officially finalised in Dec 2015. Following the division into distinct trade and investment agreements due to a ruling by the ECJ¹⁵⁵, which determined that the EU lacks the authority to independently finalise agreements on specific investment-related matters, the EVFTA was adopted by the Commission in Oct 2018, ratified by the Council in Jun 2019, and subsequently signed in Hanoi a week later. Following approval from the Parliament in early 2020-specifically from the Committee on International Trade (INTA) in Jan and the Plenary in Feb-the EVFTA was finalised by the Council in Mar, ratified by the National Assembly of Vietnam in Jun, and came into effect on 01 Aug 2020 (Table 6).

The EVFTA encompasses a nearly complete and reciprocal liberalisation of goods trade, together with stipulations for non-tariff barriers, competition policy, and public procurement, among other aspects¹⁵⁶. Consequently, it is regarded as "the most ambitious and comprehensive FTA that the EU has ever concluded with a developing country."¹⁵⁷ Concerning the TSD Chapter, regarding labour responsibilities, similar to other EU FTAs, the parties reaffirm their obligations to the ILO 1998 Declaration, which encompasses freedom of association and collective bargaining. The agreement is, however, significantly ambiguous, obligating each party to "make continued and sustained efforts towards ratifying, to the extent it has not yet done so, the fundamental ILO conventions" (Art. 13.4.3a) and to "effectively implement in its domestic laws and regulations and practice" the provisions of those

¹⁵⁵ European Commission (2017). The Opinion of the European Court of Justice on the EU-Singapore Trade Agreement and the Division of Competences in Trade Policy. https://trade.ec.europa.eu/doclib/docs/2017/september/tradoc_156035.pdf

¹⁵⁶ Jan Grumiller et al., *The Economic and Social Effects of the EU Free Trade Agreement with Vietnam*, Research Report 8/2018 (Vienna: Austrian Foundation for Development Research – OFSE, 2018).

¹⁵⁷ The next part of the dissertation will elaborate on this argument. See: European Commission, *Human rights and sustainable development in the EU-Vietnam relations with specific regard to the EU-Vietnam Free Trade Agreement*, 2016, 7, http://trade.ec.europa.eu/doclib/docs/2016/january/tradoc_154189.pdf.

conventions (Art.13.4.4)¹⁵⁸. The enforcement of the TSD Chapter adheres to the conventional dialogue-based framework previously outlined¹⁵⁹.

The EVFTA negotiations occurred concurrently with discussions for the TPP, an FTA involving 12 nations along the Pacific Rim, including the US. The termination of the TPP following the US exit shortly after President Trump's inauguration in Jan 2017 underscores the significance of the labour chapter negotiated by US representatives in comprehending the implications of the EVFTA. In this context, the US negotiated a bilateral "Consistency Plan", agreed upon in Feb 2016, outlining the legislative and institutional reforms Vietnam was required to implement before the TPP's enactment. In contrast to the EU, the US established pre-ratification stipulations. Compliance with the contentious issue of providing Vietnamese workers the right to freely establish and join unions of their choosing was, however, allotted a grace period of five years¹⁶⁰. Following the US' withdrawal, negotiations persisted, culminating in Mar 2018 when Vietnam and ten other nations ratified the CPTPP. This agreement maintained the labour chapter, but, in the absence of the Consistency Plan, imposed considerably less stringent requirements on Vietnam¹⁶¹.

¹⁵⁸ Under the concept that between something "old" (the ILO fundamental rights and principles at work enshrined in ILO conventions) and something "new" (the EU FTAs with the TSD chapters), the consequence of labour dispute settlement between the EU and Korea urges the author to find out the true nature of the labour commitments in the EU FTAs in general and the EVFTA in particular within Chapter III.

¹⁵⁹ Even though this approach of the EU (a model without sanctions) is different from the US and Canada (models with sanctions) regarding allegations of non-compliance within the TSD chapters and therefore has been faced with opposing ideas of a model with sanctions in the future, the EU has still been pursuing the contemporary approach (a more assertive partnership on TSD) through evidence from meetings and requests of the EU during annual joint forums with trading partners, for instance, Vietnam. This could be clarified by the varying preferences of state actors towards labour rights protection through FTAs; especially, political institutions and ratification (legal) procedures in the US have enabled them to have stronger labour objectives than in the EU. In the US, Congress is the sole veto player. In the EU, not only the European Parliament but also the parliaments of 27 EU member states and their regional parliaments are veto players. With so many levels of development and preferences about labour protection, it is difficult to achieve strong labour provisions. This contributes to the argument that when the number of veto players increases, the probability of forming a PTA declines. See: European Commission, *Trade and Sustainable Development Chapters in EU Free Trade Agreements – Non-paper of the Commission Services* (Brussels, 2017), 2; and Nghia Trong Pham, *Labour Provisions in the US and EU FTAs: A Two-Level Games Perspective*, GEG Working Paper 133 (Oxford: Global Economic Governance Programme, University of Oxford, 2017), 24.

¹⁶⁰ Tran, Bair and Werner, *op. cit.*, 397–416.

¹⁶¹ This would raise concerns about whether the EU has played a vital role in domestic legal reforms in Vietnam recently, especially within the scope of the EVFTA regarding the compliance theory, and therefore the first hypothesis is examined in the next chapter.

Table 7. Timeline of the EVFTA

Date	Event	Date	Event
Oct 2010	EU and Vietnam agree to negotiate FTA	Oct 2018	Commission adopts EVFTA
Jun 2012	Negotiations officially begin	Jun 2019	Council approves signing
Aug 2015	Agreement on broad lines of EVFTA	Jun 2019	EVFTA officially signed in Hanoi
Dec 2015	Negotiations conclude, legal review starts	Jan 2020	INTA gives its consent
Feb 2016	Final draft made public	Feb 2020	Parliament gives its consent
May 2017	ECJ ruling on EU-Singapore; implications for the EVFTA	Mar 2020	EVFTA concluded by Council
Sep 2017	EU requests Vietnam to split agreement	Jun 2020	Ratified by National Assembly, Vietnam
Jun 2018	Vietnam agrees to split agreements	Aug 2020	Enters into force

Source: Author; Russell (2018)¹⁶²

3.1.2. The Most Comprehensive and Promising New-Generation Free Trade Agreement between the EU and a Developing Country

Stemming from the agenda to fulfil an action plan for EU external competitiveness after the year 2005 with the renewed Lisbon strategy to deliver growth and jobs and create opportunities, which are essential for economic prosperity, social justice and sustainable development, and further equip Europeans for globalisation¹⁶³, among the proposals in this action plan related to various perspectives¹⁶⁴, it should be highlighted that there are proposals for a new generation of carefully selected and prioritised FTAs. Based on several key economic criteria for new FTA partners, namely market potential (economic size and growth), the level of protection against EU export interests (tariffs and non-tariff barriers), and potential partners' negotiations with EU competitors, ASEAN, Korea and Mercosur emerge as priorities. They all combine high levels of protection with large market potential, and they are active in concluding FTAs with EU competitors¹⁶⁵. And according to this, as an ASEAN member, Vietnam engages

¹⁶² Martin Russell, "EU-Vietnam Free Trade Agreement [International Agreements in Progress Briefing]," *Epthinktank*, 20 Feb, 2018 (updated Nov 14, 2019), accessed Aug 14, 2025, [EU-Vietnam trade and investment agreements \[International Agreements in Progress\] | Epthinktank | European Parliament](#).

¹⁶³ European Commission, *Global Europe*, 2006, 2.

¹⁶⁴ These include the EU's commitment to the Doha Trade Round and the WTO as the most effective means of opening and managing world trade; priorities for trade and investment relations with China, which are part of a broader strategy to establish mutually beneficial partnerships; a second phase of the EU's intellectual property (IPR) enforcement strategy; an updated and strengthened market access strategy; initiatives to open procurement markets internationally; and an assessment of the effectiveness of our trade defence instruments. See: *Ibid.*, 12-13.

¹⁶⁵ *Ibid.*, 9.

in comprehensive region-to-region cooperation with the EU, particularly through the Global Gateway flagships and the regional Team Europe Initiatives on Green and Sustainable Connectivity within ASEAN¹⁶⁶, and therefore EVFTA is the most comprehensive and ambitious trade and investment agreement which the EU has ever made with a developing Asian country. It is the second FTA entered into in the ASEAN region, following the agreement with Singapore, which will intensify bilateral relations between Vietnam and the EU. The FTA between the EU and Vietnam is one of the EU's 46 and Vietnam's 15 RTAs in force and notified to the WTO¹⁶⁷.

The agreement establishes a free trade area between the Union and Vietnam, emphasising strict environmental protection and adherence to labour laws as well as appropriate international norms, agreements, practices, and recommendations. The explicit objectives of the agreement with Vietnam primarily encompass¹⁶⁸ (based on the EU-Vietnam Trade Agreement and Investment Protection Agreement¹⁶⁹), including: The removal of customs barriers to bilateral trade concerning industrial and agricultural products, along with the enhancement of market access for EU automobile manufacturers; The mitigation of non-tariff barriers; The deregulation of the public procurement market aims to ensure equitable competition between EU and Vietnamese vendors in both regions; The deregulation of service commerce and improved access to service markets; Access to and protection of investments; Advancement of Sustainable Development; The safeguarding of intellectual property rights, namely trademarks, copyright, and geographical indications; Establishing an efficient and expedited conflict settlement procedure. The dispute resolution within the FTA encompasses discussions, arbitration, and a mediation procedure.

Given the context of this international legal framework, from a practical standpoint, the trade dynamics between the EU and Vietnam indicate that Vietnam ranked as the EU's 17th largest trade-in-goods partner and the foremost trading partner in goods within the ASEAN in 2023, with total trade flows reaching €64.2 billion. The primary exports from the EU to Vietnam consist of high-tech products, such as electrical machinery and equipment, aircraft, cars, and pharmaceuticals. The principal exports from Vietnam to the EU include telephone

¹⁶⁶ European Commission, "Vietnam," *International Partnerships*, accessed Jul 21, 2025, [Vietnam - European Commission](#).

¹⁶⁷ Committee on RTA, *Free Trade Agreement between the European Union and Viet Nam (Goods and Services)*, WT/REG406/1 (WTO, 2021), 1-58.

¹⁶⁸ Małgorzata Czermińska, "New-Generation Trade Agreements and Their Importance to Trade Relations between European Union and Third Countries – Vietnam Case," *Eastern European Journal of Transnational Relations* 6, no. 1 (2022): 27-28.

¹⁶⁹ The EU and Vietnam signed a Trade Agreement and an Investment Protection Agreement on 30 Jun 2019. The European Parliament subsequently gave its consent to both agreements on 12 Feb 2020, and the FTA was concluded by the Council on 30 Mar 2020. The trade agreement entered into force on 01 Aug 2020. The Investment Protection Agreement will enter into force when it is ratified by all EU member states. As of Jun 2024, 18 EU member states had ratified it. See: European Commission, "Vietnam", *EU Trade Policy-Countries and Regions*, accessed Jul 21, 2025, [EU trade relations with Vietnam](#)

sets, electrical goods, footwear, textiles and apparel, coffee, rice, seafood, and furniture. The EU, with an outward foreign direct investment stock of €13.8 billion in 2022, ranks among the major foreign investors in Vietnam. The predominant sector of investment from the EU is industrial processing and manufacturing. The subsequent figure provides further details:

Figure 3. EU trade of goods, services and foreign direct investment in Vietnam in 2022



Source: *Europa.eu*¹⁷⁰, Last updated: 21/05/2024

In the long run, given that it is regarded as one of the EU's principal partners in Southeast Asia and has the highest number of agreements with the EU, the Union has progressively elevated the fruitful collaboration between the block and Vietnam in many formal bilateral agreements covering various fields going beyond the scope of the EVFTA¹⁷¹. Especially, the EU is committed to supporting Vietnam's journey towards sustainable and inclusive development, aligning its efforts with the 2021-2030 Vietnam Socio-Economic Development Strategy, the Vietnam Green Growth Strategy, and the EU's Global Gateway and Indo-Pacific Strategies. The EU's engagement is rooted in Vietnam's commitment to the 2030

¹⁷⁰ European Commission, "Vietnam."

¹⁷¹ European External Action Service (EEAS), "The EU and Vietnam," *European External Action Service*, accessed Jul 26, 2025, [The European Union and Vietnam | EEAS](#)

Agenda for Sustainable Development and aims to promote a sustainable green transition, highlighted by the Just Energy Transition Partnership¹⁷². Specifically, regarding labour commitments, the EU continuously has a tendency to pursue decent employment by aiming to create and promote jobs in Vietnam that provide decent earnings, ensure safe working conditions, give social protection, and safeguard workers' rights. This is further illustrated in the ultimate goals of the TSD Chapter in the EVFTA and relevant EU FTAs recently¹⁷³.

3.2. Labour Commitments in The EVFTA: Old Wine in New Bottles?

With the aim to clarify the characteristic traits of labour commitments in the EVFTA in particular and in EU FTAs among developing countries in general, this section focuses on these commitments regarding their scope, implementation and enforcement provisions relevant in a brief comparison study¹⁷⁴. Broadly speaking, the research offers a comprehensive examination of labour commitments and seeks to identify any similarities or disparities among EU FTAs with developing countries. Where applicable, the study differentiates between labour commitments in first- and second-generation ones among the examined nations. To conclude, the EVFTA has not only similar labour commitments as others but also a "wider and deeper" approach in some aspects.

This study focuses on six EU FTAs¹⁷⁵. According to the EU, these FTAs are all typical examples of those currently in force and represent agreements between the EU and developing nations¹⁷⁶, as illustrated in Table 8 below:

¹⁷² European Commission, "Vietnam," *International Partnerships – European Commission*, accessed Jul 26, 2025, [Vietnam - European Commission](#)

¹⁷³ This point would be demonstrated, and the relations between criteria that are utilised by the EU, for instance the ILO CLS, CSR and the ultimate goal-decent work, are also explained carefully in the next sections. See: *Ibidem*.

¹⁷⁴ For each category examined, the author chose specific factor(s) to be the major point of comparison.

¹⁷⁵ These six FTAs consist of the EU-Mexico Partnership Agreement (the Global Agreement) (EU-Mexico) and the EU-Chile Association Agreement (EU-Chile), which are classified as first-generation EU FTAs; the EU-Colombia/Peru/Ecuador Trade Agreement (EU-Col/Pe/Ecu), the EU-Central America Association Agreement (EU-Central America), and the EVFTA (EU-Vietnam), which are categorised as second-generation EU FTAs between the EU and developing nations; and the EU-Korea FTA, which serves as a model for a new generation of FTAs and is also referenced in the next section regarding the labour dispute settlement between the EU and Korea. Additionally, to gain a comprehensive understanding of EU policy in general and its approach to new-generation FTAs, particularly in developing countries, the author seeks information from recent EU FTA negotiations with Indonesia, Thailand, and other developed countries such as New Zealand, Canada, Japan, Singapore, and the UK.

¹⁷⁶ European Commission, "Free Trade Agreements".

Table 8. EU FTAs selected for the comparative study

<i>FTA</i>	<i>Signature date</i> ¹⁹²	<i>Coming into effect</i> ¹⁹³	<i>Labour commitments & relevant regulations</i> ¹⁹⁴
EU-Mexico	27/11/2000	01/7/2001 (full)	Not promulgated
EU-Chile ¹⁹⁵	18/11/2002	01/02/2003 (provisionally); 01/03/2005 (full)	Art. 44 on Social cooperation & Art. 10, 11 on Civil Society Dialogue
EU-Korea	06/10/2010	01/7/2011 (provisionally); 13/12/2015 (full)	Chapter 13 TSD includes provisions on labour and Annex 13 deals with Cooperation on TSD.
EU-Col/Pe/Ecu	26/6/2012	01/3/2013, 01/8/2013 & 01/01/2017 (provisionally with Peru, Colombia & Ecuador, respectively)	Title IX TSD includes labour provisions.
EU-Central America	29/6/2012	01/8/2013 (provisionally Honduras, Nicaragua; Panama); 01/10/2013 (provisionally Costa Rica, El Salvador); 01/12/2013 (provisionally Guatemala)	Part IV on Trade, Title VIII on TSD include provisions on labour. Part III on Cooperation, Title III on Social Development and Social Cohesion include provisions on employment and social protection, indigenous peoples and other ethnic groups, vulnerable groups, gender. Title VI on Economic and Trade Development includes Art. 63 on Cooperation and Technical Assistance on TSD.
EU-Vietnam	30/6/2019	01/8/2020 (full)	Chapter 13 TSD includes provisions on labour. Chapter 16 on Cooperation and capacity building includes provisions on cooperation in TSD.

Source: Tien Dung Nguyen, "EVFTA: Going beyond Labour Commitments in a New Generation Free Trade Agreement", *Lex ET Scientia International Journal* 31, no. 1 (2024): 119.

3.2.1. Scope of Labour Commitments (Substantive and Other Standards)

This section examines the scope of labour commitments by categorising relevant provisions into the following areas:

Reference to the ILO and international labour standards (Upholding ILO CLS)

Except for the agreement with Mexico, all the EU FTAs examined refer to the ILO and its significant role in reinforcing social standards in the country partners. However, the EU-Chile Association Agreement just mildly indicates the ILO's importance and its relevant conventions regarding freedom of association, collective bargaining rights, forced/child labour abolition, non-discrimination at work and men-and-women equal treatment¹⁷⁷. All the remaining EU FTAs pertain to CLS admitted at an international level and promulgated in eight fundamental conventions of the ILO¹⁷⁸; specifically, they all link to the "ILO Declaration on

¹⁷⁷ For example, see EU–Chile Association Agreement, art. 44.1.

¹⁷⁸ Conventions on Freedom of Association and Effective Recognition of Collective Bargaining Rights (No. 87 and 98); Conventions on Forced/Compulsory Labour Elimination (No.29 and 105); Conventions on Effective Child Labour Abolition (No. 138 and 182); Conventions on Elimination of Employment and Occupational Discrimination (No.100 and 111). Up to now, the ILO has updated one fundamental Convention (No.155) and a Promotional Framework for Occupational Safety and Health (No.187). See ILO, *Conventions and Recommendations*, available at: [Conventions and Recommendations \(ilo.org\)](https://www.ilo.org/conventions-recommendations). So within the scope of the EVFTA and this dissertation, the Conventions (No.155 and No.187) would be regarded as the conventions that Vietnam ratified in 1994 and 2014, respectively, and they would be examined in the section related to "Upholding levels of domestic protection on labour standards", also including migrant workers' rights, minimum wages, and

Fundamental Principles and Rights at Work" in 1998¹⁷⁹, encompassing freedom of association, rights to organise/collectively bargain, forced/child labour elimination, and non-discrimination at the workplace. Besides the aforementioned fundamental rights (CLS), the EVFTA, like other new-generation EU FTAs, tends to broaden the scope of referred international labour standards, for instance, health/safety at occupation and migrant workers' rights¹⁸⁰.

For more details, see Table 9 below:

Table 9. International labour standards references

<i>FTA</i>	<i>Freedom of association</i>	<i>Right to organise & collectively bargain</i>	<i>Forced labour elimination</i>	<i>Child labour abolition</i>	<i>Non-discrimination</i>	<i>Occupational health & safety</i>	<i>Migrant workers rights</i>
EU-Mexico							
EU-Chile	✓	✓	✓	✓	✓		
EU-Korea	✓	✓	✓	✓	✓		
EU-Col/Pe/Ecu	✓	✓	✓	✓	✓	✓	✓
EU-Central America	✓	✓	✓	✓	✓	✓	
EU-Vietnam	✓	✓	✓	✓	✓	✓	✓

Source: Author analysis from: Nguyen, "EVFTA: Going beyond Labour Commitments," 120.

On the one hand, delving deeper into CLS (the four (04) fundamental rights and principles at work) is to help us evaluate the compliance of Vietnamese labour law regarding the relevant obligations enshrined in the EVFTA in the next chapter.

Firstly, Freedom of association and effective recognition of collective bargaining rights Embodied within "C087-Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87)" and "C098-Right to Organise and Collective Bargaining Convention, 1949 (No. 98)", respectively, are C087 and C098 from here on out.

The primary tenet of C087 is that both employees and employers deserve to be able to establish and participate in groups based on their selection¹⁸¹. No government agency shall take

labour inspections. Vietnam is increasingly focussing on these areas and making strong commitments to the ILO in order to implement ratification strategies in the future. See: Memorandum of Understanding between the Ministry of Labour - Invalids and Social Affairs and the ILO on the Cooperation to Promote International Labour Standards in Viet Nam for the 2021-30 Period.

¹⁷⁹ For example, EU–Korea FTA, art. 13.4; EU– Col/Pe/Ecu Trade Agreement, art. 269; EU–Central America Association Agreement, art. 63; EVFTA, arts. 13.1 and 13.4.

¹⁸⁰ For example, EU–Col/Pe/Ecu Trade Agreement, arts. 276 and 278; EU–Central America Association Agreement, arts. 49 and 292; EVFTA, art. 13.14. In comparison with developed countries like Canada and the UK, the EU reinforces high levels of requests for more international labour standards, besides CLS, health/safety at occupation, migrant workers' rights, namely minimum wage and labour inspection. See: Velut et al., *op. cit.*, 53.

¹⁸¹ ILO, *Freedom of Association and Protection of the Right to Organise Convention (No. 87), 1948*, art. 2.

any action that violates or chills the free enjoyment of this right. Additionally, states should take the necessary steps to protect workers' and employers' rights to organise¹⁸².

Furthermore, C098 states that employees must be afforded sufficient protection from unlawful discrimination in the workplace. Employers are not permitted to condition a worker's employment on his/her refusal to become or retain a trade union membership. In addition, employees cannot be fired for participating in union activities before, during, or after work without the authorisation of the employer¹⁸³. It is also forbidden to take any action that would encourage the formation of workers' organisations subordinate to employers' organisations or provide financial or other support to workers' organisations with the goal of bringing them under the control of employers' organisations¹⁸⁴. It also requires that, when necessary, employers or employer organisations and worker organisations be encouraged to develop and use mechanisms for voluntary negotiation¹⁸⁵. It's important to note that C098 does not apply to public officials who participate in state administration, and the armed forces and police are only regulated by these provisions if national regulations and laws do not prohibit it¹⁸⁶.

Secondly, Forced/compulsory labour elimination

This core standard is promulgated in "C029 - Forced Labour Convention, 1930 (No. 29)" and "C105 - Abolition of Forced Labour Convention, 1957 (No. 105)", below C029 and C105, a respectively.

In essence, C029 requires that members take steps to eradicate forced/compulsory labour in employment (hereafter referred to as "forced labour"). This Convention also defines the phenomenon as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily"¹⁸⁷. Numerous exceptions are made, such as for labour in prison, given that "the said person is not hired to or placed at the disposal of private individuals, companies or associations"¹⁸⁸.

In C105, member states agree not to use forced labour for "political coercion or education or as a punishment for holding or expressing political views or views ideologically opposed to the established political, social or economic system"¹⁸⁹. Furthermore, forced labour

¹⁸² Ibid., art.3, 4, 11.

¹⁸³ ILO, *Right to Organise and Collective Bargaining Convention (No. 98)*, 1949, art. 1.

¹⁸⁴ Ibid., art. 2.

¹⁸⁵ Ibid., art. 4.

¹⁸⁶ Ibid., art. 6.

¹⁸⁷ ILO, *Forced Labour Convention (No. 29)*, 1930, art. 2.

¹⁸⁸ Ibidem.

¹⁸⁹ ILO, *Abolition of Forced Labour Convention (No. 105)*, 1957, art. 1.

is prohibited for economic growth, discipline in the workplace, retaliation for strike participation, and other purposes also listed in this Convention¹⁹⁰.

Thirdly, Effective child labour abolition

This core standard is set forth within "C138 - Minimum Age Convention, 1973 (No. 138)" and "C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)", also known as C138 and C182 in their own right.

According to C138, each participant must work towards a national policy that will finally put an end to child labour¹⁹¹. Further, rules should be formulated to raise the entry-level employment age to one that is in line with children's maximal physiologic and cognitive maturation. The age specified in C138 shall not be less than the age at which obligatory education is completed, and in no event shall be less than 15 years of age¹⁹². Work that poses a risk to minors' health, safety, or morals either because of what it is or how it is done requires a worker to be at least 18 years old¹⁹³. Numerous exemptions are built into this Convention; for instance, less developed countries may establish their minimum ages at 14 or restrict the range of applicability of this Convention¹⁹⁴.

Besides, C182 mandates nations to adopt "immediate and effective measures to secure the prohibition and elimination of the worst forms of child labour"¹⁹⁵. Children are referred to as those younger than 18 years of age¹⁹⁶. All kinds of slavery, as well as the employment, procurement, or offering of young people for unlawful purposes, and activity deemed probably to have an impact on the safety, health, or morality of minors, fall under the umbrella term "worst forms"¹⁹⁷.

And fourthly, Elimination of employment and occupational discrimination

C100, known as "C100-Equal Remuneration Convention, 1951 (No. 100)", and C111, also known as "C111-Discrimination (Employment and Occupation) Convention, 1958 (No. 111)", are two conventions that codify this principle.

In C100, members are strongly encouraged to employ equal remuneration in their policies. Remuneration here includes "the ordinary, basic or minimum wage or salary and any additional emoluments whatsoever payable directly or indirectly, whether in cash or in kind,

¹⁹⁰ Ibidem.

¹⁹¹ ILO, *Minimum Age Convention (No. 138)*, 1973, art. 1.

¹⁹² Ibid., art. 2.

¹⁹³ Ibid., art. 3.

¹⁹⁴ Ibid., art. 2.

¹⁹⁵ ILO, *Worst Forms of Child Labour Convention (No. 182)*, 1999, art. 1.

¹⁹⁶ Ibid., art. 2.

¹⁹⁷ Ibid., art. 3.

by the employer to the worker and arising out of the worker's employment"¹⁹⁸. Additionally, "equal remuneration" refers to rates of remuneration established without discrimination based on sex¹⁹⁹. C100 is not about to apply differential rates of remuneration between workers that correspond to distinctions determined by objective evaluation on the job²⁰⁰.

Besides that, discrimination referred to in C111 includes "any distinction, exclusion, or preference made on the basis of race, colour, sex, religion, political opinion, national extraction, or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation."²⁰¹ It further states that discrimination will not be found to have occurred if a person is treated differently because of their failure to meet the "inherent requirements" of a particular job²⁰². Members are tasked with pursuing a national strategy that advances workplace fairness for all²⁰³.

On the other hand, looking more closely at the new-generation FTAs, especially the EVFTA and EU-Korea FTA, the parties agree to adhere to, promote, and implement the four universally acknowledged principles of fundamental labour rights in their legislation, rules, and actions, as shown in the table 8 above²⁰⁴. The EU FTAs require the parties involved to make "continued and sustained efforts" to officially ratify the remaining ILO fundamental conventions and effectively incorporate them into their national laws, regulations, and practices, along with the other conventions that the parties have already ratified²⁰⁵. Despite the panel's significant conclusion that these provisions lack a specific target date or milestone for the ratification process²⁰⁶, it's important to clarify some key points²⁰⁷. *Firstly*, these commitments cover two main obligations: (i) the first is to ratify the outstanding ILO fundamental conventions (mandatory); (ii) the second is to guarantee the effective respect of fundamental labour norms embedded in ILO fundamental conventions, whether they have been ratified or not²⁰⁸, in terms of national laws, regulations, and practices. *Secondly*, these EU FTAs include several provisions seeking to guarantee the effective respect of the fundamental labour

¹⁹⁸ ILO, *Equal Remuneration Convention (No. 100)*, 1951, art. 1.

¹⁹⁹ *Ibidem*.

²⁰⁰ *Ibid.*, art. 3.

²⁰¹ Art 1 of 1958 on the C111.

²⁰² *Ibidem*.

²⁰³ *Ibid.*, art. 2.

²⁰⁴ EU–Korea FTA, art. 13.4; EVFTA, art. 13.14.

²⁰⁵ *Ibidem*.

²⁰⁶ Panel of Experts, *EU-Korea – Report of the Panel of Experts Constituted under Article 13.15 of the EU-Korea Free Trade Agreement*, Jan 20, 2021, https://trade.ec.europa.eu/doclib/docs/2021/january/tradoc_159358.pdf, 74. This conclusion would be re-indicated in Section 3.3 to delve deeply into the EU-Korea FTA regarding the recent labour dispute settlement within the TSD Chapter and therefore comprehensively understand the EU's policy and implications in new-generation FTAs.

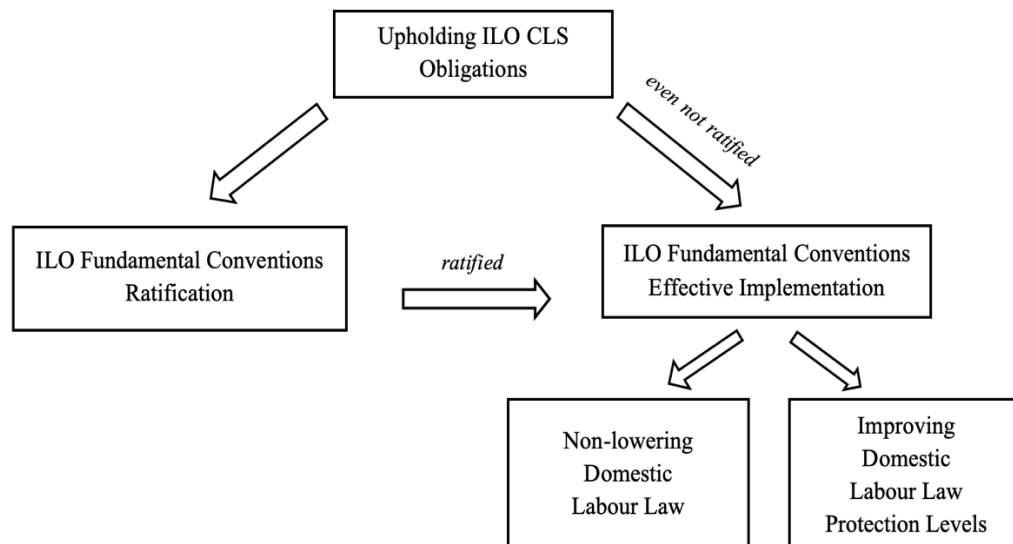
²⁰⁷ Zamfir Ionel, *Labour rights in EU trade agreements: Towards stronger enforcement* (European Parliamentary Research Service, 2022), 6-7.

²⁰⁸ "ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022," ILO, accessed Aug 01, 2025, [Key document - ILO Declaration on Fundamental Principles and Rights at Work \(1998\), as amended in 2022](#).

norms above (obligations related to domestic legislation and practice). One of these is the obligation not to weaken/lower the level of protection provided by national labour laws and not to derogate from them in order to encourage trade (and investment)²⁰⁹. Meanwhile, it is crucial for the parties to consistently and actively enforce their domestic legislation through a sustained or recurring course of action or inaction in a way that promotes trade and investment (improving levels of domestic protection on labour standards)²¹⁰. And *thirdly*, the essence of these commitments should be seen as necessitating the utmost endeavours from the parties involved, beyond simply compliance with minimal activities or complete inaction but not going so far as to demand that every possible measure be used constantly²¹¹.

Therefore, regarding the obligations related to CLS in the EVFTA, on the one hand, the EU has continued to employ and reinforce the importance of the ILO and required Vietnam to fulfil the obligations derived from the ILO membership. Additionally, in the context of the EVFTA, the EU has introduced relatively "new" obligations designed to ensure that the implementation of CLS does not negatively impact the trade relationship between the EU and Vietnam, as previously mentioned. These obligations related to upholding CLS are depicted in Figure 4 below.

Figure 4. Obligations related to upholding ILO CLS under the EVFTA



Source: Tien Dung Nguyen, "Transformations and Evolving Paradigm of Labour Commitment in an Era of EU New-Generation Free Trade Agreements: From Labour Standards to Decent Work," *Pécsi Munkajogi Közlemények* 17, no. 57 (2024): 62.

²⁰⁹ In other words, this obligation is also regarded as *Labour regulatory sovereignty*. According to this, all second-generation EU FTAs contain provisions on the domestic right to regulate labour that prohibit derogations from domestic labour laws in order to promote trade/investment; however, this aspect is not available in the first-generation EU FTAs. For example, EU–Korea FTA, art. 13.7; EU–Col/Pe/Ecu Trade Agreement, art. 277; EU–Central America Association Agreement, art. 291; EVFTA, art. 13.3.

²¹⁰ EU–Korea FTA, art. 13.7; EVFTA, art. 13.3; ILO, *Country Programme Review: Viet Nam Decent Work Country Programme 2017-2021* (Hanoi: ILO, 2021), 28.

²¹¹ Panel of Experts, *op. cit.*, 74.

Reference to other social commitments (Promoting CSR)

Once again, except for the agreement with Mexico and Chile, the other EU FTAs promulgate commitments on CSR/RBC. While previous agreements have shown a preference for clauses that aim to enable and enhance trade in commodities that are subject to CSR programmes, such as the EU-Korea FTA, recent FTAs tend to prioritise the promotion of CSR/RBC, besides relating instruments at an international level, including the OECD Guidelines supporting multinational enterprises²¹², the UN Global Compact²¹³, and the ILO Tripartite Declaration of Principles concerning multinational enterprises and Social Policy²¹⁴, as seen in the EU-Col/Pe/Ecu Trade Agreement. Furthermore, four out of six agreements also refer to gender equality, as shown in Table 10 below:

Table 10. Other social commitments

<i>Free Trade agreement</i>	<i>Gender Equality</i>	<i>CSR/RBC Promotion</i>
EU-Mexico		
EU-Chile	✓	
EU-Korea	✓	✓
EU- Col/Pe/Ecu		✓
EU-Central America	✓	✓
EU-Vietnam	✓	✓

Source: Author analysis from: Nguyen, “EVFTA: Going Beyond Labour Commitments,” 121.

Within the context of the EVFTA²¹⁵, first of all, the language used to articulate the CSR commitment in this FTA is rather “lenient”, even going so far as to include a best efforts provision²¹⁶, which explicitly pertains to the effort to “agree to promote” CSR activities. In this case, the EU-Korea Panel of experts defined the word “promote” as meaning to “further the development, progress, or establishment of (a thing), encourage, help forward, or support activity”²¹⁷. It suggests that governments have a positive duty to ensure that they encourage and facilitate the application of best business practices²¹⁸. It also means, the same as the “upholding ILO CLS” above, that the inherent nature of this commitment should be seen as requiring significant efforts, above the minimum required steps or complete inaction, but falling short of necessitating the implementation of every possible measure at all times²¹⁹. It

²¹² OECD, *OECD Guidelines for Multinational Enterprises on Responsible Business Conduct* (Paris: OECD Publishing, 2023), accessed Aug 14, 2025.

²¹³ “Social Sustainability,” UN Global Compact, accessed Aug 14, 2025, [Social Sustainability | UN Global Compact](#).

²¹⁴ ILO, *Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration)* (ILO, 2023), accessed Aug 14, 2025, [Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy \(MNE Declaration\) | International Labour Organization](#)

²¹⁵ EVFTA, arts. 13.10(2)(e), 13.14(1)(i).

²¹⁶ Joshua Waleson, “Corporate Social Responsibility in EU Comprehensive Free Trade Agreements: Towards Sustainable Trade and Investment,” *Legal Issues of Economic Integration* 42, no. 2 (2015): 163.

²¹⁷ William Trumble and Martin Brown, *Shorter Oxford English Dictionary*, 5th edition (Oxford University Press, 2002).

²¹⁸ Panel of Experts, *op. cit.*, 38.

²¹⁹ *Ibid.*, 74.

can be understood that the EVFTA imposes necessary obligations on member nations to implement necessary measures and specific actions on CSR, even if it does not provide for direct obligations for corporations. These procedures include more than just approving the agreement; they involve a mix of actions, policies, the enactment of laws, and the accountability framework to ensure that companies comply with labour standards.

CSR commitments on labour under the EVFTA also refer to norms that are internationally voluntarily recognised²²⁰, such as the OECD Guidelines for Multinational Enterprises, the UN Global Compact and the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy. Non-binding instruments initially included in FTAs may be transformed into instruments that are legally binding on the parties²²¹ and are subject to the jurisdiction of the enforcement mechanism established by agreement²²². That means the EVFTA creates a horizontal obligation for signatory countries to promote a comprehensive set of labour-based CSR guidelines without having a direct vertical impact on enterprises²²³. And "voluntary" here refers to enterprises' CSR enforcement efforts, not countries' obligations²²⁴. With regard to labour content, it is evident that all three guidelines share a similarity in that they are based on basic principles and rights at work, as mandated by the duties of member nations of the ILO and the 1998 ILO Declaration²²⁵. This also means that CSR's international guidelines are aimed at addressing matters that the EVFTA necessitates parties pledge their commitment to upholding, advancing, and efficiently executing labour commitments outlined in Chapter 13.

As a result, it is worth wondering if the "upholding ILO CLS" rules for the workplace could overlap with the introduction of CSR under the EVFTA. This is because both pillars are based on basic rights and principles at work, which the ILO recognises on a global level. And what is the EU's ultimate goal when integrating CSR obligations into this FTA? It is believed that CSR will serve as the primary platform for addressing human rights issues with businesses, particularly the labour sector, and subsequently assist the EU in enhancing its interactions with "non-state" actors²²⁶. In other words, under these CSR, the EU requests that Vietnam and other trading partners encourage companies to comply with labour commitments, CLS via domestic

²²⁰ Francesca Romanin Jacur, "Corporate Social Responsibility in Recent Bilateral and Regional Free Trade Agreements: An Early Assessment," *European Foreign Affairs Review* 23, no. 4 (2018): 475.

²²¹ *Ibidem*.

²²² *Ibid.*, 476.

²²³ Waleson, *op. cit.*, 164.

²²⁴ *Ibidem*.

²²⁵ Cong Giao Vu and Minh Tuan Nguyen, "Overview of International Regulations on Corporate Social Responsibility", *Scientific Conference Corporate Social Responsibility: International Regulations and Legal Issues Facing Vietnam* (Hanoi: Hanoi Law University, 2023), 14.

²²⁶ Wolfgang Benedek et al., *Improving EU Engagement with Non-State Actors* (FRAME, 2015).

law, accountability, and compliance duties that are commensurate with international standards. This means a lot for achieving "true" compliance with labour commitments in the EVFTA and helps the EU fulfil the "dream" of ensuring that its trade policy supports sustainable development within its boundaries, in its partner countries, and globally²²⁷.

Reference to ILO DWA (Promoting ILO DWA)

Almost all EU FTAs mention DWA in the TSD Chapter with the same approach (except for the EU-Mexico Partnership Agreement and the EU-Chile Association Agreement), including: (1) context and objectives; (2) multilateral labour standards and agreements; (3) trade and investment favouring sustainable development; and (4) cooperation on TSD. Even what the EVFTA considers to be "labour issues" is “*the DWA, as referred to in the ILO Declaration on Social Justice for a Fair Globalisation, adopted by the International Labour Conference at its 97th Session in Geneva on 10 June 2008*”²²⁸. Beyond the basic standards approach, the TSD Chapter links labour issues to the ILO DWA's proposed concept of decent work. In a broader sense, DWA is the overarching goal of the TSD Chapter in the EVFTA and the EU FTAs, partly by bolstering or promoting the endogenous growth of labour standards²²⁹.

Table 11. Decent work commitments

<i>Free Trade Agreement</i>	<i>Context & Objective</i>	<i>Multilateral labour standards & agreements</i>	<i>Trade & Investment favouring sustainable development</i>	<i>Cooperation on TSD</i>
EU-Mexico				
EU-Chile				
EU-Korea	✓	✓	✓	✓
EU- Col/Pe/Ecu	✓	✓	✓	✓
EU-Central America	✓	✓	✓	✓
EU-Vietnam	✓	✓	✓	✓

Source: Author analysis from: Tien Dung Nguyen and Thi Thanh Huyen Nguyen, “Commitment to Decent Work in the European Union’s New Generation Free Trade Agreements: Analyzing the European Union-Vietnam Free Trade Agreement,” Vietnamese Journal of Legal Sciences 11, no. 183 (2024).

Upon its incorporation into the EVFTA, the DWA has transitioned from being a non-binding framework and set of principles that member countries are urged to adopt and execute voluntarily to being legally enforceable obligations for the parties involved. Even within the TSD Chapter, the EU emphasises the promotion and realisation of DWA through domestic law

²²⁷ ILO, *Country Programme Review*, 27.

²²⁸ EVFTA, fn. 72.

²²⁹ Florence Arestoff-Izzo et al., “The Use, Scope and Effectiveness of Labour and Social Provisions and Sustainable Development Aspects in Bilateral and Regional Free Trade Agreements,” *Contract VC/2007/0638* (Brussels: European Commission, 2008), 12.

and practice²³⁰. The notion of "decent work" was introduced in 1999 at the 87th Session of the International Labour Conference, as stated in the Report of the Director-General. The idea both conveys the broad and varied dimensions associated with work today and encapsulates them in an expression that everyone can appreciate²³¹, including four pillars: (i) promoting employment; (ii) social protection; (iii) rights at work; (iv) social dialogue and gender equality and non-discrimination must be considered cross-cutting objectives²³². These pillars are inherently "inseparable, interrelated, and mutually supportive"²³³. In actuality, CLS, which stands for basic rights at work, is not just a goal but also an efficient way to accomplish all of the other objectives that the ILO DWA has set for itself²³⁴. As the Panel stated in the dispute relating to the EU-Korea FTA, decent work is at the core of the TSD Chapter's ambitions, with a 'floor' on worker rights as an essential component in the system that the parties promise to maintain and enhance²³⁵.

Although CLS is a precondition for DWA²³⁶, DWA, by its own definition, encompasses a larger range of aspects than simply CLS. In doing so, it draws together a wide variety of development and normative concerns²³⁷ that are based on a more dynamic approach to social advancement²³⁸. In this way, the 2008 Declaration included the ILO DWA, which incorporates more ILO conventions than the fundamental labour standards outlined in the 1998 Declaration, such as the Labour Inspection Convention, 1947 (No. 81), and the Tripartite Consultation, 1976 (No. 144)²³⁹.

According to the aforementioned interpretation, Vietnam is obliged to maintain and promote the principles and four normative pillars in its national policies and practices in the most effective and efficient way, in accordance with the 2008 Declaration. Furthermore, ILO member states are mandated to execute DWA via Decent Work Country Programmes (DWCPs). The DWCPs elucidate the connection between DWA and the nation's economic

²³⁰ European Commission, *Commissions Service' Annex on Vietnam to the Position Paper on the Trade Sustainability Impact Assessment of the Free Trade Agreement Between the EU and ASEAN* (2013), 7.

²³¹ Dharam GHAI, "Decent Work: Concept and Indicators," *International Labour Review* 142, no. 2 (2003): 113.

²³² "Decent Work: Report of the Director-General," accessed Aug 01, 2025, [ILC87 - Report of the Director-General: Decent work \(ilo.org\)](#)

²³³ ILO, *ILO Declaration on Social Justice for A Fair Globalization* (Geneva: ILO, 2008), 2.

²³⁴ *Ibidem*.

²³⁵ Panel of Experts, *op. cit.*, 27.

²³⁶ Emmanuel Reynaud, *The International Labour Organization and Globalization: Fundamental Rights, Decent work and Social Justice*, ILO Research Paper No. 21 (Geneva: ILO, 2018), 22.

²³⁷ Ioannis Katsaroumpas, "Different Shades of Minimalism: The Multilateral Construction of Labour Clauses in the UK-Australia and UK-New Zealand Ftas," *King's Law Journal* 34, no. 1 (2023): 82.

²³⁸ Arestoff-Izzo et al., *op. cit.*, 18.

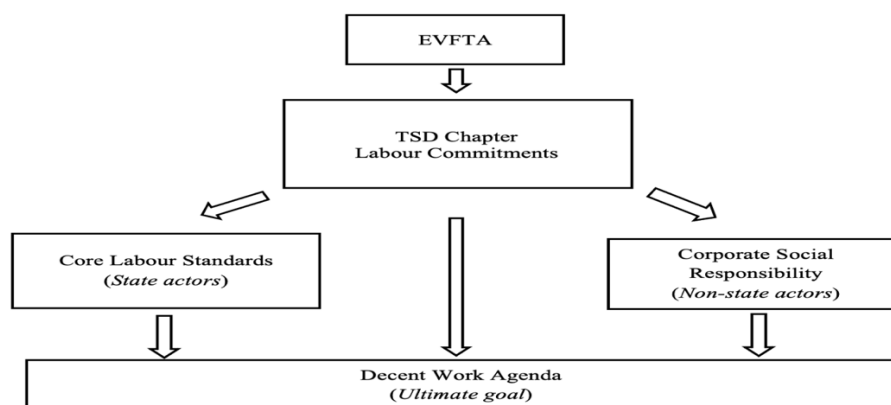
²³⁹ Katsaroumpas, *op. cit.*, 83.

growth strategy²⁴⁰. These executions at the national level would be contingent upon each country’s specific requirements and priorities. Member states will consult with representatives of employee and employer organisations to determine the most effective approach to fulfilling their obligations.²⁴¹ In a more general framework, the ILO identifies certain essential measures, which are outlined below:²⁴²

- (1) Putting in place a national or regional plan for decent work, or both, with a list of targets for achieving the strategic goals as a whole;
- (2) The creation of the right statistical or indicator tools possible with the ILO’s support, to track and assess the progress made;
- (3) A review of their progress in ratifying or implementing ILO instruments in order to reach a wider range of strategic goals. This review should focus on the instruments that are considered CLS as well as those that most important from a governance point of view, including those that cover tripartism, employment policy, and labour inspection;
- (4) Taking the right steps for an adequate coordination between positions taken on behalf of the member state concerned in relevant international forums and any actions they may take under this Declaration;
- (5) The promotion of sustainable enterprises;
- (6) When it makes sense, sharing national and regional best practices learnt from the successful running of national or regional projects that include decent work;
- (7) The provision on a bilateral, regional or multilateral basis, as much as their resources allow, of appropriate support to other members’ efforts to put the principles and goals set out in this Declaration into action.

As a result of the above factors, the objective of the TSD Chapter is to cultivate bilateral trade and investment ties in a manner that contributes to the overarching objective of sustainable development, with content provisions referring to CLS, CSR, and DWA, as shown in Figure 5 below.

Figure 5. Relation between key elements in labour commitments under the EVFTA TSD Chapter



Source: Nguyen, “Transformations and Evolving Paradigm,”60

For the first conclusion, in terms of the scope of labour commitments, second-generation EU FTAs tend to overwhelm the first-generation ones. Besides, not all the first-

²⁴⁰ Marlese von Broembsen, “The Decent Work Agenda and the Developing World,” in *The Oxford Handbook of the Law of Work*, ed. Guy Davidov et al. (Oxford: Oxford University Press, 2024), 686.

²⁴¹ ILO, 2008, *op. cit.*, 11.

²⁴² *Ibidem*, 14-15.

generation EU FTAs cover social aspects, like the EU-Mexico Partnership Agreement, which is still considered to be upgraded and revised in the near future²⁴³. The EVFTA, like all the other second-generation FTAs, covers almost all aspects of "social dimensions" in EU policy, not only about labour but also related aspects, including gender equality and promotion of CSR/RBC. In addition, regarding some areas, for instance, ILO labour standards, the EVFTA even guarantees more standards than developed countries besides the mandatory CLS, for example, the EU-Korea FTA in Table 8. In addition to these two key pillars, as an ultimate goal of the TSD Chapter in the EVFTA and other EU new-generation FTAs, DWA would also be paid more and more attention and become strategic objectives in the long run of the EU²⁴⁴. As a consequence, this requires us to comprehensively understand each of these pillars and the experience from the EU in order to help Vietnam truly comply with the labour commitments in the TSD Chapter²⁴⁵.

3.2.2. Implementation of Labour Commitments (Procedural Commitments)

The analysis continues to examine the implementation provisions related to labour commitments at the three main levels:

Intergovernmental mechanisms

Regarding this aspect, the second-generation EU FTAs still reveal the predominance of diversity and the level of interaction between the EU and host nations in terms of labour commitments, compared to the remaining-generation EU FTAs. For more details, except for the EU-Mexico Partnership Agreement and the EU-Chile Association Agreement, all evaluated EU FTAs require regulatory cooperation on labour matters, including information exchange on ratification and implementation of labour conventions. Technology and best practices can also be shared in regulatory cooperation²⁴⁶.

Besides, some of the EU FTAs that promulgate technical assistance and capacity-building provisions in labour matters are also signed with developing countries, including the EVFTA²⁴⁷. And almost all FTAs selected have incorporated the establishment of an intergovernmental committee to facilitate the execution of labour commitments. The

²⁴³ "EU–Mexico Agreement," *European Commission*, accessed Aug 14, 2025, [EU-Mexico \(europa.eu\)](https://europa.eu).

²⁴⁴ See more about the EU Global Gateway Strategy at: Directorate-General for International Partnerships, *Global Gateway*, European Commission, accessed Aug 14, 2025, [Global Gateway - European Commission](https://globalgateway.eu)

²⁴⁵ This would be discussed more after visiting the recent EU-Korea dispute settlement within the TSD Chapter in this chapter. Following that, the EU raised opinions about the understanding of the TSD Chapter and labour commitments in the EU-Korea FTA and it would be invaluable lessons for Vietnam and other trading partners of the EU.

²⁴⁶ EU-Korea FTA, art. 12.7.

²⁴⁷ EVFTA, art. 13.14.

nomenclature for such an entity may vary depending on the specific provisions outlined in the agreement, with possible designations including 'committee'²⁴⁸, 'sub-committee'²⁴⁹, or 'board'²⁵⁰. Intergovernmental committees often address labour-related topics and consist of senior leaders from each party's administration who hold responsibility for labour or general affairs²⁵¹.

Collaboration in scientific endeavours is frequently anticipated in the realm of labour affairs (in two out of six EU FTAs). However, while the EU-Central America Association Agreement provides the cooperation relatively simply (Art. 292), in the EVFTA, by contrast, provisions might specifically pertain to aspects related to international labour law, but more comprehensive and explicit cooperation on “trade-related aspects of the ILO DWA, in particular the inter-linkage between trade and full and productive employment for all, including youth, women and people with disabilities, labour market adjustment, core and other international labour standards, labour statistics, human resources development and lifelong learning, social protection for all including for vulnerable and disadvantaged groups, such as migrant workers, women, youth and people with disabilities, and social inclusion, social dialogue and gender equality” (Art. 13.14.1). Please see Table 12 below for details:

Table 12. Intergovernmental mechanisms

<i>Free Trade Agreement</i>	<i>Regulatory cooperation*</i>	<i>Technical assistance & capacity-building</i>	<i>Intergovernmental committee</i>	<i>Joint scientific cooperation</i>
EU-Mexico				
EU-Chile			✓	
EU-Korea	✓		✓	
EU- Col/Pe/Ecu	✓	✓	✓	
EU-Central America	✓	✓	✓	✓
EU-Vietnam	✓	✓	✓	✓

* *This category includes cooperation activities, such as information exchange.*

Source: Author analysis from: Nguyen, “EVFTA: Going Beyond Labour Commitments,” 122. Civil society participation²⁵²

²⁴⁸ EU-Chile Association Agreement, art. 6 and EVFTA, art. 13.15.

²⁴⁹ EU-Col/Pe/Ecu Trade Agreement, art. 280.

²⁵⁰ EU-Central America Association Agreement, art. 294.

²⁵¹ EU-Chile Association Agreement, art. 6 and 9.

²⁵² Civil society is crucial in EU FTAs because it provides a vital mechanism to monitor and ensure that trade deals not only benefit the economy but also uphold social and environmental standards, by offering input, raising concerns, and holding governments accountable for the impacts of these agreements on citizens and communities, particularly regarding issues like labour rights, sustainability, and human rights. See: Jan Orbie, Deborah Martens, and Lore Van den Putte, *Civil Society Meetings in European Union Trade Agreements: Features, Purposes, and Evaluation*, CLEER 3 (2016): 1–48; Lotte Drieghe et al., “Participation of Civil Society in EU Trade Policy Making: How Inclusive Is Inclusion?,” *New Political Economy* 27, no. 4 (2021): 581–96.

Almost all the EU FTAs examined include provisions for civil society participation in monitoring the implementation of labour commitments at the national and transnational levels²⁵³. But there is still a big gap between the first-generation EU FTAs and the second-generation ones because the majority of the latter-generation FTAs call for the participation of civil society in estimating the agreement's impacts on labour. And all of them allow the general public or specific elements of civil society to submit comments and views on the implementation of labour commitments. Public submissions can be made to the parties themselves, for instance, through the Civil Society Forum or DAG within the EU-Korea FTA²⁵⁴, or the Sub-committee under the EU-Col/Pe/Ecu Trade Agreement²⁵⁵. In addition, through specific consultative mechanisms, both parties are required to notify their respective civil society organisations about the aforementioned communications²⁵⁶. Please see Table 13 below for details:

Table 13. Civil society participation in monitoring labour commitments' implementation

<i>Free Trade Agreement</i>	<i>Monitoring of implementation at national level</i>	<i>Monitoring of implementation at transnational level</i>	<i>Participation in impact assessment</i>	<i>Public submission</i>
EU-Mexico				
EU-Chile	✓	✓		
EU-Korea	✓	✓	✓	✓
EU- Col/Pe/Ecu	✓	✓	✓	✓
EU-Central America	✓	✓		✓
EU-Vietnam	✓	✓	✓	✓

Source: Author analysis from: Nguyen, "EVFTA: Going Beyond Labour Commitments," 120

Role of international organisations

Besides those aforementioned levels, except for the EU-Mexico FTA, all EU FTAs call for international organisations, such as the ILO, to assist in the implementation of labour and social provisions. Several agreements require parties to take into account the activities of international organisations in order; for instance, "recognising the importance of working together on trade-related aspects of sustainable development to achieve the objectives of this Chapter, they may work together in, inter alia, the following areas: (a) TSD in international fora, including the ILO"²⁵⁷.

²⁵³ EU-Chile Association Agreement, art. 48; EU-Korea FTA, art. 13.13; EU-Col/Pe/Ecu Trade Agreement, art. 282; EU-Central America Association Agreement, art. 295; and EVFTA, art. 13.15.

²⁵⁴ EU-Korea FTA, art. 13.13.

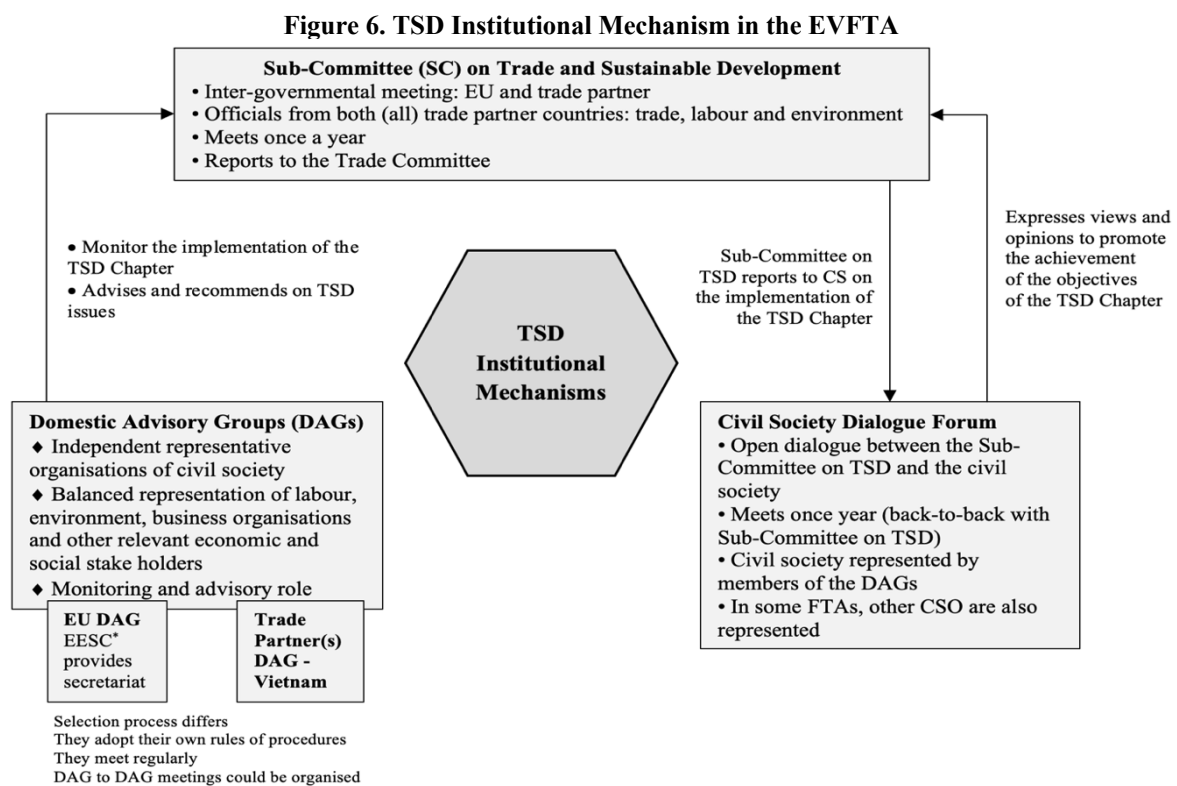
²⁵⁵ EU-Col/Pe/Ecu Trade Agreement, art. 280.

²⁵⁶ EVFTA, art. 13.17.9.

²⁵⁷ EVFTA, art. 13.14.1 (a).

The Dispute Settlement Mechanism contextualises the role of international organisations. During government consultations, all new-generation EU FTAs allow, or exceptionally require, parties to seek information or opinions from international organisations. Parties may also need to take into account the activities of international organisations²⁵⁸. In most EU trade agreements, a panel or group of experts, usually tasked with examining matters that have not been satisfactorily addressed through consultations, should seek information and advice from international organisations²⁵⁹.

Regarding the involvement of three main levels of labour commitments implementation in the EVFTA, it would be illustrated in the TSD Institutional Mechanisms and TSD Monitoring Mechanism as the figures below:



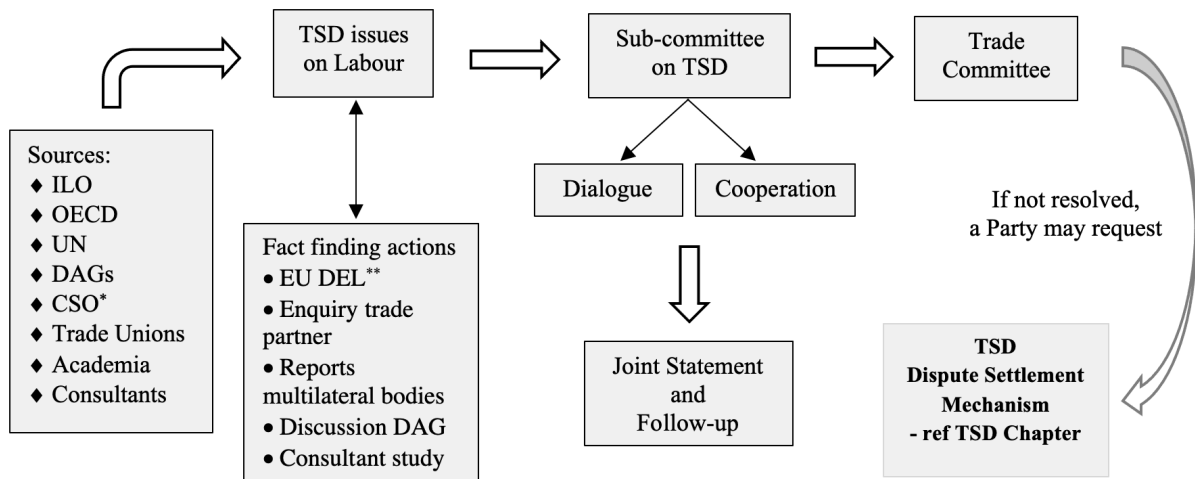
*European Economic and Social Committee

(Source: Author derived from agreement text)

²⁵⁸ EVFTA, art. 13.16.3.

²⁵⁹ EVFTA, art. 13.17.7.

Figure 7. TSD Monitoring Mechanism in the EVFTA



*Civil Society Organisation; **EU Delegation (Source: Author derived from agreement text)

For the second conclusion, in terms of labour commitments on implementation, among the EU FTAs examined, the second-generation FTAs are definitely more specific and comprehensive than the first-generation ones. And among the second-generation EU FTAs, the EVFTA still illustrates that it almost covers more aspects than other developing country parties, from intergovernmental mechanisms to civil society participation. In other words, it could also be understood that the EU requires Vietnam to maintain a relatively higher level of commitment regarding the implementation of the EVFTA. One key point should be noted: the implementation and monitoring mechanism has also evolved quite significantly in the new generation of EU FTAs, providing a more detailed roadmap above. All of these agreements envision the establishment of the Committee on TSD, as well as the DAG comprising relevant stakeholders, to oversee the implementation of labour and environmental provisions. It is undoubted that the EU has employed "external power" from middle-role organisations, besides intergovernmental ones, especially civil society organisations, to put pressure on trading partners, for instance Vietnam, to adhere to labour commitments. This would be consistent with the dispute settlement mechanism laid out by the EU, based on the soft and dialogue approach²⁶⁰.

3.2.3. Enforcement of Labour Commitments (Institutional Mechanisms)

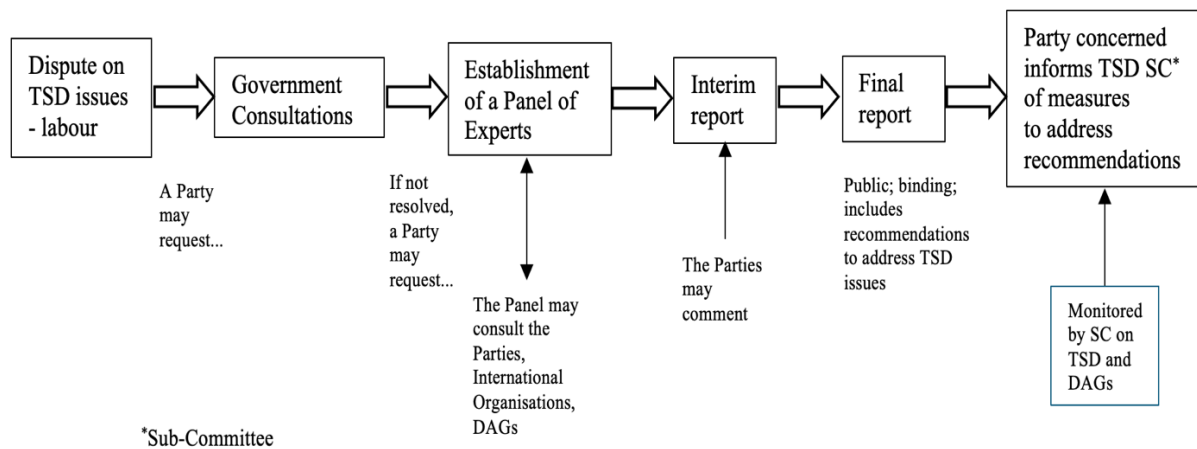
Dispute settlement mechanisms, Sanctions and Remedies

Despite relative differences in institutions responsible for dispute settlement in terms of labour commitments, for instance, non-compliance, between the first-generation EU FTAs

²⁶⁰ That will be clarified in the next section.

and the second-generation ones, for more details, within the EU-Chile Association Agreement, the Association Committee and arbitrators are in charge of resolving these disputes (Arts 6 and 185), besides the presence of a committee and a panel of experts under the latter generation of EU FTAs²⁶¹. Except for the EU-Mexico Partnership Agreement, there are always two steps to follow, focusing on cooperation and consultations to avoid and settle disputes: Government consultations and the panel/group of experts or arbitrators who facilitate the proceedings. In the event that the disagreement remains unresolved following the government consultation, it may be necessary to convene a panel/group of experts, or alternatively, arbitration panels, to facilitate the resolution of the dispute between the involved parties²⁶². Although more specified institutions get involved in resolving disputes related to labour commitments from the second-generation EU FTAs' perspective²⁶³, the EU persists in maintaining a policy that generally excludes regulations pertaining to trade sanctions and potential remedies, including compensation, for instances of non-compliance or failure to implement those commitments²⁶⁴. The TSD Dispute Settlement Mechanism in the EVFTA and other new-generation FTAs of the EU would be depicted in Figure 8 below:

Figure 8. TSD Dispute Settlement Mechanism in the EVFTA



(Source: author derived from agreement text)

For the third conclusion, in terms of labour commitments on enforcement, the way that the EU chooses to settle disputes related to commitments in labour is consistent, even with developing or developed country partners, and Vietnam is no exception. Based on "naming and

²⁶¹ EU-Korea FTA, art. 13.15; EU-Col/Pe/Ecu Trade Agreement, art. 284; EU-Central America Association Agreement, art. 297; and EVFTA, art. 13.17.

²⁶² EU-Chile Association Agreement, art. 184; EU-Korea FTA, art. 13.14 and 13.15; EU-Col/Pe/Ecu Trade Agreement, art. 283 and 284; EU-Central America Association Agreement, art. 296 and 297 and EVFTA, art. 13.16 and 13.17.

²⁶³ EU-Col/Pe/Ecu Trade Agreement, art. 285(4) and EVFTA, art. 13.17(9).

²⁶⁴ Evgeny Postnikov, *Social Standards in EU and US Trade Agreements* (Abingdon, Oxon: Routledge, 2020), 21.

shaming"²⁶⁵ as well as encouraging approaches²⁶⁶, the EU urges parties to fulfil labour commitments and avoid non-compliance in reality to guarantee that trade liberalisation leads to economic growth and higher labour standards²⁶⁷ and therefore to achieve SDG. As far as enforceability is concerned, the soft, dialogue approach based on the Civil Society Dialogue mechanism (referred to as the Civil Society Forum in the EVFTA) still serves as the means of dispute settlement for the sustainable development chapters. The parties are expected to talk about arising disputes and are encouraged to resolve them through dialogue. They can request government consultations as a further step. In the case of a failure to arrive at a resolution, the dispute can be referred to the independent panel of experts, which can issue recommendations but cannot impose any penalties²⁶⁸.

Overall, it is clear that the EU's strategy regarding the inclusion of labour commitments in FTAs has evolved quite significantly since the 1990s. And now, the second-generation EU FTAs, known as the new-generation ones, have the TSD chapters that are fully binding and integrated into the main text of the agreement dealing with trade issues and have a wider scope, containing more specific and comprehensive country-based provisions on labour while treating them under the same heading. Among those new-generation FTAs, the EVFTA would be noticeable and regarded as one of the most comprehensive and promising FTAs between the EU and a developing nation. However, the enforcement of labour commitments in EVFTA and other EU FTAs based on dialogue and cooperation still remains the EU's hallmark approach²⁶⁹.

Back to the earlier question, may labour commitments in the EVFTA be regarded as old wine in new bottles? Probably, it depends on the point of view, but it cannot be denied that these commitments are not totally brand new; they also refer to essential issues in labour like fundamental rights and principles at work and highlight the importance of the ILO as a partner of the EU in trade negotiations²⁷⁰. However, as discussed above, it also cannot be denied that the way that the EU has integrated ILO norms into its new-generation FTAs somehow brings more "colours" to these principles, even changing their nature and making them more legally binding. For instance, given the CLS, besides the traditional mechanisms, including the specialised committee of experts to assess the effectiveness of CLS implementation in

²⁶⁵ María J. García, "Sanctioning Capacity in Trade and Sustainability Chapters in EU Trade Agreements: The EU–Korea Case," *Politics and Governance* 10, no. 1 (2022): 58-67.

²⁶⁶ This argument is further explained in Section 3.3.

²⁶⁷ European Commission (2015), *op. cit.*

²⁶⁸ The remarkable difference between EU FTAs and US FTAs will be clearly demonstrated in the next section, which discusses the case of the EU and Korea regarding the labour dispute settlement.

²⁶⁹ Postnikov, *op. cit.*, 22.

²⁷⁰ *Ibid.*

countries²⁷¹, the EU has introduced supplementary methods to make sure that the CLS implementation would not be harmful to trade relations between the EU and Vietnam or other trading partners²⁷². Or regarding CSR, by the way, to promulgate these commitments in an official treaty, the EU has changed them from "soft" to "hard" regulation of CSR and further made CSR a mandatory obligation for Vietnam, including at the national and enterprise levels²⁷³. Or in terms of DWA, from being just programmes encouraged by the ILO, with no sanctioning capacity, to the ultimate goals of labour commitments in the TSD Chapter-an important part of an international treaty that Vietnam must truly comply with. In short, from "old wine" - ILO fundamental principles - the EU has made them more and more legally binding and increased the effectiveness of ILO principles implementation so as to enhance the level of compliance with EVFTA labour commitments. So, between something old and something new, what Vietnam has to do to fulfil labour commitments regarding three key pillars would set a good example for developing nations in trade negotiation and implementation with the EU under new-generation FTA circumstances, and that would be explained in the next section after revisiting the labour dispute settlement between the EU and Korea under the TSD Chapter.

Considering a broader perspective on contemporary international trade law, the system of labour commitments embedded in the EU's network of FTAs does not follow a uniform template but instead reveals significant fragmentation and variation. This diversity in legal structure stems, first and foremost, from the evolution of policy following the Treaty of Lisbon in 2007, when the Union began to make concerted efforts to standardise the TSD chapter²⁷⁴. Nevertheless, the actual degree of binding force is heavily shaped by the type of agreement concerned and by the strategic geopolitical objectives pursued with each specific partner²⁷⁵. For instance, in the case of neighbouring countries oriented towards deep integration, the Association Agreement with the Republic of Moldova requires the domestic incorporation of a substantial body of European directives on occupational safety and health²⁷⁶. By contrast, in economic partnership agreements that prioritise developmental objectives, such as those concluded with Caribbean states, the monitoring mechanism is broadened to encompass the

²⁷¹ "ILO releases 2023 report of the Committee of the Experts on the Application of Conventions and Recommendations," ILO, effective Feb 17, 2023, [ILO releases 2023 report of the Committee of Experts on the Application of Conventions and Recommendations | International Labour Organization](#).

²⁷² See Figure 4.

²⁷³ Tamás Szabados, "Multilevel Hardening in Progress – Transition from Soft towards Hard Regulation of CSR in the EU," *Maastricht Journal of European and Comparative Law* 28, no. 1 (2020): 83–101.

²⁷⁴ Smith Adrian et al., *Free Trade Agreements and Global Labour Governance: The European Union's Trade-Labour Linkage in a Value Chain World* (S.1.: Routledge, 2022), 4.

²⁷⁵ *Ibid.*, 65-66.

²⁷⁶ *Ibid.*, 108 - 109, 112.

agreement as a whole, thereby seeking to reconcile economic considerations with social and environmental dimensions²⁷⁷. Meanwhile, purely trade-focused agreements, such as that concluded with the Republic of Korea, confine their scope to the core standards of the ILO and do not require full alignment with the Union's internal legislation²⁷⁸. The key element that generates a multidimensional perspective on labour commitments between the EU and developing countries lies in disparities in bargaining power within the global economic order²⁷⁹. Although sharing the formal status of developing economies, these states have responded to European normative pressure in markedly different ways²⁸⁰. Countries adopting a defensive posture, such as certain Caribbean states, have drawn clear legal boundaries, agreeing to incorporate labour standards only on the condition that all possibilities of trade sanctions are excluded, thereby transforming dispute settlement into a form of soft consultation²⁸¹. At the opposite end of the spectrum, states facing acute geopolitical pressure and deep economic dependence, such as the Republic of Moldova, have found themselves compelled to accept the entirety of the TSD chapter as a *fait accompli*, without meaningful scope for resistance or amendment²⁸². Situated between these two poles is the illustrative case of Vietnam, an export oriented economy undergoing deep integration while possessing relatively weak bargaining leverage. Empirical analyses, particularly when contrasted with the case of the Republic of Singapore, indicate that the EU fully exploited asymmetries in negotiating capacity to exert considerable pressure, compelling Vietnam to undertake broader and more profound adjustments to its domestic regulatory standards than those required of a more developed partner within the same Southeast Asian region²⁸³. Besides, the EVFTA is now suitable as the most ambitious and promising FTA among developing countries, given its higher level of requirements in labour commitments, in the context of the EU's strategy to elevate relations with Vietnam to a comprehensive strategic partnership²⁸⁴.

²⁷⁷ *Ibid.*, 14, 65 – 66.

²⁷⁸ *Ibid.*, 5, 65-66, 89.

²⁷⁹ *Ibid.*, 8-9, 65.

²⁸⁰ *Ibid.*, 54, 129.

²⁸¹ *Ibid.*, 65-66, 129.

²⁸² *Ibid.*, 109, 111, 112.

²⁸³ *Ibid.*, 59-60.

²⁸⁴ https://www.eeas.europa.eu/euvs-comprehensive-strategic-partnership-pr_en?s=184

3.3. Labour Dispute Settlement Under the Context of the EU Free Trade Agreement and Policy Implications for Vietnam

3.3.1. EU-Korea Dispute Related to Labour Commitments Under the Trade and Sustainable Development Chapter

3.3.1.1. Background of the Dispute

Unions, both domestically and abroad, have long criticised Korea's trade union registration regulations and other labour practices as restrictive. In particular, the use of migrant workers without providing them with basic protections (such as the non-registration of the Trade Union of Migrants) and the disproportionate police force used against labour unions have been called into question²⁸⁵. Certain occupational groups, including public employees, military sector workers, educators, and individuals employed in vital public services, have significant restrictions on their ability to engage in strike actions. The prevailing hostile environment against labour unions allows for the enforcement of significant sanctions for engaging in activities that disrupt corporate operations, even in instances where such activities are nonviolent, thereby establishing a criminal infraction against union members²⁸⁶.

Since 1992, ILO has received a total of 16 complaints from both Korean and foreign trade unions over these issues. Although these concerns have also been continuously raised in ILO conferences and even during FTA negotiations with the EU, during that period, out of the ILO's eight core conventions, Korea had only ratified four. These include C100, C111, C138, and C182²⁸⁷. Furthermore, Korea potentially decreased the reliance on ILO conventions as references and, significantly, eliminated any explicit mention of an immediate requirement to ratify core ILO conventions²⁸⁸.

Since the FTA initiation, the EU has consistently urged Korea to ratify and enforce the outstanding essential ILO conventions, including C087 and C098, which address freedom of association and rights to organise/collectively bargain; C029 and C105, which address forced labour. All the minutes from the TSD Committee and all the joint DAG statements have this

²⁸⁵ Lee, "Repression Against Workers."

²⁸⁶ van Roozendaal, *op. cit.*, 25.

²⁸⁷ ILO, *Ratifications for Republic of Korea*, 2021, [Ratifications of ILO conventions: Ratifications for Republic of Korea](#).

²⁸⁸ Liam Campling et al., "South Korea's Automotive Labour Regime, Hyundai Motors' Global Production Network and Trade-based Integration with the European Union," *British Journal of Industrial Relations* 59, no. 1 (2019): 139–66.

as a common theme²⁸⁹. However, Korea has always given "legal incompatibilities" as an excuse for its poor progress in this area²⁹⁰.

In the last month of 2018, the European Commission made a formal statement to the government of Korea, encouraging the commencement of official negotiations in alignment with the TSD Chapter. The correspondence conveyed a cautionary message indicating that the EU intends to forward to the subsequent stage of the procedure for settling disputes, thereby bringing the subject to a panel comprised of experts unless the Korean government takes immediate action to address the problems raised in the consultations. In Jul of 2019, the European Commission made a formal proposal for the establishment of a panel of experts. The EU has raised concerns over two issues: *firstly*, the lack of significant advancements in the ratification process of the pending fundamental conventions of the ILO; *secondly*, the insufficiency of the Trade Union and Labour Relations Adjustment Act (TULRAA) of Korea in ensuring labour rights protection²⁹¹.

3.3.1.2. Legal Issues

From the EU's perspective, it officially raised several major concerns about the TULRAA, related to: According to Art. 2.1, the definition of 'employees' is limited to individuals who get compensation in the form of wages, salary, or other forms of remuneration. This definition excludes specific groups, such as self-employed individuals, jobless individuals, and those who have been terminated from their employment, from being eligible to join trade unions²⁹². In addition, according to Art. 2.4.d, the recognition of a trade union is prohibited if it encompasses individuals who do not fall within the prescribed and specific definition of a worker²⁹³. According to Art. 23.1, individuals serving as trade union officials are restricted to being elected exclusively from the pool of trade union members²⁹⁴. Art. 12.1.3 outlines a discretionary certification system that governs the foundation of a trade union²⁹⁵.

Likewise, the EU has also asserted its concerns regarding Korea's prolonged delays in ratifying the essential conventions of the ILO. It also proposed that the concept of "sustained efforts", as outlined in Art. 13.4.3 of the EU-Korea FTA, entails the requirement for efforts to

²⁸⁹ Civil Society Forum, "Joint Statement by the Chairs of the Korea DAG and the EU DAG," 2018; TSD Committee, "Minutes of 4th Meeting," 2015; TSD Committee, "Minutes of 5th Meeting," 2017; TSD Committee, "Summary of Discussions of 6th Meeting," 2018.

²⁹⁰ Van Roozendaal, *op. cit.*, 21.

²⁹¹ García, *op. cit.*, 63.

²⁹² Panel of Experts, *op. cit.*, 41.

²⁹³ *Ibid.*, 53.

²⁹⁴ *Ibid.*, 56.

²⁹⁵ *Ibid.*, 61.

be continuous or "uninterrupted"²⁹⁶. Thereby, despite subjective or objective reasons given by Korea, especially related to the time for political change, the EU still reaffirms the opinion that the delays mentioned mean a violation of this FTA²⁹⁷.

Korea views the EU's stance as objectionable on multiple grounds. Korea argued that the scope of Chapter 13 under the EU-Korea FTA was narrowed to "trade-related aspects of labour" and further argued that they "did not intend, by agreeing to Chapter 13, to subject their labour laws and policies to obligations that bear no connection to trade (or investment)."²⁹⁸ This argument was based on the citations from two articles in the trade agreements between Korea and the EU/US, which were deemed equivalent by this country. Korea illustrated that because of the Korea-US FTA requirement to establish evidence of non-compliance with labour commitments that has an impact on trade/investment between the parties, the TSD Chapter within the EU-Korea FTA (Chapter 13) would have to take the same approach²⁹⁹. This argument was also supported by the only arbitral panel decision to date in the context of a labour dispute in the framework of an FTA, specifically the case involving the US and Guatemala within the Dominican Republic-Central America FTA (CAFTA-DR)³⁰⁰. The EU was addressing aspects relating to labour commitments that were not directly linked to EU-Korea trade, so the authority of the Panel does not extend to the examination of the concerns highlighted by the EU's request for the Panel of Experts establishment within Chapter 13³⁰¹.

3.3.1.3. Legal Conclusions

Firstly, the provisions of TURLAA, including Art(s) 2.1, 2.4.d, and 23.1, appear to be incongruous with the underlying freedom of association principle, as outlined in the EU-Korea FTA Art. 13.4. The group of experts has additionally determined that TURLAA Art. 12.1.3 is in conflict with the responsibilities outlined in the TSD Chapter aforementioned³⁰².

²⁹⁶ Art. 13.4.3: "Each Party shall: (a) make continued and sustained efforts towards ratifying, to the extent it has not yet done so, the fundamental ILO conventions". See Panel of Experts, *op. cit.*, 73.

²⁹⁷ *Ibid.*, 71-72.

²⁹⁸ *Ibid.*, 16.

²⁹⁹ Korea-EU FTA, art. 13.7: "1. A Party shall not fail to effectively enforce its environmental and labour laws, through a sustained or recurring course of action or inaction, in a manner affecting trade or investment between the Parties. 2. A Party shall not weaken or reduce the environmental or labour protections afforded in its laws to encourage trade or investment, by waiving or otherwise derogating from, or offering to waive or otherwise derogate from, its laws, regulations or standards, in a manner affecting trade or investment between the Parties." See Official Journal of the EU, *The FTA between the European Union and its Member States, of the one part, and the Republic of Korea, of the other part*, L 127; and Korea-US FTA, art. 19.2.2: "Neither Party shall waive or otherwise derogate from, or offer to waive or otherwise derogate from, its statutes or regulations implementing paragraph 1 in a manner affecting trade or investment between the Parties, where the waiver or derogation would be inconsistent with a fundamental right set out in that paragraph." See: Office of the U.S. Trade Representative, *KORUS FTA Final Text*, USTR, accessed Aug 14, 2025, [Final Text \(as of January 1, 2019\) | United States Trade Representative](#).

³⁰⁰ Banks, Posner and Hernandez, *op. cit.*

³⁰¹ Panel of Experts, *op. cit.*, 16.

³⁰² *Ibid.*, 79

Secondly, however, the panel reached the conclusion that Korea's actions were not in violation of the provisions outlined in the TSD Chapter regarding the obligations to ratify the outstanding fundamental conventions indicated by the ILO³⁰³, because one of the most important conclusions was that the panel identified a noteworthy aspect in the absence of a stated goal date or milestone for the ratification process in the final language of Art. 13.4.3. Instead, the provision simply emphasises the need for the parties to engage in "continued and sustained efforts towards ratification"³⁰⁴.

Thirdly, the Korea-EU FTA and Korea-US FTA, even though they have things in common, including labour commitments that refer to ILO labour standards, have different approaches to upholding the enforcement of these standards, and the way that Korea cited the agreement between this country and the US to refuse the role of the EU (in particular, the panel of experts) in raising the problem related to the TSD Chapter is inappropriate³⁰⁵. And therefore, even though labour commitments have become an essential part of the EU and US FTAs, the nature of this linkage is not the same, as the EU and the US exhibit distinct approaches towards it. In stark contrast to the EU, the US emphasises sanctions as a means of enforcing labour commitments/social provisions. While the scope of labour commitments in EU FTAs has been gradually increasing over time³⁰⁶, the EU has adopted a distinctive approach in enforcing employment commitments, characterised by collaborative implementation and interaction with partner governments and civil society, therefore enhancing transnational connections³⁰⁷. This would probably be partly explained through the EU's policy on "Trade for all"³⁰⁸ and "making friends" with the ILO in trade negotiations³⁰⁹, as well as how weak institutional insulation of trade policy executives from societal actors results in the inclusion of labour commitments in the EU and the US³¹⁰.

3.3.2. Policy implications for Vietnam and other countries

3.3.2.1. Upholding ILO CLS

³⁰³ Ibidem.

³⁰⁴ Ibid., 74.

³⁰⁵ Ibid., 18-19.

³⁰⁶ See Section 3.2

³⁰⁷ James Harrison et al., "Labour Standards Provisions in EU Free Trade Agreements: Reflections on the European Commission's Reform Agenda," *World Trade Review* 18, no. 4 (2018): 635–57, and Postnikov, *op. cit.*, 22-23.

³⁰⁸ European Commission (2015), *op. cit.*

³⁰⁹ Sicurelli, *op. cit.*, 461-473.

³¹⁰ Postnikov, *op. cit.*, 3.

As discussed, labour commitments in the TSD Chapter under the new-generation EU FTAs, including the EVFTA, refer to principles and obligations derived from membership of the ILO and to maintaining laws that ensure that in practice there is freedom of association, no forced labour, and so on³¹¹. In other words, to fulfil the long-term purpose of incorporating social standards into their FTAs³¹², the EU, by the way regarding the ILO as a partner in trade negotiations³¹³, has employed and reinforced the parties' principles and obligations under the ILO membership, but at a more comprehensive and higher level³¹⁴.

First and foremost, as a state member of the ILO, the EU requests that Vietnam and other party members fully comply with ILO fundamental principles and rights at work, which are also deemed to be CLS promulgated in eight ILO fundamental conventions and so on³¹⁵. Regarding these labour standards, it is noteworthy that there are differences between CLS and other international labour standards³¹⁶. All members, not only Vietnam, even if they have not ratified the fundamental conventions in question, have an obligation arising from the very fact of their ILO membership to respect, promote, and realise, in solid faith and in accordance with the ILO Constitution, the principles concerning the fundamental rights³¹⁷.

So a key priority obligation for Vietnam and other EU parties under the context of the EU TSD Chapter regarding upholding the CLS has been the ratification of C087 without delay³¹⁸ first and the implementation of these CLS, besides the other ones that have already been ratified, provided that the ILO conventions ratification would come along with timely domestic legal internalisation because of the inherent limits in legislation, for instance in Korea³¹⁹ and Vietnam as well³²⁰. Last but not least, there is the obligation to guarantee that the implementation of CLS and other labour standards will be effective³²¹. However, in order to fulfil all the requirements from labour commitments indicated or to avoid putting parties in Korea's place at least, based on lessons from the case between Korea and the EU

³¹¹ García, *op. cit.*, 64.

³¹² The historical and theoretical perspectives are revisited in Chapter II.

³¹³ Sicurelli, *op. cit.*, 461-473.

³¹⁴ See Section 3.2.1.

³¹⁵ In the EVFTA and several FTAs outlined in Section 3.2, there is an extended scope of fundamental conventions on occupational health and safety and migrant workers rights. Recently, this tendency has also been employed in EU FTAs among developing countries like Canada and the UK in terms of fundamental conventions on minimum wage and labour inspection.

³¹⁶ *Report from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Implementation and Enforcement of EU Trade Agreements, COM(2021) 654 final*, (Brussels: European Commission, 2021), 18.

³¹⁷ "ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022".

³¹⁸ "Statement from the European Union Domestic Advisory Group," EU DAG under the EVFTA, [eu-vn_dag - 3rd_dag-to-dag_meeting_2023 - eu_dag_statement_final.pdf \(europa.eu\)](https://europa.eu/eu-dag/meeting-2023-eu-dag-statement-final.pdf).

³¹⁹ Panel of Experts, *Report of the Panel*, 79.

³²⁰ Nguyen, Nguyen, and Nguyen, "Labour Commitments in the EVFTA," 76-83.

³²¹ EU-Korea FTA, art. 13.4; EU-Col/Pe/Ecu Trade Agreement, art. 286; EU-Central America Association Agreement, art. 285; EVFTA, art. 13.

aforementioned³²², it is believed that Vietnam and other parties should carefully follow annual recommendations from the ILO in terms of ILO fundamental convention ratification and implementation³²³.

Furthermore, Vietnam must also consider satisfying the obligations related to domestic legislation and practice indicated by the EU, in the long run, just as it does with the remaining obligations related to promoting CSR and ILO DWA. Therefore, this nation should have strategies in place to establish domestic levels of labour protection that it deems appropriate beyond, but not below, the commitments to ILO standards³²⁴. Accordingly, in addition to internal legalisation and codification, Vietnam must more intentionally fulfil reporting obligations under the role of the ILO and the EU trading partner in the EVFTA annually and periodically.

3.3.2.2. *Promoting CSR*

Through an examination of the fundamental characteristics of CSR provisions related to labour, it can be argued that the CSR outlined in the TSD Chapter aims to encourage adherence to labour commitments and CLS. However, it also imposes obligations on member states and nations to fulfil their international obligations by creating domestic legal frameworks that include effective mechanisms for holding enterprises accountable for their actions³²⁵. In essence, its goal is to promote cooperation between the EU and Vietnam to enhance the development of legislation related to CSR inside their own countries, in accordance with their international commitments, especially the basic norms of the ILO³²⁶. Moreover, the EU mandates that partner nations must guarantee alignment with EU activities³²⁷.

Under the circumstances that CSR policy has become the "vogue" between the EU and Member State, even regulations related to CSR have already become mandatory in many countries so that it is time for Vietnam to examine the lessons from the EU and Member States and prepare further domestic legislation regarding CSR. Within this research, we will indicate and suggest a legislative framework surrounding CSR on labour in the EU and other countries in three main aspects:

³²² Campling et al., *op. cit.*, 139–66.

³²³ "ILO Releases 2023 Report".

³²⁴ ILO, *Country Programme Review*, 28.

³²⁵ Ruben Zandvliet, *Trade, Investment, and Labour: Interactions in International Law* (Leiden: Brill Nijhoff, 2022), 192.

³²⁶ Antonie Oger, *Environmental and Social Impacts Embedded in EU Trade Policies: The Case of EU Trade-related Autonomous Measures in Vietnam* (Institute European Environmental Policy, 2023), 21.

³²⁷ "Joint Statement - 2nd Meeting of the EU DAG and the Viet Nam DAG under the EU- Viet Nam FTA, held on 18 Oct 2022 in Hanoi," [1st meeting of the EU DAG and the Viet Nam DAG under the EU-Viet Nam FTA - Joint Report \(europa.eu\)](https://europa.eu).

*Firstly, ESG Regulations*³²⁸

ESG is a concept that emerged subsequent to CSR; however, it places a stronger emphasis on quantitative indicators and the measurement of specific criteria. As of now, the EU is the first jurisdiction to have comprehensively codified ESG, or in other words, the EU stands as the global “frontrunner” with a complete ESG legal framework consisting of regulations, directives, and interlinked mechanisms whose scope extends beyond the Union’s territorial boundaries. Similar to CSR, ESG in the EU context serves as a legal instrument through which the Union advances its social and human rights policies within the economic and commercial sphere. The EU’s legal framework on ESG comprises four closely interconnected legal instruments that differ in scope, objectives, subjects of application, and legal nature:

- (1) the Sustainable Finance Disclosure Regulation (SFDR)³²⁹;
- (2) the Corporate Sustainability Reporting Directive (CSRD)³³⁰;
- (3) the Corporate Sustainability Due Diligence Directive (CSDDD)³³¹; and
- (4) the ESG Rating Regulation³³².

First, Regulation (EU) 2019/2088 – SFDR (Sustainable Finance Disclosure Regulation)

The SFDR was enacted with the purpose of ensuring transparency and harmonizing ESG disclosure requirements across the EU, particularly within the sectors of financial services, investment, insurance, and pension funds. For this reason, the SFDR constitutes a central pillar of the EU’s Sustainable Finance Strategy. It mandates that investment funds, insurance companies, pension institutions, investment banks, and other financial market participants disclose sustainability risks and the principal adverse impacts related to ESG factors in their strategies and financial products, under the supervision of the European Banking Authority (EBA), the European Securities and Markets Authority (ESMA), and the European Insurance and Occupational Pensions Authority (EIOPA). Accordingly, the SFDR incorporates employee matters as a component of sustainability factors. Moreover, it defines sustainable investment in a manner that embeds the protection of workers’ rights, as: “an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour

³²⁸ The key findings and results are derived from: Tien Dung Nguyen et al., *Insights into Labour Commitments in the EVFTA and Policy Implications for Vietnam*, Lentera Hukum, ISSN 2355-4673 (Print) 2621-3710 (Online), 12:3 (2025), 480-487.

³²⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019R2088>

³³⁰ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32022L2464>

³³¹ https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202401760

³³² https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202403005

relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance”³³³. Therefore, the SFDR clearly embodies the spirit of the CSR clause under the EVFTA, as it demonstrates how the EU employs financial instruments to promote and regulate responsible business conduct, including the respect for labour rights, social equity, and welfare.

Second, Regulation (EU) 2022/2464 – CSRD (Corporate Sustainability Reporting Directive)

The CSRD was adopted with the aim of establishing a unified and mandatory framework for non-financial reporting. Building upon the foundation of the Non-Financial Reporting Directive (NFRD), the CSRD introduces binding obligations requiring large enterprises and small and medium-sized enterprises (excluding micro-enterprises) to include, within their management reports, detailed and quantifiable information regarding ESG performance. Such information must undergo independent auditing and be subject to supervision by national authorities and the European Commission. Under the principle of double materiality, enterprises are required to adopt a two-dimensional approach to ensure that sustainability reporting is comprehensive-encompassing both the impact of corporate activities on the environment and society, as well as the influence of external factors on business operations. Among the disclosures required, labour-related information must include:

- (i) equal treatment and opportunities for all, including gender equality and equal pay for work of equal value, training and skills development, the employment and inclusion of people with disabilities, measures against violence and harassment in the workplace, and diversity;
- (ii) working conditions, including secure employment, working time, adequate wages, social dialogue, freedom of association, existence of works councils, collective bargaining, including the proportion of workers covered by collective agreements, the information, consultation and participation rights of workers, worklife balance, and health and safety;
- (iii) respect for the human rights, fundamental freedoms, democratic principles and standards established in, the ILO’s Declaration on Fundamental Principles and Rights at Work and the fundamental conventions of the ILO³³⁴.

³³³ Art. 17, Regulation (EU) 2019/2088 – SFDR (Sustainable Finance Disclosure Regulation)

³³⁴ Art. 2 Regulation (EU) (2022/2464) – CSRD (Corporate Sustainability Reporting Directive)

Furthermore, the sustainability reporting standards identify information relating to working conditions, social partner involvement, collective bargaining, equality, non-discrimination, diversity and inclusion, and human rights as central components. Such information should cover the enterprise's impacts on people, including workers and public health. Disclosures concerning human rights must include, where relevant, information on forced labour and child labour within the value chain. However, the sustainability reporting obligations related to forced labour do not absolve public authorities of their responsibility to address, through trade and diplomatic means, the importation of goods produced in violation of human rights, including through forced labour. Undertakings are also encouraged to report potential risks and trends concerning employment and income³³⁵.

Moreover, the sustainability reporting standards must take into account internationally recognised principles and frameworks on responsible business conduct, CSR, and sustainable development, such as the SDGs, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct, the UN Global Compact, the ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the ISO 26000 standard on social responsibility, and the UN Principles for Responsible Investment. It can be seen that these requirements directly reflect ILO conventions, as well as the codes of conduct specified by EU FTAs in their CSR provisions. These requirements directly reflect the ILO conventions and the codes of conduct set forth in the CSR provisions of the EU's FTAs. In addition, the disclosure requirements under the CSRD must be carried out in accordance with the European Sustainability Reporting Standards (ESRS). Within this framework, ESRS establishes two criteria for assessing labour rights: S1 (Own Workforce) and S2 (Workers in the Value Chain). These standards prescribe disclosure obligations concerning the working environment, equal treatment and opportunities for advancement, child labour, forced labour, access to housing, and the protection of personal data-both within the enterprise and throughout its value chain. These elements align closely with the core ILO conventions and the CSR-related provisions under the TSD Chapter of the EVFTA. Thus, the CSRD represents the comprehensive institutionalisation of CSR, transforming human rights and labour commitments under the EVFTA into binding legal obligations for enterprises engaging with the EU market.

Third, Regulation (EU) Corporate Sustainability Due Diligence Directive (CSDDD)

³³⁵ Art. 49 Regulation (EU) (2022/2464) – CSRD (Corporate Sustainability Reporting Directive)

Mandated due diligence is the dominant legislative framework for CSR, particularly in relation to labour-related CSR/ESG. This framework requires corporations to disclose comprehensive details about their labour, social, and environmental practices through their policies, initiatives, or performance outcomes³³⁶. Reporting on sustainability is presently considered to be a component of CSR/ESG, and mandatory due diligence, at least from the perspective of the EU, is somewhat analogous to either CSR or RBC³³⁷. Inside the EU, the European Commission has put out a proposal called the CSDDD, with the intention of “fostering sustainable and responsible corporate behaviour throughout global value chains”³³⁸. The EU CSDDD prioritises the promotion of sustainable corporate governance³³⁹ via the company's legal obligations and directors' duty of care and supervisory directors. This obligation requires directors to consider the long-, medium-, and short-term effects of their actions on sustainability and employment concerns³⁴⁰. Additionally, beyond that, CSDDD plays a significant role in the commerce between the EU and Vietnam³⁴¹. In the previous meeting on Oct 18, 2022, the DAG of the EU and Vietnam made the decision to create a collaborative working group. This group's goal is to facilitate discussions on EU-Vietnam supply chains in the context of due diligence³⁴². The CSDDD promotes the development and improvement of a legislative framework that explicitly controls CSR/ESG reporting and mandatory due diligence in Vietnam, ensuring uniformity between the EU and Vietnamese institutions in bilateral trade relations.

Fourth, Regulation (EU) 2024/3005 – ESG Rating Regulation 2024

This Regulation represents the final step in the EU’s Sustainable Finance Framework, completing the integration of ESG data, reporting, and ratings into a coherent and transparent system. The ESG Rating Regulation mandates that rating agencies and assessment entities operate with transparency, integrity, independence, and reliability in the use of data underpinning ESG ratings. With respect to labour-related aspects, rating agencies are required to disclose their methodologies for evaluating labour and human rights performance, thereby compelling rated enterprises to enhance their working conditions and employee welfare.

³³⁶ These frameworks have established a good model to promote the greater ESG concept. As a result, ESG now has a clearer and more organised framework across each aspect and represents an upgrade from CSR provisions. Currently, the trend is that the EU has adopted an ESG rating system (Regulation of the European Parliament and of the Council on the Transparency and Integrity of ESG Rating Activities, and Amending Regulations (EU) 2019/2088 and (EU) 2023/2859) to address these issues.

³³⁷ Oger, *op. cit.*, 22.

³³⁸ *Proposal for a Directive of the European Parliament and of the Council on Corporate Sustainability Due Diligence COM(2022) 71 final* (Brussels: European Commission, 2022).

³³⁹ *Ibidem*.

³⁴⁰ *Ibid.*, art. 25.

³⁴¹ “Statement from the European Union Domestic Advisory Group”.

³⁴² “Joint Statement”.

Enterprises that violate labour rights within their supply chains are subject to lower ESG scores, which may in turn have direct financial repercussions, such as reduced access to investment or credit. Accordingly, the EU's approach to sustainable and inclusive growth is grounded in the 20 principles of the European Pillar of Social Rights, as set forth in the European Commission's Communication of 26 April 2017, entitled "Establishing a European Pillar of Social Rights". These principles aim to ensure a just transition toward sustainable growth and to promote policies that "leave no one behind." Moreover, the Union's social acquis, including the Union of Equality Strategies, establishes binding standards in the fields of labour law, equality, accessibility, occupational health and safety, and anti-discrimination³⁴³. Furthermore, the EU requires ESG rating providers to uphold quality and international standards for each assessment dimension, particularly compliance with the ILO's core conventions-notably those concerning the right to organise and collective bargaining-as integral criteria within the Social (S) factor of ESG evaluation.³⁴⁴ Thus, the ESG Rating Regulation 2024 serves as both the normative culmination and operational safeguard of the EU's ESG legal architecture, ensuring that social and labour considerations are effectively internalised within financial and corporate governance mechanisms.

It must be acknowledged that the EU's ESG directives have a relatively limited scope of direct application, primarily targeting large undertakings³⁴⁵, while the majority of economic actors, namely Europe's small and medium sized enterprises³⁴⁶, are formally exempt. However, this legal structure generates a significant cascade effect throughout global supply chains. In practice, smaller firms are subjected to compliance pressures in their capacity as contractors or suppliers within the operational networks of large companies. Consequently, large undertakings require smaller firms to provide data and to comply with the relevant standards.

Paradoxically, this situation may undermine the effectiveness of the aforementioned regulations. Unlike the multinational corporations that the EU primarily targets, small and medium sized enterprises often lack both the financial resources and the technical capacity to conduct rigorous due diligence or reporting procedures. As a result, there is a tangible risk that compliance will remain merely formal, transmitted through contractual clauses, rather than leading to substantive improvements in labour conditions in practice.

³⁴³ Art. 4 Regulation (EU) (2024/3005) - ESG Rating Regulation 2024

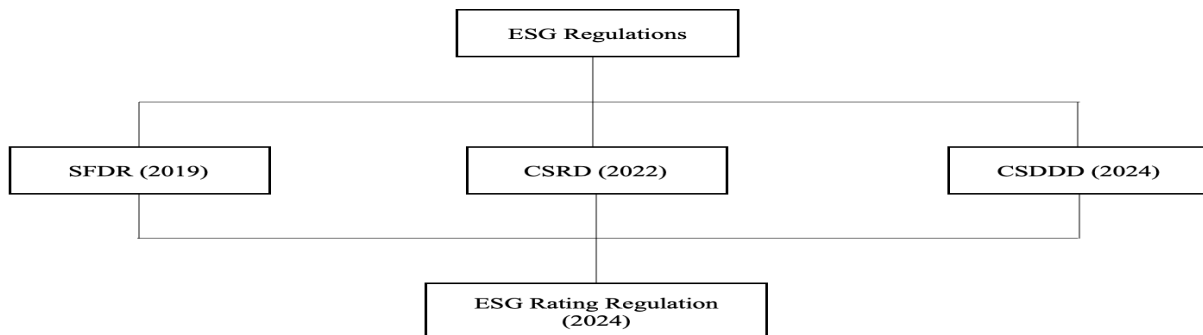
³⁴⁴ Art. 34 Regulation (EU) (2024/3005) - ESG Rating Regulation 2024

³⁴⁵ The CSDDD applies only to companies established in the EU with more than 1,000 employees and a net worldwide turnover exceeding EUR 450 million, and is estimated to cover merely around 0.05 per cent of all undertakings within the EU. The CSRD applies to all large undertakings and to companies whose securities are admitted to trading on a regulated market, with the exception of micro undertakings. The SFDR is mandatory only for financial market participants with an average number of employees exceeding 500.

³⁴⁶ They account for 99.8 per cent of the total number of undertakings.

Overall, similar to the concept of CSR, the EU’s ESG legal framework-comprising the SFDR, CSRD, CSDDD, and the ESG Rating Regulation-has fully codified the principles of CSR, transforming previously “voluntary” commitments to sustainable development into binding, cross-border legal obligations. Collectively, these four legal instruments constitute a comprehensive ESG framework for the EU, serving simultaneously as an enforcement mechanism for the ILO Conventions, with the protection of workers’ rights at its core. Accordingly, the EU’s ESG legal architecture represents both a continuation and an enhancement of the CSR clause under the EVFTA, elevating CSR principles from policy-level commitments to enforceable legal standards within the Union’s internal and external economic governance. The figure below illustrates the relationship among the legal instruments within the ESG legal framework:

Figure 9. The relationship among the legal instruments within the ESG legal framework



Source: Author's analysis

Secondly, gender pay equity. One of the EU's fundamental principles, guaranteed in Art. 157 of the Treaty on the Functioning of the EU, is the idea of equal payment for equal work³⁴⁷. It, then, has evolved into the EU CSR’s governance policy in the labour field³⁴⁸ and its member states. That led to the Pay Transparency Directive³⁴⁹, which went into effect on Jun 6, 2023, has the potential to improve transparency and enforcement of the equal pay principle between men and women, as well as improve access to justice for victims of wage discrimination³⁵⁰. Whereby, transparency is evident in many significant aspects, such as the disclosure of remuneration information prior to employment³⁵¹, along with transparency of pay setting and pay progression policy³⁵². Companies must simultaneously facilitate workers' access to information and provide reports on the gender-based wage disparity among their

³⁴⁷ “EU Action for Equal Pay,” European Commission, accessed Aug 01, 2025, [EU action for equal pay \(europa.eu\)](https://ec.europa.eu/equality/en/eu-action-for-equal-pay).

³⁴⁸ “Governance Policies on Corporate Social Responsibility,” European Commission, accessed Aug 01, 2025, [Governance policies on corporate social responsibility \(europa.eu\)](https://ec.europa.eu/equality/en/governance-policies-on-corporate-social-responsibility).

³⁴⁹ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32023L0970>

³⁵⁰ Ibidem.

³⁵¹ EU, *Directive (EU) 2023/970*, art. 5.

³⁵² Ibid., art. 6.

employees³⁵³. Vietnam has committed to implementing the principle of equal pay for male and female workers as part of the EVFTA's core labour norm on eradicating discrimination in employment and profession (C100), which is critical to the country. Furthermore, the CEACR report underlines the problems Vietnam faces in implementing this paradigm³⁵⁴. Given the idea of adherence, it is critical for Vietnam to enact a legislative instrument that clarifies this issue.

Thirdly, responsible value chain management. It seems that the risks associated with the infringement of labour norms and rights in global supply chains have cross-border consequences, impacting both EU and non-EU nations³⁵⁵. With this in mind, the Commission recognises that “when necessary and appropriate, adopting legislation represents another option”³⁵⁶. As a result, the Commission has taken a highly constructive approach to CSR at the EU-wide level on the basis of legislative tools that seek to minimize distortions in the functioning of the internal market, safeguard public interests, and provide a fair playing field for both EU and non-EU firms³⁵⁷. This is why the most effective means for the EU to accomplish these objectives are the implementation of socially responsible public procurement initiatives and the proposal to prohibit the sale of goods manufactured using forced labour on the market. In other words, contracting authorities should give utmost importance to social factors at every stage of the procurement process. This entails requiring prospective suppliers to possess a sustainable, ethical, and transparent supply chain, ensure equitable treatment of their workers, and employ those who have obstacles in accessing the labour market³⁵⁸. Furthermore, it is essential to guarantee that goods manufactured by forced labour are not traded inside the EU³⁵⁹. Vietnam has the distinction of being the EU’s second-largest trading partner among the countries in the ASEAN³⁶⁰. Furthermore, it functions as a substantial market for exporters and investors hailing from the EU³⁶¹. Therefore, the EU specifically urges Vietnam to carefully assess the consequences of this compulsory work proposition. Given that these restrictions would apply to the entire supply chain, governments and manufacturers must ensure that subcontractors abstain from engaging in any form of labour-related forced labour³⁶².

³⁵³ Ibid., art. 8.

³⁵⁴ “ILO Declaration on Fundamental Principles and Rights at Work (1998), as amended in 2022”.

³⁵⁵ *Proposal for a Regulation of the European Parliament and the Council on Prohibiting Products Made with Forced Labour on the Union Market COM(2022) 453 final* (Brussels: European Commission, 2022).

³⁵⁶ Kletia Noti et al, *Corporate Social Responsibility (CSR) and Its Implementation into EU Company Law* (Brussels: Policy Department for Citizen's Rights and Constitutional Affairs, 2020), 20.

³⁵⁷ European Commission, *Proposal on Forced Labour Products*, COM(2022) 453 final.

³⁵⁸ European Commission, *Commission Notice “Buying Social - a Guide to Taking Account of Social Considerations in Public Procurement (2nd edition)” C(2021) 3572 final* (Brussels: European Commission, 2021).

³⁵⁹ *Proposal on Forced Labour Products*.

³⁶⁰ Elzbieta Majchrowska, “Trade Regionalism and its Relevance to the Multilateral System Within the WTO in Need of Reform – The Case of EVFTA,” *Krakowskie Studia Miedzynarodowe* 17, no. 1 (2020): 229.

³⁶¹ Ibidem.

³⁶² “Statement from the European Union Domestic Advisory Group”.

3.3.3.3. *Promoting ILO DWA*

Per the aforementioned interpretation, Vietnam is required to uphold and advance the values and four normative pillars within its national policies and practices in the most effective and efficient manner, in accordance with the 2008 Declaration. Moreover, as an ILO member state, Vietnam is required to implement DWA through Decent Work Country Programmes (DWCPs). The DWCPs clarify the relationship between DWA and the nation's economic growth strategy. These executions at the national level would depend on the individual requirements and goals of each country. Member states will engage with representatives of employee and employer groups to ascertain the most effective method for meeting their obligations. The ILO delineates some essential metrics within a broader framework, as detailed above, and Vietnam should use these guidelines to fulfil the obligations related to the ILO DWA.

3.4. Final Remarks

In this chapter, the EVFTA is illustrated as the most comprehensive and promising new-generation FTA between the EU and a developing country through a comparison between the EVFTA and other EU FTAs in keynote countries regarding three main categories including the scope, implementation and enforcement of labour commitments.

By employing the experience gained from relevant EU policies and the dispute between the EU and Korea under the labour commitments of the EU-Korea FTA, the chapter is to clarify the nature of these commitments in EU FTAs and finally suggest policy implications for Vietnam and other developing countries on how to effectively implement them within EU FTAs in the long run.

As discussed, the EU strongly recommends that Vietnam, as a significant trading partner in the EVFTA, even by "naming and shaming" approaches, promptly initiate domestic legislative reforms (*de jure*) and ensure their effective implementation in practice (*de facto*). In addition, the EU has implemented a specialised analytical framework that mandates Vietnam to both refrain from lowering its domestic labour law and enhance its labour law protection levels. In this regard, adhering to this framework will assist us in assessing Vietnam's compliance context and providing an answer to the question of whether Vietnam is truly complying with its labour commitments under the EVFTA, which will be discussed in the upcoming chapters.

CHAPTER IV
VIETNAMESE LABOUR LAW: AMENDMENTS AND SUPPLEMENTS TO THE
LEGISLATION WITHIN THE CONTEXT OF THE EVFTA

4.1. Historical Developments in Vietnamese Labour Law

4.1.1. Before the signing of the EVFTA

Since the implementation of the Doi Moi reforms in 1986, which signified a shift from central planning to a socialist market economy, Vietnam has progressively adopted a development strategy centred on export orientation and global integration³⁶³. After signing bilateral trade agreements with the European Communities (now EU) in 1992 and the US in 2001, along with WTO accession in 2007, Vietnam became a significant production centre for consumer goods, including garments, footwear, and, more recently, electronics³⁶⁴. The Vietnamese leadership views the signing of bilateral and regional FTAs as essential to achieving upper-middle-income status by 2030³⁶⁵. As of Jul 2023, the country has entered into 18 active and planned bilateral and plurilateral FTAs³⁶⁶.

Vietnam has historically maintained a limited environment for civil society engagement and independent labour organisation. In accordance with Marxist–Leninist principles, the Communist Party of Vietnam (CPV) recognises its associated “mass organisations” (including the Vietnam General Confederation of Labour (VGCL), the farmers' union, and the women's association), consolidated within the Fatherland Front, as the sole legitimate representatives of the non-state sector³⁶⁷.

Alongside economic liberalisation, the reform of Vietnam's labour laws and industrial relations remains an ongoing initiative. Initial efforts by a minority reformist faction to establish autonomy for the VGCL were interrupted by the events of 1989–90, including the Tiananmen protests in China and the collapse of communism in Central and Eastern Europe,

³⁶³ Thi Tue Anh Nguyen, Minh Duc Luu, and Duc Chieu Trinh, “The Evolution of Vietnamese Industry,” in *Manufacturing Transformation: Comparative Studies of Industrial Development in Africa and Emerging Asia*, ed. C. Newman, J. Page, J. Rand, A. Shimeles, M. Söderbom, and F. Tarp (Oxford: Oxford University Press, 2016), 235–56.

³⁶⁴ Claire Hollweg, Tanya Smith, and Daria Taglioni, *Vietnam at a Crossroads: Engaging in the Next Generation of Global Value Chains* (Washington, DC: World Bank Publications, 2017).

³⁶⁵ Tran, Bair and Werner, *op. cit.*, 397–416.

³⁶⁶ A full list of these FTAs is available on: Vietnam Briefing, “Vietnam’s International Free Trade Agreements,” *Doing Business in Vietnam*, accessed Sep 5, 2025, [Vietnam’s International Free Trade Agreements - Vietnam Guide | Doing Business in Vietnam](#).

³⁶⁷ As stipulated by the current Constitution (2013), the Fatherland Front “constitutes the political base of the people’s government” and “represents and protects legal and legitimate rights and interests of the people”.

particularly in Poland, where the first independent union played a crucial role in dismantling the regime³⁶⁸. The trade union law of 1990, the constitution of 1992, and the initial LC of 1994 provided limited opportunities for the VGCL, including the right to strike under stringent conditions. However, conservative forces prevailed³⁶⁹, resulting in a cessation of further reforms³⁷⁰. In a significant 2008 directive, the Politburo, the supreme authority within the political system, urged enterprise unions to serve as genuine representatives in safeguarding workers' legitimate rights and interests³⁷¹. A comprehensive revision of the LC was initiated the following year, following smaller amendments in 2002 and 2006. The law adopted in 2012 represented a compromise between reformers within the government, particularly in the MOLISA, as well as the CPV, the National Assembly, and the strike-affected southern provinces, and the conservative factions within the CPV and the VGCL. The law established quarterly labour–management meetings and allowed workers to elect representatives solely for this purpose. This has often been interpreted as the introduction of "social dialogue" within the Vietnamese context³⁷². However, it is important to note that the law maintained the representational monopoly of the VGCL, granting it the authority to represent non-unionised enterprises in collective bargaining and dispute resolution³⁷³.

The recent impetus for labour reform in Vietnam has been influenced by external pressures stemming from the labour provisions included in a new generation of FTAs³⁷⁴. In 2010, Vietnam commenced negotiations for the TPP, an FTA involving twelve nations along the Pacific Rim, including the US. The 2015 agreement included a specific labour chapter, mandating each party to "adopt and maintain in its statutes and regulations" the labour rights outlined in the 1998 ILO Declaration³⁷⁵. Concurrently with the primary text, the US established a bilateral consistency plan with Vietnam³⁷⁶, signed in Feb 2016, which outlined the legal and

³⁶⁸ Erwin Schweishhelm and Quynh Chi Do, "From Harmony to Conflict: Vietnamese Trade Unions on the Threshold of Reform," in *Trade Unions in Transition*, ed. R. Traub-Merz and T. Pringle (Berlin: Friedrich Ebert Stiftung, 2018), 109–48.

³⁶⁹ Alexander L. Vuving, "The 2016 Leadership Change in Vietnam and Its Long-term Implications," in *Southeast Asian Affairs 2017*, ed. Daljit Singh and Malcolm Cook (Singapore: ISEAS–Yusof Ishak Institute, 2017), 121–435.

³⁷⁰ Anita Chan and Irene Norlund, "Vietnamese and Chinese Labour Regimes: On the Road to Divergence," *The China Journal* 40 (1998): 173–97; Schweishhelm and Do, *op. cit.*

³⁷¹ AmCham Vietnam, "Directive 22-CT/TW of the Central Committee of the Party: On the Development of Harmonious, Stable, and Progressive Labor Relations within Enterprises," Jun 5, 2008, [Directive 22-CT/TW of the Central Committee of the Party - AmCham Vietnam - HCMC](#).

³⁷² Tran, Bair and Werner, *op. cit.*, 407.

³⁷³ Schweishhelm and Do, *op. cit.*

³⁷⁴ Tran, Bair and Werner, *op. cit.*, 397–416; Alice Evans, "The Politics of Pro-Worker Reforms," *Socio-Economic Review* 18, no. 4 (2018): 1089–1111; Kristoffer Marslev and Cornelia Staritz, "Towards a Stronger EU Approach on the Trade-Labor Nexus? The EU-Vietnam Free Trade Agreement, Social Struggles and Labor Reforms in Vietnam," *Review of International Political Economy* 30, no. 3 (2022): 1125–50.

³⁷⁵ TPP, art. 19.3.1.

³⁷⁶ US–Vietnam Plan for the Enhancement of Trade and Labour Relations. Similar consistency plans were also negotiated with Brunei and Malaysia. See: Office of the US Trade Representative, *United States–Vietnam Plan for the Enhancement of Trade and Labour Relations* (Washington, DC: Office of the U.S. Trade Representative, 2015), accessed Sep 5, 2025, [TPP-Final-Text-Labour-US-VN-Plan-for-Enhancement-of-Trade-and-Labour-Relations.pdf](#).

institutional reforms required by Vietnam before the TPP's implementation. However, compliance regarding the contentious issue of allowing Vietnamese workers the right to freely form and join unions of their choice was deferred for a period of five years³⁷⁷.

Shortly after taking office, President Trump withdrew the US from the agreement, thereby nullifying the consistency plan. Chang-Hee Lee, former director of the ILO in Vietnam, noted that following the US withdrawal from the TPP, many in Hanoi believed the reform agenda had effectively ended, along with the incentive for US market access³⁷⁸. In May, the revision of the LC was excluded from the legislative agenda of the National Assembly³⁷⁹. A Vietnamese labour expert noted, "Everyone here was so depressed – there was nothing happening after two years of intense work, pushing, and hoping."³⁸⁰

Following the US withdrawal, negotiations persisted among the remaining countries, culminating in the signing of the CPTPP in Mar 2018. This agreement maintained the labour chapter; however, it lacked a consistency plan and did not impose specific requirements for labour reform in Vietnam.

The European Parliament (EP) intervened in this context, having been invited by pro-labour reformists in Vietnam, specifically the VGCL and MOLISA, who sought external support to enhance their reform initiatives. Beginning in early 2017, they directed their efforts towards the EU³⁸¹, utilising the potential for non-consent to initiate direct negotiations with Vietnamese officials and to strengthen the European Commission's bargaining position.

The alignment of interests among EU stakeholders and responsible officials in Vietnam has resulted in renewed momentum and progress. The sequence of events and the conducted interviews indicate that the EU's increased assertiveness played a vital role in revitalising labour reforms. The pivotal moment occurred during the Sep 2017 visit of Bernd Lange, Chairperson of the Committee on International Trade (INTA). Two weeks ago, MOLISA submitted an official report to the National Assembly detailing its strategy for revising the LC and a new timeline for ratifying the three pending ILO Conventions. An independent evaluation for the ILO noted that this document "restart[ed] the process with renewed and stronger commitment."³⁸² In Dec 2017, MOLISA officially resumed the revision of the LC, noting that

³⁷⁷ Tran, Bair and Werner, *op. cit.*, 397–416.

³⁷⁸ Public hearing in the EP Committee on: INTA, EP, "Committee on International Trade, Ordinary Meeting," *webstream*, Dec 2, 2019, EP Multimedia, accessed Sep 5, 2025, [INTA Committee meeting - Multimedia Centre](#).

³⁷⁹ *Nhan Dan Online*, "Third Session of 14th National Assembly to Open on May 22," *Vietnam*, Saturday, Apr 22, 2017, accessed Sep 5, 2025, [Third session of 14th National Assembly to open on May 22 | Nhan Dan Online](#).

³⁸⁰ Interview with civil society organisation (CSO) representative, online, Dec 2024.

³⁸¹ *Ibid.*

³⁸² ILO, *Promoting Fundamental Conventions of the ILO toward Ratification of Conventions 87, 98, 105, and Actions to Eliminate Discrimination and Forced Labour in Vietnam (NIRF EU Project): Final Project Evaluation* (Geneva: ILO, 2019), 10.

the current legislation was inconsistent with ILO conventions³⁸³. Subsequently, in the summer of the following year, the law revision was reintroduced to the National Assembly's legislative agenda³⁸⁴. Chang-Hee Lee, the former ILO director in Vietnam, later articulated at a EP hearing that pressure from the EU enhanced the influence of reform advocates within the system, who have consistently acknowledged the importance of freedom of association and collective bargaining for the effective functioning of the labour market in Vietnam. The EVFTA facilitated their influence within the system, contributing to the progress observed in 2019³⁸⁵. This conclusion is corroborated by informants in Vietnam, who indicated that labour reforms recommenced following the EU's involvement, spearheaded by the INTA Chairperson and supported by reformist actors in Vietnam, who utilised the threat of non-consent to engage in negotiations with the Vietnamese Government³⁸⁶.

An examination of Bernd Lange's role reveals his leadership during the initial bottleneck in the EP's two-step consent procedure, which significantly influenced the EU's shift towards pre-ratification conditionality. Lange emphasised the significance of the ongoing LC revision for the EVFTA in various letters and meetings during 2017 and 2018. In Sep 2017, during a press conference in Hanoi, he stated that human and labour rights were "really at the heart of the discussion" and emphasised that "unless satisfactory solutions are found, the agreement will be in troubled water."³⁸⁷ In 2018, significant actions included a Jun letter to the Vietnamese Prime Minister (PM), in which Lange requested a roadmap for ratifying outstanding ILO conventions³⁸⁸; a Jul working trip to Hanoi, where he emphasised the necessity of concrete progress on labour reform to facilitate the agreement³⁸⁹; and an Oct public hearing in INTA, attended by EU trade commissioner Cecilia Malmström and the Vietnamese chief negotiator, during which several Members of the European Parliament (MEPs) from both the Socialists and Democrats and the centre-right European People's Party advocated for pre-ratification conditions regarding labour standards³⁹⁰. A few weeks later, the EP adopted a

³⁸³ MOLISA, *Dossier Proposing the Formulation of the Amended Labour Code* (Hanoi: MOLISA, 2017).

³⁸⁴ Nhan Dan Online, "NA Adopts Law-Building Programme for 2019, Adjustments for 2018 Plan," Nhan Dan Online, Jun 9, 2018, accessed Sep 6, 2025, <https://en.nhandan.vn/na-adopts-law-building-programme-for-2019-adjustments-for-2018-plan-post61649.html>

³⁸⁵ Interview with ILO staff, online, Dec 2024 and May 2025; interviews with Vietnamese labour expert and NGO representative, online, Dec 2024.

³⁸⁶ Ibid.

³⁸⁷ British Broadcasting Corporation (BBC), "EU-VN: Thương mại, nhân quyền và Trịnh Xuân Thanh," *BBC News*, Sep 18, 2017.

³⁸⁸ Ibid.

³⁸⁹ "EVFTA Expected to Be Signed Late 2018," *VietnamPlus* (Vietnam News Agency), Jul 27, 2018, [EVFTA expected to be signed late 2018 | Vietnam+ \(VietnamPlus\)](#)

³⁹⁰ Public hearing in: INTA, EP, "Committee on International Trade, Ordinary Meeting," webstream, Oct 10, 2018, *European Parliament Multimedia*, accessed Sep 6, 2025, [INTA committee meeting - Multimedia Centre](#).

resolution urging Vietnam to accede to all pertinent UN human rights treaties and ILO conventions³⁹¹.

In Jan 2018, Malmström addressed a letter to Hanoi, seeking “concrete progress” regarding “freedom of association and the right to collective bargaining”, while cautioning that the European Commission would “pay close attention to the reform of the LC”³⁹². The European Commission was required to demonstrate outcomes, particularly regarding FTAs and, more specifically, its increasingly scrutinised TSD approach. Consequently, the EVFTA serves as a significant example demonstrating that a revised TSD approach, as outlined in the 15-point plan³⁹³, can yield effective outcomes, thus mitigating calls for a more punitive framework.

In Jun 2019, the Council approved the EVFTA, and five days later, Malmström and the Vietnamese MoIT formalised the agreement³⁹⁴. Following the agreement at the initial legislative stage, civil society and MEPs made a final effort to secure additional concessions. Following the passage of a new LC in Vietnam in Nov 2019 and the submission of a written roadmap in Jan 2020, prompted by the EP's final push, which included correspondence to the Vietnamese Government, INTA approved the EVFTA in Jan 2020, facilitating consent in the subsequent plenary vote the following month³⁹⁵. The EP's significant role in the EU's shift towards de facto pre-ratification conditionality is evidenced by the negotiations conducted by INTA Chairperson Bernd Lange and Socialists and Democrats shadow rapporteur Judith Kirton-Darling regarding the implementation roadmap with the Vietnamese Government³⁹⁶.

Furthermore, three additional factors were significant in facilitating the inclusion of more conservative actors in the reform coalition. Initially, the Vietnamese political leadership prioritised economic revival, as the economy had been experiencing a downturn since 2008. This objective became increasingly significant due to the declining allegiance to socialist principles and the transition to "performance legitimacy", which relies on ongoing enhancements in living standards as the primary basis for the legitimacy of the CPV³⁹⁷. A

³⁹¹ EP, *European Parliament Resolution of 15 Nov 2018 on Vietnam, Notably the Situation of Political Prisoners, 2018/2925(RSP)*, Nov 15, 2018, [Texts adopted - Vietnam, notably the situation of political prisoners - Thursday, 15 Nov 2018](#).

³⁹² Jakob Hanke-Vela, “Asian sweatshop fears threaten EU’s trade momentum,” *Politico*, Jan 21, 2018, [Asian sweatshop fears threaten EU’s trade momentum – POLITICO](#).

³⁹³ European Commission services, *Non-paper of the Commission services: Feedback and way forward on improving the implementation and enforcement of Trade and Sustainable Development chapters in EU Free Trade Agreements*, Feb 26, 2018, accessed Sep 6, 2025, *TSD Non-Paper*, Politico, [TSD-Non-Paper.pdf](#).

³⁹⁴ Khanh Vu and Phuong Nguyen, “Vietnam, EU sign landmark free trade deal,” *Reuters*, Jun 30, 2019, [Vietnam, EU sign landmark free trade deal | Reuters](#).

³⁹⁵ MOLISA, *Labour Code (LC) (No. 45/2019/QH14)*, Vietnam, adopted Nov 20, 2019, NATLEX database, accessed Sep 6, 2025, [NATLEX - Viet Nam - Labour Code \(No. 45/2019/QH14\)](#).

³⁹⁶ Ibid.

³⁹⁷ Hong Hiep Le, “Performance-Based Legitimacy: The Case of the Communist Party of Vietnam and Doi Moi,” *CONTEMPORARY SOUTHEAST ASIA* 34, no. 2 (2012): 145-172.

consensus has emerged regarding a state project focused on enhancing export orientation and integration into global production networks, with FTAs serving as essential components of this development strategy. The increasing assertiveness of China, particularly its actions in the South China Sea, which led to a six-week naval standoff and anti-Chinese protests in Vietnam in mid-2014³⁹⁸, highlighted the necessity for diversifying foreign relations. The new FTAs are essential to the CPV's objectives of diminishing trade reliance on China, attaining a more equitable stance among strategic partners, and circumventing involvement in geopolitical and geoeconomic conflicts amid increasing multipolarity³⁹⁹. Employers, dissatisfied with the 2012 LC, increasingly supported union reform⁴⁰⁰. The worker representation provisions of the prior legislation directed non-unionised enterprises to engage in negotiations with higher-level branches of the VGCL, which was viewed as a significant administrative burden and failed to effectively manage strikes. Interviews indicated that employers were strong proponents of reform, with the VCCI expressing favourable views towards independent unions as a means to bypass the state-supported union.

The aforementioned factors facilitated the emergence of a novel reform consensus, persuading numerous conservatives that the benefits of participating in the new FTAs—considering commercial, geopolitical, geoeconomic, and regime-stability aspects—surpassed the associated costs⁴⁰¹. The EVFTA should be regarded primarily as a catalyst for change rather than a root cause, as recent scholars have concurred⁴⁰².

4.1.2. After the Signing of the EVFTA and the Labour Code 2019

The implementation of both the DAG and the pre-ratification commitments in Vietnam has experienced delays and contestation. In accordance with Decision No.1201/QĐ-TTg issued by the PM on Aug 6, 2020⁴⁰³, which approved the Plan for Implementation of the EVFTA, the MoIT issued a call for expressions of interest in Oct 2020. Shortly thereafter, the International

³⁹⁸ Carlyle A. Thayer, "Vietnam's Foreign Policy in an Era of Rising Sino-US Competition and Increasing Domestic Political Influence," *Asian Security* 13, no. 3 (2017): 183–99.

³⁹⁹ Ha Hai Hoang and Maria Garcia, "The Vietnam-European Union Free Trade Agreement: Victim of Changing Times?," *The European Union in International Affairs*, 2022, 295–317.

⁴⁰⁰ Interview with a legal consultant, Hanoi, May 2025.

⁴⁰¹ Alice Evans, "Export Incentives, Domestic Mobilization, & Labor Reforms," *Review of International Political Economy* 28, no. 5 (2020): 1332–61.

⁴⁰² Kristoffer Marslev and Cornelia Staritz, "The EU–Vietnam Free Trade Agreement: A Catalyst of Labour Reform in Vietnam?," in *Integrating Trade and Decent Work: The Potential of Trade and Investment Policies to Address Labour Market Issues in Supply Chains* (Geneva: ILO, 2023), 192; Anita Chan, "Vietnam's and China's Diverging Industrial Relations Systems: Cases of Path Dependency," *Journal of Contemporary Asia* 50, no. 3 (2020): 321–40.

⁴⁰³ Government of Vietnam, *Decision No. 1201/QĐ-TTg of 2020: Approving the Plan for Implementation of the Free Trade Agreement between Vietnam and the European Union (EVFTA)*, Aug 6, 2020, *Thu Vien Phap Luat* [Law Library], accessed Sep 6, 2025, [Quyết định 1201/QĐ-TTg 2020 thực hiện Hiệp định Thương mại tự do Việt Nam Liên minh châu Âu](#).

Cooperation Department of MOLISA, designated as the EVFTA focal point for labour, conducted an information-sharing meeting with local and international CSOs. However, few civil society organisations demonstrated interest. As of Jun 2021, only seven organisations had submitted applications for the DAG, with three being international CSOs and therefore ineligible for membership. In Aug 2021, the DAG was established with three members: the VCCI, the Institute for Workers and Trade Unions (a think-tank under the VGCL), both affiliated with the CPV, and the Centre for Sustainable Rural Development, the sole independent Vietnamese CSO. In Jan 2022, the MoIT announced the addition of three new members to the DAG, comprising two CSOs from the fisheries sector and one environmental CSO⁴⁰⁴. Two months later, the Vietnam Elevator Association was included as the seventh member. Despite the subsequent enlargement, the Vietnamese DAG still lacks independence as a monitoring body. Two of the organisations, including the chairing entity, are closely affiliated with the CPV, and labour representation is minimal, comprising only a single member (the VGCL). Additionally, the DAG Secretariat, responsible for organising meetings, has been allocated to the MoIT. This is atypical, as such responsibilities are usually designated to CSOs, effectively rendering it a "government-run DAG," as noted by one informant⁴⁰⁵.

Interviews indicated that numerous CSOs expressed reluctance to pursue DAG membership due to concerns that it might hinder their operations by introducing bureaucratic challenges. The initial concerns prevented a prominent labour CSO from pursuing DAG membership. Although it eventually submitted an application, it was not selected, and no further explanation was provided. In certain instances, authorities intervened in a more explicit manner. The conducted interviews indicate that the composition of the DAG was a focal point of intense discussions during inter-ministerial meetings. Notably, the Ministry of Public Security, and to a lesser extent, the VGCL, played a significant role in excluding more critical civil society organisations, while MOLISA, MoIT, and the Ministry of Natural Resources and Energy advocated for the inclusion of these entities. Ultimately, due to pressure from the EU, as discussed below, the various state agencies reached a compromise by including some independent, primarily apolitical CSOs in the DAG⁴⁰⁶.

The implementation of independent workers' representative organisations in the new LC has faced significant contestation. In late 2020, MOLISA issued implementing decrees for the majority of the new law; however, the decree detailing the administrative procedures for

⁴⁰⁴ VietnamPlus, "EVFTA DAG Has Three More Members," Jan 2, 2022, accessed Sep 6, 2025, [EVFTA Domestic Advisory Group has three more members | Vietnam+ \(VietnamPlus\)](#)

⁴⁰⁵ Ibid.

⁴⁰⁶ Ibid., and Interview with Vietnamese labour expert and NGO representatives, Hanoi, May 2025.

the establishment, registration, authorisation, and financial management of workers' representative organisations has been postponed and remains unpublished as of May 2023. The MOLISA submitted a draft decree in Sep 2019⁴⁰⁷; however, its publication was postponed due to objections from the Ministry of Public Security. The latter raised concerns that workers' representative organisations could be exploited for political purposes by "hostile" entities aiming to disrupt social stability⁴⁰⁸. As of mid-2023, a draft decree has been submitted by MOLISA and is pending approval⁴⁰⁹. The draughting of a new trade union law, for which the VGCL is the responsible agency, remains a contentious issue. The initial two drafts by the VGCL suggested that the amended law should exclusively encompass unions within its framework, whereas the newly established workers' representative organisations would fall under the purview of the LC⁴¹⁰. Furthermore, the conservative leadership that emerged from the 12th Congress of the CPV in 2016, coupled with the absence of significant reshuffling at the 13th Congress in Jan 2021, has led the Party State to more effectively "manage, discipline, and punish forms of association and public expression considered threatening to or divergent from the Party."⁴¹¹ Efforts to regulate the composition of the DAG, restrict the establishment of workers' representative organisations, and limit their operational flexibility indicate that preventing the rise of political counter-movements is a primary concern for conservatives within the Party State. This indicates that in the post-ratification phase, during which the EU no longer possesses a veto over the EVFTA, it continued to exert pressure on Vietnam through various means. As elaborated below, the Vietnamese leadership is reassessing the circumstances and pursuing formal compliance under minimal conditions. The implementation of freedom of association reforms is not precluded; however, it indicates that progress will be gradual and incremental. The execution of the TSD provisions will significantly rely on the EU and the ability of local reformists to leverage EU pressure during the post-ratification phase.

The EU DAG has made multiple interventions regarding both the European Commission and the Vietnamese Government to provide further insights from the EU perspective. The EU DAG commenced in Jan 2021 with 21 member organisations and had convened six times by May 2023⁴¹². Under the leadership of former MEP Judith Kirton-

⁴⁰⁷ Hoang Ha Nguyen, "Realizing Freedom of Association under Vietnam's Legislation," *Vietnam Law Magazine*, Jul 3, 2022, accessed Sep 6, 2025, [Realizing freedom of association under Vietnam's legislation](#)

⁴⁰⁸ Interview with Vietnamese labour expert, Hanoi, May 2025.

⁴⁰⁹ Interview with ILO staff, online, Jun 2025.

⁴¹⁰ Interview with Vietnamese labour expert, Hanoi, May 2025.

⁴¹¹ Jonathan D. London, "Vietnam in 2018: Leninism, Consolidating Market," *Asian Survey* 59, no. 1 (2019): 145; Carlyle A. Thayer, "Vietnam in 2021: Leadership Transition, Party-Building and Combating COVID-19," *Southeast Asian Affairs* 2022, no. 1 (2022): 373–91.

⁴¹² European Economic and Social Committee (EESC), "The EU-Vietnam DAG – Related Events," *EESC* (website), accessed Sep 6, 2025, [The EU-Vietnam Domestic Advisory Group | EESC](#)

Darling, who played a significant role in negotiating the roadmap prior to ratification, the EU DAG has established four primary priorities: the implementation of the LC, the enhancement of civil society space, due diligence in global supply chains, and the promotion of sustainable food systems⁴¹³. The EU DAG issued statements urging the Vietnamese authorities to promptly establish a counterpart for the EU DAG⁴¹⁴ and questioning the restricted number of participants in the Vietnamese DAG as well as its lack of independence⁴¹⁵. The messages were reiterated in diplomatic yet direct terms during the first DAG-to-DAG meeting in Nov 2021 in Hanoi, coinciding with the Committee on TSD meeting, and again at the second meeting in Oct 2022⁴¹⁶.

The European Commission interacts with the Vietnamese Government through various channels, characterised by an informant as a "complex and very intense system of exchanges."⁴¹⁷ The European Commission applies pressure through intergovernmental dialogue mechanisms, specifically the Trade Committee and the Committee on TSD, alongside regular technical-level meetings with MoIT. The EU Delegation in Hanoi maintains regular and informal communication with MOLISA, other ministries, and the ILO office in Vietnam⁴¹⁸. During the initial Trade Committee meeting in Jul 2021, EU Commissioner for Trade Valdis Dombrovskis expressed regret regarding Vietnam's inability to establish the DAG and urged for an expedited conclusion before the end of Jul, cautioning that failure to do so would necessitate intervention at a higher level⁴¹⁹. At both the initial and subsequent meetings of the Committee on TSD, the European Commission requested the enactment of the outstanding decree concerning workers' representative organisations⁴²⁰. The European Commission's degree of involvement in the implementation of a TSD chapter is unprecedented. A political adviser in the EP noted, "What has changed from other agreements is that TSD is now a part of every discussion they [European Commission representatives] have with the Vietnamese."⁴²¹

The rise of conservative forces within the Vietnamese Party State, coupled with a diminishing civic space, suggests that enhanced enforcement by the EU may serve as

⁴¹³ Ibid.

⁴¹⁴ EESC, "Statement from the European Union DAG of the EVFTA," *EESC* (news article), Jun 1, 2021, accessed Sep 6, 2025, [Statement from the European Union Domestic Advisory Group of the EU-Vietnam Free Trade Agreement | EESC](#)

⁴¹⁵ FERN, *Letter on the Establishment of the Vietnamese DAG*, Sep 15, 2021, accessed Sep 6, 2025, [Microsoft Word - Letter on the Establishment of Vietnamese Domestic Advisory Group 15092021.docx](#)

⁴¹⁶ Ibid.

⁴¹⁷ Ibid.

⁴¹⁸ In addition, there are parallel political exchanges at diplomatic level.

⁴¹⁹ Minutes of the first Trade Committee meeting, 19 Jul 2021, [relations-negotiations-and-agreements - Library](#).

⁴²⁰ Minutes of the first and second meetings of the Committee on TSD, Nov 2021 and Oct 2022, [relations-negotiations-and-agreements - Library](#)

⁴²¹ Ibid.

significant leverage in internal reform discussions among MOLISA and the VGCL reformists. One informant indicated that reformists leverage the EU's dispute with the Republic of Korea as a cautionary example to advance implementation efforts⁴²². The interviews indicate that external pressure from the EU influenced the establishment and expansion of the Vietnamese DAG. EU pressure has been less effective regarding the absent decree on workers' representative organisations, in contrast to its impact on the remaining ILO core convention, C087, which addresses Freedom of Association and Protection of the Right to Organise. The absence of pre-ratification leverage diminishes the bargaining position of the EP and Member States in relation to both the European Commission and the Vietnamese State. One informant in the EP stated that “in the implementation phase, we have no power anymore – it has vanished altogether,” while another remarked that “we no longer have a big stick that we can wave around.”⁴²³

4.2. Amendments and Supplements to Vietnamese Legislation within the Context of the EVFTA

4.2.1. Substantive and Other Standards

4.2.1.1. Upholding ILO CLS

With the basis provided by Chapter III regarding ILO CLS and the historical developments in Vietnamese labour law as discussed in this chapter, this section is to compare contemporary labour law in Vietnam, especially recent amendments and supplements in the new LC 2019, with these ILO CLS and eventually point out the limitations and inconsistencies in Vietnamese labour law that would require further amendments and supplements in the long run to comply with the EVFTA labour commitments⁴²⁴.

Freedom of association and effective recognition of collective bargaining rights

In terms of C087⁴²⁵, one of the milestones in Vietnamese labour law is that the new LC 2019, for the first time, officially recognises the circumstance in which, besides the traditional union trade, employees' organisations at enterprises could be established in the scope of

⁴²² Interview with Vietnamese labour expert, Hanoi, May 2022.

⁴²³ Ibid.

⁴²⁴ This section would employ the findings from the author's publication: Tien Dung Nguyen, "Vietnamese Labour Law in Comparison with ILO Core Labour Standards in Light of the EVFTA: Present Limits, Future Reforms," *Jog Állam Politika: Jog- és Politikatudományi Folyóirat* 15, no. 4 (2023): 229–45.

⁴²⁵ This is the only outstanding fundamental convention that Vietnam has not ratified yet, but under the context of the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up in 1998, the obligations to respect, promote, and realise fundamental rights enshrined in all eight fundamental labour conventions mentioned above remain.

industrial relations⁴²⁶. It means that workers have the right to form, join and operate multiple representative organisations of their own at the enterprise level instead of selecting only one trade union as usual. Although the LC 2019 makes it easier for employees to fulfil the freedom of association enshrined in C087, several limitations inconsistent with this convention should be considered: *Firstly*, the level of employees' representative organisations is only recognised at the grassroots level, which is much narrower than the nature of freedom of association in C087⁴²⁷. *Secondly*, the operation of employee representative organisations would somehow be more restricted than the C087 guide. While this convention provides flexible ways to run an organisation of employees without previous authorisation⁴²⁸, the Vietnamese LC 2019 requires obligatory registration procedures for establishing employees' organisations at the workplace⁴²⁹. And because there has been a lack of guiding documents from the government to establish them up until now, it is believed that Vietnamese labour law now possibly limits the right to organise of employees in this country to some extent⁴³⁰.

Regarding C098, on the one hand, the new LC sets the foundation for employees' representative organisations to exercise the right to collective bargaining by providing two safeguards to protect them and their members from employer discrimination and intervention⁴³¹. Additionally, the Code makes introductions to collective bargaining for enterprises with multiple employee representative organisations⁴³². On the other hand, in comparison with C098, Vietnamese labour law reveals inconsistencies in some essential aspects. *Firstly*, given the scope of application of C098, this is to enable and promote free and voluntary collective bargaining besides representative organisations of workers' own choosing at all levels, whereas the 2019 LC includes provisions on its scope of application⁴³³ and anti-union discrimination and interference⁴³⁴, which refer only to workers' representative organisations at the grassroots level. It means that the rights provided by C098 are not assured to workers' organisations at all levels as well as their members under Vietnamese labour law⁴³⁵. *Secondly*, there is a big legal gap in the regulation of the minimum threshold of representativity regarding collective bargaining at the enterprise level and sectoral bargaining. Accordingly, the

⁴²⁶ Socialist Republic of Vietnam, *Labour Code*, Law No. 45/2019/QH14, art. 3.

⁴²⁷ ILO, *C087*, art. 2 and 5.

⁴²⁸ *Ibid.*, art. 2 and 7.

⁴²⁹ Vietnam, *Labour Code* (2019), art. 170 and 172.

⁴³⁰ Nguyen, Nguyen, and Nguyen, "Labour Commitments in the EVFTA," 80.

⁴³¹ LC (2019), art. 175, 176 and 177.

⁴³² *Ibid.*, art. 68, 69 and 70.

⁴³³ *Ibid.*, art. 1.

⁴³⁴ *Ibid.*, art. 175, 176 and 177.

⁴³⁵ ILO, *Direct Request (CEACR) – adopted 2022, published 111st ILC session (2023): Right to Organise and Collective Bargaining Convention, 1949 (No. 98) – Vietnam (Ratification: 2019)*, NORMLEX, accessed Sep 7, 2025, [Comments](#).

LC 2019 refers to a minimum membership requirement to bargain collectively at enterprises without, however, elaborating on the required threshold⁴³⁶. Similar to this, at the sectoral bargaining level, the decree on the minimum requirements to participate in collective bargaining where more than one workers' organisation seeks to participate in such bargaining is unclear⁴³⁷. These may act as an obstacle to workers and their organisations when enforcing collective bargaining rights, especially for foreign workers in Vietnam.

Forced/compulsory labour elimination

When it comes to this CLS, numerous provisions of C029 and C105 are codified in Vietnamese labour law. The 2019 LC, most prominently, defines forced labour as “coercive labour means the use of force or threat to use force or other tricks to force an employee to work against his/her will.”⁴³⁸ In addition, the Code prohibits forced labour exploitation by employers and grants employees the right to work as well as the freedom to choose their employment⁴³⁹. Employees also have the right to end their employment contracts unilaterally and without warning⁴⁴⁰, even if they are required to work. Besides that, the 2019 LC also discloses contemporary limits compared to C029 and C105. *Firstly*, Vietnamese law recognises the aforementioned term forced labour in the way employers force workers to perform certain work contrary to their will, resulting in a “forced labour” situation⁴⁴¹. As such, the forced labour concept seems applicable only to those who participate in labour engagement and therefore, those who do not may be disregarded⁴⁴². Whereas, C029 gives a definition of “forced labour” as “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily”⁴⁴³. Here, “any person” could refer to anyone, regardless of their gender or employment status⁴⁴⁴. *Secondly*, if the Vietnamese LC just mentions “forced labour” as “the use of force or threat to use force or other tricks” without a detailed explanation, other behaviours such as excessive overtime, withholding of wages, retention of identity documents, debt bondage, abusive working/living conditions, intimidation/threats, physical/sexual violence, isolation/restriction of movement/mobility, and deception/abuse of vulnerability might be considered as all forced labour indicators of C029⁴⁴⁵.

⁴³⁶ LC (2019), art. 68.

⁴³⁷ ILO, *Direct Request (CEACR) – Vietnam (No. 98)*, 2022/2023.

⁴³⁸ LC (2019), art. 3.7.

⁴³⁹ *Ibid.*, art. 5 and 8.

⁴⁴⁰ *Ibid.*, art. 35.

⁴⁴¹ *Vietnam Lawyers Journal*, *Improving Regulations on “Forced Labor,” Analysis – Research*, Jan 5, 2021, accessed Sep 7, 2025, [Hoàn thiện quy định về 'cưỡng bức lao động'](#).

⁴⁴² Thi Thanh Huyen Phan, “Identification of Forced Labour in the Applicable Vietnamese Labour Law,” *Democracy and Law Journal* 1 (2015): 20.

⁴⁴³ ILO, C029, art. 2.

⁴⁴⁴ Tien Dung Nguyen, “Concept of Forced Labour,” *Hanoi Law Review*, no. 12 (2016): 4.

⁴⁴⁵ ILO, *ILO Indicators of Forced Labour* (Geneva: ILO, 2013).

Thirdly, regarding the specification of exceptional cases of forced labour, including cases of emergencies, the national LC provides that the employer has the authority to require employees to work overtime at any time and employees could not refuse such work if the work is to implement a conscription request for the reasons of: (i) national security or national defence in emergency situations; (ii) preventing and recovering from natural calamities, fires, epidemics, and disasters; (iii) executing duties to protect human life or assets owned by organisations, agencies, or individuals⁴⁴⁶. However, as reflected in the Observation Report adopted in 2020, the CEACR⁴⁴⁷ indicated the scope of labour regarding this case is beyond the one of C029 Article 2.2.d in emergency cases, which only allows forced labour in cases of these situations, especially during special times like wars or natural disasters or the danger of natural disasters, and in situations where the safety of part or all of humanity would be in danger.

Effective child labour abolition

In comparison with C138, the LC 2019 strictly follows the Convention guidance as playing a significant role in protecting "minor workers" who are under the age of 18⁴⁴⁸ in both the official and unofficial spheres without employment relations⁴⁴⁹. The Code maintains protections for minors' right to work and sets forth detailed guidelines for their employment, including age-based distinctions in the types of labour they can do, where they can do it, and how many hours they can put in, including three main groups of minor workers: those aged under 13, from 13 to under 15, and from 15 to under 18⁴⁵⁰. Additionally, the LC calls for state agencies, parents and guardians to play roles in supervising and protecting workers aged under 13⁴⁵¹. These exactly match the C138 instructions⁴⁵², therefore setting a foundation in Vietnamese labour law to help young people have the fullest physical and mental development as required in Article 1 of this Convention.

In comparison to C182, Vietnamese legislation promulgates provisions not only in the LC but also in the Criminal Code so as to prohibit and eradicate child labour in its worst forms. Specifically, the 2019 LC introduces principles of employment for minor workers that guarantee that in order to further guarantee that their physical, mental, and personality development would be respected and they may only conduct jobs that are suitable for their

⁴⁴⁶ LC (2019), art. 108.

⁴⁴⁷ ILO, *Direct Request (CEACR) – Adopted 2024, Published 113rd ILC Session (2025): Forced Labour Convention, 1930 (No. 29) – Vietnam (Ratification: 2007)*, NORMLEX, accessed Sep 7, 2025, [Comments](#).

⁴⁴⁸ LC (2019), art. 143.

⁴⁴⁹ ILO, *Get to Know Your New Labour Code 2019: Minor Workers* (Geneva: ILO, 2020), 2.

⁴⁵⁰ LC (2019), art. 143 and 145.

⁴⁵¹ *Ibid.*, art. 144.

⁴⁵² ILO, C138, art. 2, 3, 7 and 8.

health conditions⁴⁵³. Otherwise, employers may be charged fines when they have violations against regulations on minor workers (Article 29, Decree No.12/2022/ND-CP dated Jan 17, 2022, on "Penalties for administrative violations against regulations on labour, social insurance, and Vietnamese guest workers"). It is noteworthy that the 2015 Criminal Code (amended in 2017) applies penal sanctions for the person who commits the crimes, especially for the employment of a person aged under 16 for pornographic purposes or the trafficking of a person aged under 16⁴⁵⁴. These regulations relatively fit C182 well in all core provisions; however, a lack of a “child labour” definition in Vietnam still remains, which leads to a legal gap in terms of C182. “Child labour” is now indirectly understood as anyone aged under 16 participating in the employment market and is also part of minor workers, due to contemporary legal documents in this country⁴⁵⁵. This may be inconsistent with the “child” definition in C182⁴⁵⁶, in which a child is known as someone under 18. As a consequence, workers in Vietnam between the ages of 16 and 18 are not often protected by child labour laws and may not receive protections that are in line with international standards for child employment⁴⁵⁷.

Elimination of employment and occupational discrimination

When compared with C100, the 2019 LC also warrants that employees of both genders who perform the same or similar work must be paid the same wage, regardless of their gender⁴⁵⁸, in accordance with C100⁴⁵⁹. And besides, the Code clarifies the principles enshrined in C100⁴⁶⁰ by following provisions such as a wage scale formulation, wage tables and labour norms; the principles of wage payment; and wage payment⁴⁶¹. It is undeniable that workers, no matter what their genders are, would be paid equally and impartially based on fundamental criteria according to Vietnamese labour law. Otherwise, employers may be fined for neglecting to pay equal wages or discriminating against employees of the same gender who perform equal work, as the aforementioned Decree No.12/2022/ND-CP in Article 17.1.

Furthermore, by comparison to C111, the 2019 LC adds five new prohibited discrimination grounds to those already enshrined in the former 2012 LC⁴⁶², namely “national origin”, “age”, “pregnancy status”, “politics”, and “family responsibilities”⁴⁶³. These are

⁴⁵³ LC (2019), art. 144.

⁴⁵⁴ Ibid., art. 147 and 151.

⁴⁵⁵ Nguyen and Ngo, *op. cit.*, 137.

⁴⁵⁶ ILO, C182, art. 2.

⁴⁵⁷ Nguyen, Nguyen, and Nguyen, “Labour Commitments in the EVFTA,” 80.

⁴⁵⁸ LC (2019), art. 90.

⁴⁵⁹ ILO, C100, art. 1.

⁴⁶⁰ Ibid., art. 2 and 3.

⁴⁶¹ LC (2019), art. 93, 94 and 95.

⁴⁶² LC (2019), art. 3.

⁴⁶³ CEACR, 2022, 612.

almost based on the clarification of "discrimination" as C111 promulgates in Article 1. And following Article 2 of C111, Vietnamese labour law has undergone a significant change and revolution in terms of the way to approach vulnerable workers' rights to work, from the provisions that allow female workers, workers with disabilities, or elderly workers to make their own decisions on whether or not to carry out the specific work to the ones that strengthen these worker groups' protection, especially female workers at the workplace, by humanitarian rules on reinforcing gender equality or sexual harassment prevention⁴⁶⁴. However, besides the positive traits of revolution, there are still limitations in the 2019 LC that should be reconsidered to make the Code consistent with C111. *Firstly*, there are no official legal documents to make sure that the understanding of the grounds of "politics" and "national origin" in the 2019 LC⁴⁶⁵ accords with the justifications of "political opinion" and "national extraction" promulgated in C111⁴⁶⁶. *Secondly*, the way that the LC regards "gender" as a discriminatory factor does not truly convey the meaning of "sex" promulgated in C111 as ILO instructions and international norms from countries around the world⁴⁶⁷.

Despite recent amendments and supplements to Vietnamese labour law, specifically in the new 2019 LC, to fulfil labour commitments required in the EVFTA and further in the ILO CLS, it is proven that the current LC has outstanding limitations inconsistent with ILO fundamental conventions, so that the Vietnamese government should reconsider and accelerate the reform of labour laws in the future, as indicated in the following points:

Firstly, Vietnamese labour law should facilitate the employees' rights to organise and collective bargaining at the highest level that C087 and C098 require. As discussed earlier, these rights are mostly recognised at the grassroots level in Vietnam, alongside many mandatory registration rules and unspecific guidelines in the minimum threshold of representativity that become a big challenge for workers when they exercise these fundamental rights. So it is believed that the Vietnamese government needs to expand and clarify the scope of application of C087 and C098 at all levels in the domestic labour law and provide updated and necessary legal guiding documents to make these workers' rights accessible.

Secondly, the "forced labour" definition in the 2019 LC should be readjusted so as to approach it more closely to the one enshrined in C029 and C105. This concept encompasses

⁴⁶⁴ Nguyen, Nguyen, and Nguyen, "Labour Commitments in the EVFTA," 80.

⁴⁶⁵ LC (2019), art. 3.

⁴⁶⁶ ILO, C111, art. 1.

⁴⁶⁷ ILO, *Equality at Work: Tackling the Challenges – Global Report under the Follow-up of the ILO Declaration on Fundamental Principles and Rights at Work, Report I (B)* (Geneva: ILO, 2007), 42–43.

three fundamental conditions: “work or service”, “menace of any penalty”, and “voluntary”⁴⁶⁸. It would possibly be referred to as “the situation in which a person is forced by another to impose work under the threat of possible adverse consequences for himself/herself or his/her relatives”⁴⁶⁹. Moreover, to close the gap, a range of indicators should be classified into typical identification signals/cases based on the eleven ILO’s indicators for forced labour, including: (i) employers take advantage of their employees’ vulnerability; (ii) employers deceive their employees into joining and/or performing contractual relationships with them; (iii) employees are isolated and in a restricted movement; (iv) employees are threatened by their employers; (v) employers put their employees in a position of subordination and make them do required tasks by withholding their ID or wages or using indirect methods; (vi) employees are regularly and constantly forced to work excessive overtime; (vi) employees suffer physical and sexual violence by their employers. In addition to this, the Vietnamese law should be amended to narrow down the exceptional cases of forced labour. As explained above, the scope of emergency in the Vietnamese LC seems unlikely to meet the characteristic of Article 2.2.d under C029; thus, national legislation should make a more appropriate adjustment to the Convention that permits forced labour to be exacted only in cases of emergency, according to the literal meaning of the phrase, particularly occurrences of war or (threatened) calamity, and also generally, any situations that might jeopardise the survival or the general or specific well-being of the population.

Thirdly, instead of just having definitions of "child" (a person under 16) in the Law on Children 2016, Article 1, and "minor workers" (a person under 18) in the LC 2019, it is necessary to introduce an official "child labour" definition in Vietnamese labour law as C182 requirements⁴⁷⁰. Accordingly, "child labour" encompasses the employment of workers aged under 18. By doing so, this not only makes the Vietnamese labour law in line with fundamental labour standards on child labour but also helps this group mature and avoid exploitation from the employers that may have a serious effect on the workforce in the future.

⁴⁶⁸ Natalia Ollus, “Regulating Forced Labour and Combating Human Trafficking: The Relevance of Historical Definitions in a Contemporary Perspective,” *Crime, Law and Social Change* 63, no. 5 (2015): 228.

⁴⁶⁹ Nguyen, “Concept of Forced Labour,” 6.

⁴⁷⁰ Unlike child labour, which is negative and forbidden by international and national laws, minor worker (juvenile labour) is only negative and illegal when it breaches the severe regulations governing the age and working conditions of employees under the age of 18. This results in a lack of clarity on the concept of child employment in Vietnam, leading to discrepancies with international documents of the ILO and UN. Whereas, except for child labour for heavy, hazardous, and dangerous work, be concretised in the LC, the bulk of the worst kinds of child labour are not classified by the Vietnamese legal system's definition or in-depth criteria, in keeping with C182. See: Tien Dung Nguyen and Huyen Nguyen, “Vietnam in the European Union – Vietnam Free Trade Agreement’s Labour Commitments: Requirements for Labour Law Reforms,” *Curentul Juridic* 3, no. 94 (2023): 38.

Fourth, technically, the Vietnamese government should provide formal legal documents confirming that the "politics" and "national origin" grounds included in the LC 2019 are equivalent to the respective ones of "political opinion" and "national extraction" stated by C111. In a similar way of approach, the discriminatory factor "gender" in this code needs to be amended to "sex" or "sexual orientation," like the way many countries have selected to follow ILO guidelines and learn from the experiences of country members⁴⁷¹, even international organisations, for instance the EU, in the Chapter of Fundamental Rights⁴⁷².

It can be seen that from a compliance viewpoint, regarding upholding ILO CLS, Vietnam has intentionally revolutionised the law, especially the new LC 2019. However, in order to fulfil the EVFTA's labour commitments, first and foremost, this country continuously needs to perfect the law, especially labour law, to ensure the requirements of ILO fundamental conventions. By making comparisons with these conventions, the study figures out limitations in Vietnamese labour law, mostly focusing on regulations related to C087, C098, C029, and C105, and the minor ones need to be reconsidered on provisions related to C182 and C111. Bear in mind that the step to improve Vietnam's labour law on paper in order to make it compatible with CLS in those fundamental conventions is just the first obligatory procedure that this country has to accomplish to adhere to the EVFTA labour commitments. The further obligation to warrant that the implementation of these provisions is effective in practice really costs a lot of time and effort to observe and research⁴⁷³. It also means that the internalisation of international norms as ILO CLS in fundamental conventions and making domestic labour law effective with regard to these standards are parallel. This is not only for Vietnam but also for other EU partners in the future when participating in EU FTAs, so as to ensure that trade liberalisation leads to economic growth and higher labour standards⁴⁷⁴ and therefore to achieve SDGs.

4.2.1.2. Promoting CSR

As of now, Vietnam lacks a formal explicit CSR regulation regarding labour, an implicit labour-related CSR, on the other hand, these have gradually emerged in the Vietnamese legal

⁴⁷¹ ILO, *Developing a New Industrial Relations Framework in Respect of the ILO Declaration on Fundamental Principles and Rights at Work* (Geneva: ILO, 2018).

⁴⁷² Olivier De Schutter, *The European Social Charter in the Context of Implementation of the EU Charter of Fundamental Rights* (Brussels: EP, 2016), 70.

⁴⁷³ This would be discussed in the next chapter.

⁴⁷⁴ European Commission, *Trade for All: Towards a More Responsible Trade and Investment Policy*, Communication from the Commission to the EP, the Council, the European Economic and Social Committee, and the Committee of the Regions (Brussels: European Commission, 2015).

system. First of all, it is regarded as one of the mandatory responsibilities of enterprises as outlined in the Law on Enterprises, namely:

*protect lawful rights and interests of employees as prescribed by law; do not discriminate against or insult employees; do not mistreat or force employees to work; do not employ minors against the law; enable employees to improve their vocational skills through training; buy social insurance, unemployment insurance, health insurance and other insurance for employees as prescribed by law.*⁴⁷⁵

And implicit labour-related CSR, moreover, is further integrated into specific content about the right to work; freedom to choose jobs, workplaces, occupation, vocational training, non-discrimination, forced labour, sexual harassment in the workplace, workers paid in accordance with qualifications and professional skills on the basis of agreements with employers; labour protection, working in conditions guaranteed of safety and hygiene, leave under the regime; and enjoying collective benefits in the Law on Occupational Safety and Health, Law on Social Insurance, and Law on Employment, especially the newly amended LC in 2019.⁴⁷⁶

Indeed, to ensure compliance with Vietnam's international commitments in bilateral and multilateral economic cooperation frameworks, primarily the EVFTA,⁴⁷⁷ Vietnam launched its first national action plan related to CSR on 14 Jul 2023, known as "National action programme to improve policies and laws to promote responsible business practices in Vietnam for the period 2023–2027". As it can be seen, Vietnam uses the "responsible business practices" (RBP) term instead of CSR, with the explanation that CSR has an encouraging meaning and RBP, conversely, has a mandatory meaning.⁴⁷⁸ Accordingly, the tasks set forth in the field of labour are: to evaluate, propose modifications, supplements, and the enactment of new legislation and regulations pertaining to the promotion and protection of labour rights, the welfare of workers in labour relations, employment, and facilitating compliance with international labour standards that Vietnam has ratified. That means Vietnam is currently recognising CSR on labour as a mandatory legal framework but prioritising addressing the fragmented and inconsistent regulations found in various legal documents instead of

⁴⁷⁵ Vietnam, *Law on Enterprises No. 59/2020/QH14* (2020), art. 8.5.

⁴⁷⁶ Ministry of Justice – Government of Sweden – UNDP, *National Baseline Assessment Report in Responsible Business Practices of Businesses in Vietnam* (2022), 49.

⁴⁷⁷ [Decision 843/QĐ-TTg](#) on 14 Jul 2023 promulgating the National Action Program to improve policies and laws to promote responsible business practices in Vietnam in the period 2023–2027.

⁴⁷⁸ UNDP, "Consultation on the National Action Plan on Responsible Business Practices," *UNDP in Vietnam*, last modified Oct 26, 2023, [Consultation on National Action Plan on Responsible Business Practices | United Nations Development Programme](#).

considering the explicit labour-related CSR into a legal institution or an individual legal document for businesses. In the future, the inconsistency between the institutions of two regions, such as the EU and Vietnam, in the context of bilateral trade relations could lead to confusion about the provisions of the agreements as well as hinder effective cooperation between the parties.

Based on the experience from the EU and Member States, our recent research suggests ways forward for Vietnam positioning its CSR to answer the EVFTA requirement. One point to be mentioned in this situation is that Vietnam, similar to other emerging nations in Asia, lags behind in certain elements of CSR on labour. Definitely, it is imperative and necessary to acquire knowledge and incorporate EU and some member countries practices. Hence, considering the legislative framework of labour-related CSR in EU and a number of nations, Vietnam must undertake the following:

Mandatory Due Diligence Legislation

In Vietnam, due diligence is mostly understood as a part of the financial process in the acquisition and merger of enterprises. An acquiring company engages in this activity to thoroughly assess the target company's business operations, assets, capabilities, and financial performance. It, however, has no (or very little) consideration of social or environmental aspects. Meanwhile, mandatory due diligence, from the EU's viewpoint, closely resembles CSR or RBC.⁴⁷⁹ Certainly, this raises the challenge of unifying common phrases between the parties in the context of working together to discuss the EU-Vietnam supply chain with due diligence.⁴⁸⁰

This also indicates that Vietnam currently lacks a legal framework regulating not only business sustainability due diligence but also CSR on labour. In relation to this matter, Vietnamese legislation concentrates solely on the requirement of information disclosure by companies that are listed on the stock market.⁴⁸¹ For more details, the information disclosure of labour policies only comprises three categories: (1) the number of employees and the average salary for employees; (2) labour policies to ensure the health, safety, and welfare of employees; and (3) employee training activities (average number of training hours per year; skills development; and continuous learning programmes to support employees in securing employment and career development).⁴⁸² Vietnam's labour-related CSR information

⁴⁷⁹ Oger, *op. cit.*, 22.

⁴⁸⁰ "Joint Statement".

⁴⁸¹ Circular No. 96/2020/TT-BTC dated 26 Nov 2020 and Circular No. 155/2015/TT-BTC dated 6 Oct 2015 issued by the Ministry of Finance Guiding the Disclosure of Information on the Securities Market.

⁴⁸² Appendix 4 of the Circular No. 155/2015/TT-BTC dated 6 Oct 2015 issued by the Ministry of Finance Guiding the Disclosure of Information on the Securities Market.

disclosure is now in its nascent stage,⁴⁸³ with ambiguous information and a lack of core content that aligns with international standards such as those in the EU. Furthermore, this restriction is only applicable to certain categories of enterprises. Thus, it is crucial to establish and refine the legal basis for mandatory due diligence and social responsibility reporting in Vietnam in the near future. This should be done by drawing on the expertise of the EU and its countries as follows: (i) expanding the scope of companies beyond those listed on the stock market; (ii) supplementing labour-related policy information by means of identifying risks related to CLS in business operations in addition to developing and implementing plans to mitigate these risks; and (iii) clarifying management's obligations in due diligence activities.

Gender Pay Equity

Regarding the principle of equal pay, Vietnam has directly adopted the clauses of C100 concerning equal remuneration for men and women workers for work of equal value into national legislation,⁴⁸⁴ besides ratifying the Convention. It is reasonable that equal remuneration is recognised as one of the most important wage principles in the Vietnamese LC: “Employers must ensure equal pay for work of equal value without discrimination based on sex”.⁴⁸⁵ The most important of this is CEACR has recently made numerous requests to elucidate the definition and evaluation methodology for “work of equal value”⁴⁸⁶ under this principle. Therefore, in order to satisfy the CEACR requirements and align with the partner parties' institutions in the bilateral agreement, Vietnam is obligated to draft a legal document containing explicit instructions: (i) delineating the criteria employed to determine pay scales, ensuring equitable remuneration for both genders performing work of equivalent value; and (ii) outlining the methodology employed to assess work of equal value.⁴⁸⁷ Through accomplishing these two goals, Vietnamese law may address the issue of non-discriminatory salaries⁴⁸⁸ and bring it into line with the ILO Convention. In order to keep pace with global trends, however, Vietnam requires more tangible and pragmatic approaches, such as mandatory disclosure of the gender wage gap within enterprises, evaluation of wages by competent government bodies to identify, address, and eliminate wage disparities within

⁴⁸³ Thi Kim Tuyen Nguyen et al., “Legal Framework for Disclosing Responsibility Information of Listed Enterprises,” *Vietnam Accounting and Auditing Journal*, no. 14 (2021): 89.

⁴⁸⁴ Nguyen and Nguyen, “Vietnam in the EVFTA’s Labour Commitments,” 41.

⁴⁸⁵ LC (2019), art. 90.3.

⁴⁸⁶ ILO, *Direct Request (CEACR) – Adopted 2024, Published 113rd ILC Session (2025): Equal Remuneration Convention, 1951 (No. 100) – Vietnam (Ratification: 1997)*, NORMLEX, accessed Sep 7, 2025, [Comments](#).

⁴⁸⁷ *Ibid.*

⁴⁸⁸ *Ibid.*

businesses, and stringent measures enforced by state authorities, which are comparable to legislation from member states and the EU⁴⁸⁹.

Responsible value chain management

It has been found that the majority of Vietnamese companies still have a limited link to the supply chain.⁴⁹⁰ On the one hand, Vietnam has not yet built large-scale domestic supply chains for businesses to participate in.⁴⁹¹ On the other hand, only a relatively small proportion of small and medium-sized enterprises in Vietnam participate in linking with foreign supply chains.⁴⁹² So, it is very challenging to demand deep government intervention in labour-related CSR inside Vietnam's supply chain management, even in the interactions between Vietnamese enterprises and the global value chain. Despite this, Vietnam is actively undertaking constructive measures, extending beyond legal boundaries, to assist enterprises, business associations, and suppliers in combating and eradicating child labour and forced labour in the supply chain at a national, regional, and global level. Specifically, Vietnam was chosen as one of the 15 pathfinder countries of the Global Alliance to Ending Forced Labour, Modern Slavery, Human Trafficking, and Child Labour⁴⁹³ due to its support of subregional, regional, and global initiatives to eliminate child labour, forced labour, and human trafficking.⁴⁹⁴ At the same time, Vietnam has strong commitments, exemplified by initiatives such as the forum "Responsible Business Conduct for Vietnam's Thriving Next Generation"⁴⁹⁵ and proposals like the "Vietnam Award towards Child Labour Free Business" or certification aimed at businesses striving to eradicate child labour from their supply chains.⁴⁹⁶ Nevertheless, in light of the growing demands for responsible value chain management, particularly the practice of eliminating products derived from forced labour and child labour from the supply chain via procurement and import and export operations, the government's involvement in the supply chain from a legal perspective is necessary. This

⁴⁸⁹ In the long run, Vietnam should also consider adapting and legalising the criteria to evaluate and decide the pay structures at enterprises, including but not limited to EU experience, skills, effort, responsibility, working conditions, and other factors that are relevant to the specific job or position. See: Directive (EU) 2023/970 of the EP and of the Council of 10 May 2023 to Strengthen the Application of the Principle of Equal Pay for Equal Work or Work of Equal Value between Men and Women through Pay Transparency and Enforcement Mechanisms, art. 4.4.

⁴⁹⁰ T. M. Thom Do, "Solutions to Develop Links between SMEs to Enhance Their Ability to Participate in the Global Value Chain," *Economy and Forecast Review*, no. 7 (2023): 57.

⁴⁹¹ The Ministry of Finance of the Socialist Republic of Vietnam, "SMEs Face Hurdles When Seeking to Join Global Supply Chain," 2019.

⁴⁹² *Economy and Forecast Review*, *Only 21% of SMEs Participate in Global Supply Chains*, Aug 22, 2018, accessed Sep 7, 2025, [Chỉ có 21% DNNVV tham gia vào chuỗi cung ứng toàn cầu | Tạp chí Kinh tế và Dự báo](#).

⁴⁹³ ILO, *National Strategic Planning Workshop to Develop a Roadmap to Achieve Target 8.7*, 2019, <https://www.ilo.org/vi/meetings-and-events/hoi-thao-hoach-dinh-chien-luoc-quoc-gia-nham-xay-dung-lo-trinh-dat-duoc-muc>.

⁴⁹⁴ Alliance 8.7, *Vietnam Annual Pathfinder Progress Report May 2020–Apr 2021* (2021), 22.

⁴⁹⁵ Government News, *Responsible Businesses for Vietnam's Thriving Next Generation*, May 30, 2023, accessed Sep 7, 2025, [Kinh doanh có trách nhiệm vì thế hệ trẻ sẽ tạo ra tương lai bền vững](#).

⁴⁹⁶ Alliance 8.7, *op. cit.*, 15–16.

can be achieved through various measures, including: (i) amending certain provisions of the Law on Bidding to ensure transparency of information related to enterprises' labour policies in bidding activities; (ii) encouraging the development and dissemination of codes of CSR on labour, with a particular focus on eradicating forced labour and child labour in industry supply chains, by business associations, industry associations, and professional associations; and (iii) implementing comprehensive sanctions to address violations related to CSR on labour as stipulated in legal regulations.

In sum, in comparison to the legal systems of the EU and its member states, Vietnam has a significant legislative vacuum in terms of regulating CSR on labour due to the absence of explicit legal instruments and restrictions in existing legislation. Not only that, in the context of the EU gradually imposing stricter demands on CSR duties, particularly regarding labour, in FTAs with developing countries such as Thailand and Malaysia, Vietnam is erecting barriers to fulfilling its obligations in international commitments.

4.2.1.3. Promoting ILO DWA

In this regard, with the role of the ILO membership, it has been demonstrated that Vietnam has intentionally prepared careful domestic legislation for the DWA, especially with the promulgation of the LC 2019, continuously strengthening regulations available in the previous LC (2012), including the labour market, legitimate rights and interests of employees and employers, social dialogue and tripartite cooperation mechanisms⁴⁹⁷.

First, regarding the Employment Promotion Pillar:

Employment programmes and policies create better employment opportunities and sustainable businesses for male and female workers, especially vulnerable groups. The network of vocational training institutions has been gradually expanded. Accordingly, it is necessary to mention:

The Employment Law 2013 has been strengthened in the direction of expanding the application of employment policies to the entire workforce, aiming to support the disadvantaged, the poor, rural workers, and the unemployed and, at the same time, creating more employment opportunities for informal workers⁴⁹⁸. It also stipulates a mechanism to support workers in difficult circumstances to find jobs and access employment opportunities

⁴⁹⁷ According to Chapter III, Section 3.2.1, three out of four pillars of DWA, including (i) promoting employment, (ii) social protection, and (iv) social dialogue would be highlighted with the most remarkable traits, and besides, the pillar related to (iii) rights at work, gender equality, and non-discrimination would not be indicated because these areas have also been considered in other parts of the dissertation (regarding CLS).

⁴⁹⁸ National Assembly of Vietnam, *Law No. 38/2013/QH13, adopted on November 16, 2013, effective as of January 1, 2015.*

through employment service centres, preferential credit policies to support job creation, employment creation policies in the public sector, vocational skills development policies, and unemployment insurance policies. In early 2020, the PM issued Directive No.24/CT-TTg, dated 28 May 2020, on promoting the development of skilled human resources, contributing to improving productivity and increasing national competitiveness in the new situation, and meeting the increasingly diverse needs of the labour market⁴⁹⁹.

Besides, the Law on Vocational Education 2014 (replacing the Law on Vocational Training 2006) has put forward a policy of fundamental and comprehensive innovation in vocational education⁵⁰⁰. The network of vocational education institutions has been expanded, increasingly meeting the needs of vocational training and the market and becoming more suitable to the capacities and aspirations of workers. At the same time, this law contributes to harmoniously resolving the requirements of universalising vocational education to meet the general needs of the market with the requirements of high-quality training to meet the needs of industries, occupations, and the process of international integration⁵⁰¹.

Second, regarding the Social Protection Pillar:

A party document first officially introduced the term "social security" in 2001⁵⁰². Since then, the term has been developed and now includes four pillars identified in Resolution No.15-NQ/TW dated 01 Jun 2012 of the Central Executive Committee at the 5th Conference of the 11th Central Executive Committee on Some Issues on Social Policy for the 2012-2020 Period and Resolution No.20/NQ-TW dated 25 Oct 2017 of the Central Executive Committee of the Party at the 6th Conference of the 12th Central Executive Committee on Strengthening the work of protecting, caring for, and improving people's health in the new situation, including proactive labour market policies, social insurance, social assistance, and basic social services. Recently, Vietnam has made many important commitments to strengthen and expand the social security system, with a long-term vision to ensure social security for all people, especially social insurance and social assistance⁵⁰³.

The social security system has developed significantly since its establishment in 1995. Although Vietnam has not acceded to the Social Security (Minimum Standards) Convention of 1952 (No.102), the current social security system covers 07 out of 09 contingencies set out in the Convention. The Social Security Reform Master Plan (Resolution No.28-NQ/TW, dated

⁴⁹⁹ ILO, *Country Programme Review: Vietnam Decent Work*, 34.

⁵⁰⁰ National Assembly of Vietnam, *Law No. 74/2014/QH13, adopted on November 27, 2014, effective as of July 1, 2015*.

⁵⁰¹ ILO, *Country Programme Review: Vietnam Decent Work*, 47.

⁵⁰² ILO, *Promotion and Building of Social Protection in Asia (Phase 3): Extension of Social Protection Coverage, RAS/16/03/JPN, Project Document*, 4.

⁵⁰³ ILO, *Vietnam Decent Work Country Programme 2022–2026* (Hanoi: ILO, 2022), 10.

23 May 2018) was developed to reform the social security system so that social insurance becomes the main pillar. The target is to achieve a coverage rate of 60% by 2030. The master plan for social insurance reform proposes major reforms, including developing a multi-layered social insurance system, creating flexibility in the minimum contribution requirements for pension benefits, increasing the retirement age from 2021, expanding social insurance to the informal sector, and narrowing the gender gap in retirement age.

In order to increase social insurance coverage, the Vietnamese Government issued Resolution No.102/NQ-CP dated 03 Aug 2018, on assigning targets for developing social insurance subjects. In addition, the Law on Employment 2013 expanded the scope of subjects participating in unemployment insurance, now including employees working under contracts for three months or more. The law also stipulates that businesses need to “support training, fostering, and improving vocational skills to maintain employment for employees” to minimise employment risks and protect employment for employees. Employees participating in unemployment insurance are entitled to receive unemployment benefits to compensate for income loss in the event of termination of the labour contract. In addition to unemployment benefits, unemployment insurance also includes a number of other policies, such as consulting assistance, job referrals, vocational training support, employment services, and labour market information⁵⁰⁴.

The Law on Occupational Safety and Health 2015 expands the scope of subjects/beneficiaries of occupational accident and disease benefits, now including seasonal workers, workers under 15 years old, and retired workers⁵⁰⁵. The Law on Support for Small and Medium Enterprises 2017 facilitates the conversion of individual business households to business operations under the enterprise model, in which it stipulates many mechanisms to encourage business households to officially sign labour contracts and pay social insurance for employees⁵⁰⁶.

Recently, Vietnam has taken many important steps to expand social assistance for the people. The Master Plan on Social Assistance Reform and Development (Decision No.488/QD-TTg, dated 14 Apr 2017) sets out a roadmap for the gradual expansion of social protection programmes from government revenue. Along with the implementation, Decree No.20/ND-CP, dated 15 Mar 2021, contributed to the growth of social pensions, taking important steps to ensure income for all. This expansion is expected to continue in the coming

⁵⁰⁴ ILO, *Country Programme Review: Vietnam Decent Work*, 53.

⁵⁰⁵ Ibid.

⁵⁰⁶ Ibid., 43.

years as the Decree opens up opportunities for provinces/cities to expand social pension benefits beyond the minimum and age thresholds specified in the Decree. In other areas such as family/child welfare, non-contributory components will continue to be an important element of the multi-layered and pillar-based social security system that Vietnam is aiming for⁵⁰⁷.

Third, regarding the Social Dialogue Pillar:

Tripartism and social dialogue are vital to achieving the ILO's goals in the world of work. Tripartism and social dialogue are the ILO's governance models for addressing social issues, addressing issues in which the association partners have a direct, legitimate, and irreplaceable role, and building consensus, thus making social dialogue a central element of democratic societies. At the heart of social dialogue is freedom of association for both employers and workers. Employers' organisations in Vietnam include the VCCI, the Vietnam Cooperative Alliance (VCA), and other representative organisations of employers. Workers' organisations in Vietnam since the promulgation of the LC 2019 include traditional trade unions and employee organisations at enterprises⁵⁰⁸.

The legal framework for labour market management has been strengthened, whereby the state respects the principle of labour market operation based on agreements and negotiations between employees/organisations representing employees and employers.

The National Wage Council, under a special tripartite mechanism, has been operating effectively since its establishment in 2013, advising the PM on minimum wage regulations for employees in the non-state sector across Vietnam. Recommendations on minimum wages have been made and accepted by the PM every year since 2013⁵⁰⁹. The LC 2019 also stipulates that the National Wage Council is a tripartite mechanism (including the government, employers' organisations, and workers' organisations) with the functions and tasks of determining minimum wages to protect vulnerable workers, ensuring fair competition in the labour market, and promoting platforms and mechanisms for social dialogue on labour relations.

In addition, the National Labour Relations Committee, established in 2007⁵¹⁰, acts as a tripartite social dialogue organisation responsible for advising the PM on labour relations policies and building coordination mechanisms between relevant agencies and organisations to prevent and resolve labour disputes and strikes⁵¹¹.

⁵⁰⁷ ILO, *Vietnam Decent Work Country Programme 2022–2026*, 11.

⁵⁰⁸ ILO, *Vietnam Decent Work Country Programme 2017–2021* (Hanoi: ILO, 2017), 22.

⁵⁰⁹ *Ibid.*, 24.

⁵¹⁰ PM of Vietnam, *Decision No. 68/2007/QĐ-TTg of May 17, 2007*.

⁵¹¹ ILO, *Vietnam Decent Work Country Programme 2017–2021*, 24.

4.2.2. Procedural Commitments

As soon as the EVFTA came into effect on Aug 1, 2020, on Aug 6 this year, the PM of Vietnam signed and issued Decision No.1201/QĐ-TTg, approving the plan for implementing the EVFTA (hereinafter referred to as Decision No.1201/QĐ-TTg). This would set a firm legal foundation for Vietnam to comply with procedural commitments regarding the labour commitments in the EVFTA.

According to this, the action plan clearly defines the objectives, main tasks and relevant ministries and branches in the implementation with a specific roadmap. In particular, the main tasks include five main groups: propaganda and dissemination of information about the EVFTA and the markets of EU countries; law and institution building; improving competitiveness and developing human resources; guidelines and policies for trade unions and workers' organisations at the enterprise level; and policies on social security, environmental protection and sustainable development⁵¹².

It can be easily seen that the Vietnamese government, from national to local levels, including ministries, sectors and localities, have issued plans to implement the EVFTA to effectively deploy this agreement and take advantage of the opportunities it brings as well as address the challenges it poses⁵¹³. This demonstrates the comprehensive intention to comply with the EVFTA.

The focal points appointed for the implementation of the EVFTA regarding the TSD Chapter (Chapter 13) and relevant chapters are as in Table 14 below:

Table 14. List of focal points appointed for the implementation of labour commitments in the TSD Chapter (Chapter 13) of the EVFTA

No.	Work content	Implementing agency	Coordinating agencies
I	List of focal points appointed for the implementation of the EVFTA		

⁵¹² Vietnam WTO and Integration Centre (VCCI), *Plan for the Implementation of the EVFTA by the Government, Ministries, Sectors, and Localities*, Aug 26, 2025, accessed Sep 7, 2025, [TTWTO VCCI - \(FTA\) Kế hoạch thực hiện Hiệp định EVFTA của Chính phủ, các Bộ, ngành, địa phương](#)

⁵¹³ Until now, almost all the national (central)-level agencies, including but not limited to MoIT, the Ministry of Natural Resources and Environment, the Ministry of Agriculture and Rural Development, the Ministry of Foreign Affairs; the Government Inspectorate, the Ministry of Finance, MOLISA, the Ministry of Culture, Sports and Tourism, the Ministry of Home Affairs, the Ministry of Science and Technology, the State Bank, the Vietnam Academy of Science and Technology; the Voice of Vietnam, the Ministry of Planning and Investment, the Ministry of Information and Communications, the Ministry of National Defence, the Ministry of Justice, the Ministry of Construction, and the Ministry of Health, have their own plans to implement the EVFTA. Besides, almost 63 provinces and government-run cities also have their own plans to implement this FTA. See: VCCI, *Plan for the Implementation of the EVFTA*.

1	Chapter 13 - TSD	<ul style="list-style-type: none"> - The MoIT The MOLISA (for content related to labour) - The Ministry of Natural Resources and Environment (for content related to the environment) - The Ministry of Agriculture and Rural Development (for content related to forestry and fisheries) 	The Ministry of Foreign Affairs and other relevant ministries and sectors
2	Chapter 14 - Transparency	<ul style="list-style-type: none"> - The Ministry of Justice - The MoIT (for the establishment and notification of contact points on matters covered by the Agreement) 	Relevant ministries and sectors
3	Chapter 16 - Cooperation and capacity building	<ul style="list-style-type: none"> - The MoIT - The Ministry of Planning and Investment (for content related to small- and medium-sized enterprises) 	Relevant ministries and sectors
II	List of focal points appointed to receive, exchange information and contact points		
4	Chapter 14 - Local points to ensure effective implementation of the Agreement	The MoIT	Relevant ministries and sectors
III	List of focal points appointed to participate in the committees and working groups of the EVFTA		
5	The Committee on TSD	<ul style="list-style-type: none"> - The MoIT The MOLISA (for content related to labour) - The Ministry of Natural Resources and Environment (for content related to the environment) - The Ministry of Agriculture and Rural Development (for content related to forestry and fisheries) 	Relevant ministries and sectors
IV	The agency coordinating and summarising the agreement implementation by relevant ministries, sectors and agencies and reporting to the PM: The MoIT shall assume the prime responsibility for and coordinate with relevant ministries and sectors.		
V	The focal point for handling issues related to the negotiation and admission of new members: The MoIT shall assume the prime responsibility for, and coordinate with the Ministry of Foreign Affairs and relevant ministries and sectors.		
VI	The focal point for communication with EVFTA countries on all issues of the agreement: The MoIT		
VII	<p>The agency coordinating the formulation and synthesis of proposals and receiving technical support from foreign partners during the implementation of the agreement:</p> <ul style="list-style-type: none"> - The MoIT shall assume the prime responsibility and coordinate the formulation, synthesis of proposals and receive technical support from foreign partners during the implementation of the Agreement; - Relevant ministries and sectors shall carry out technical assistance activities within the ambit of functions and tasks. 		

Source: the authors' analysis (derived from Decision No.1201/QĐ-TTg)

Therefore, to be in charge of the implementation of labour commitments in the TSD Chapter in the EVFTA, the Vietnamese government has designated 03 ministries as focal

points, including the MoIT, the MOLISA and the Ministry of Justice, besides the other relevant agencies⁵¹⁴.

4.2.2.1. Dialogue and Cooperation between the Parties

In this regard, the EVFTA requests Vietnam to undertake the two main obligations:

Firstly, Vietnam shall designate a contact point within its administration to liaise with the EU on matters related to the implementation of Chapter 16 Cooperation and Capacity Building⁵¹⁵.

Secondly, Vietnam and the EU agree to work together through various types of cooperation, including but not limited to workshops, seminars, training and dialogues to share knowledge, experiences and best practices; studies; and technical assistance and capacity building, as appropriate⁵¹⁶.

From the side of Vietnam, and pursuant to the aforementioned Decision No.1201/QD-TTg, on Aug 6, 2020, the Minister of MoIT issued a decision to implement the EVFTA (Decision No.2091/QD-BCT), which covers the two main phases between 2020 and 2025 regarding the implementation roadmap to comply with labour commitments in the EVFTA. See Table 15 for more details.

Table 15. MoIT's Plan on Implementing Labour Commitments in the EVFTA in 2020 - 2025

No.	Work content	Implementing agency	Coordinating agencies	Time duration
Phase 1: From Aug to the end of 2020				
Group 1: Propaganda and dissemination of information about the EVFTA				
1	Organise workshops to introduce the EVFTA, key commitments and impacts on Vietnam in provincial and municipal clusters nationwide.	Multilateral Trade Policy Department	Related agencies	Quarter III-IV/2020
2	Organise business seminars/forums in the EU to introduce and disseminate the Agreement and market access opportunities, as well as connect and promote trade and attract investment from EU businesses to Vietnam.	Department of European-American Market, Trade Promotion Agency	Multilateral Trade Policy Department and related agencies	Quarter III-IV/2020
3	Continue to operate the FTA Portal, including EVFTA and CPTPP ⁵¹⁷	Multilateral Trade Policy Department	Vietnam E-commerce and Digital Economy Agency, Ministry Office and related agencies	Quarter III-IV/2020
4	Develop and maintain an in-depth TV/radio programme on the EVFTA:	Ministry Office, Multilateral Trade Policy Department	Related agencies	Quarter III-IV/2020

⁵¹⁴ As a consequence, within the scope of the dissertation, the author aims to employ the process-tracing method to clarify the plans and actions of these ministries to comply with the labour commitments in the EVFTA regarding two major aspects, including the legislative one in this chapter and the practical one in the next chapter.

⁵¹⁵ EVFTA, art. 16.4(2).

⁵¹⁶ EVFTA, art. 13.14.

⁵¹⁷ This activity has been and is being implemented in practice.

	<ul style="list-style-type: none"> - Develop and broadcast periodic in-depth TV/radio programmes on the EVFTA in general and specific topics such as trade in goods, rules of origin for each industry, etc. - Combine organising seminars, sharing and direct debate with economic experts and representatives of large enterprises in each field about the commitments and difficulties of enterprises, thereby helping them understand and take advantage of the opportunities of the Agreement in their production and business fields; - Develop and broadcast a periodic reportage programme updating the implementation of the Agreement in Vietnam and the EU, experiences and lessons learnt in taking advantage of incentives, as well as connecting businesses in fields and industries with export strengths with the EU market. 			
5	Continue to maintain the specialised press column on the EVFTA (focusing on major online and traditional newspapers).	Ministry Office, Multilateral Trade Policy Department	Related agencies	Quarter III-IV/2020
6	Maintain a separate account about the EVFTA on social networking sites such as Facebook, etc., in which official information about this Agreement is updated, debated content is created to discuss, update and analyse each specific topic in the EVFTA to raise awareness of the social networking community, especially businesses.	Multilateral Trade Policy Department	Ministry Office and related agencies	Quarter III-IV/2020
7	Maintain the special issue: EVFTA and Vietnam's trade (published quarterly, posted on the MoIT's FTA Information Portal).	Agency of Foreign Trade	CN&TM Information Centre	Quarter III-IV/2020
8	Organise in-depth technical training courses for businesses and management agencies in many localities across the country to understand the EVFTA	Multilateral Trade Policy Department	Related agencies	Quarter III-IV/2020
Group 2: Legislative work				
9	Develop a decision of the government and the MoIT on the establishment of a mechanism for the establishment of a DAG consisting of independent representative organisations, ensuring balanced representation between economic, social and environmental sectors, including labour and employer organisations, businesses and environmental organisations.	Multilateral Trade Policy Department	Department of Legal Affairs	Quarter III-IV/2020
10	Work with relevant Ministries and sectors to establish the Secretariat of the DAG and carry out related work to build and perfect the structure of the DAG.	Multilateral Trade Policy Department	Department of Legal Affairs	Quarter III-IV/2020
11	Decision of the PM on designating the focal point agency to implement EVFTA as well as chapters of the agreement; the	Multilateral Trade Policy Department	Related agencies	Quarter III-IV/2020

	focal point agency participating in the Trade Committee, and specialised committees according to these chapters; focal point agency for communication between Vietnam and the EU on all issues of the agreement; the agency coordinating the development of proposals and receiving technical support from EU countries during the implementation of the agreement; focal point agency coordinating the implementation of new generation FTAs, including EVFTA, located at the MoIT to closely coordinate with focal points implementing EVFTA, CPTPP... at ministries, branches and localities.			
12	Coordinate with the EU to build and perfect institutions to implement the Agreement (such as the establishment and operation of the EVFTA Trade Committee, specialised committees, and working groups)	Multilateral Trade Policy Department	Department of Legal Affairs and related agencies	Quarter III-IV/2020
13	Coordinate with the Ministry of Justice to review legal documents to proactively implement or recommend competent authorities to amend, supplement, abolish or issue new legal documents.	Department of Legal Affairs	Multilateral Trade Policy Department and related agencies	Quarter III-IV/2020
Group 3: Improving competitiveness and developing human resources				
14	Develop a research report to assess the impact of the implementation of the EVFTA on the growth scenario and development indicators of the industry and trade sector.	Planning and Finance Department		Quarter III-IV/2020
Group 4: Coordinate and participate in the activities of the EVFTA Trade Committee, EVFTA specialised committees and EVFTA related work				
15	Coordinate and participate in the activities of the EVFTA Trade Committee	Multilateral Trade Policy Department	Related agencies	Periodically
16	Participate in the activities of specialised Committees and Working Groups for each Chapter.	Multilateral Trade Policy Department and related agencies based on their specialised responsibility	Related agencies	Periodically
17	Coordinate and synthesise the implementation of the EVFTA to report to the PM.	Multilateral Trade Policy Department	Related agencies	Frequent
18	Develop working regulations and establish the necessary apparatus for the Secretariat and the DAG on the implementation of the TSD chapter.	Multilateral Trade Policy Department	Related agencies	Quarter III-IV/2020
19	Coordinate and participate in technical support activities during the implementation of the EVFTA	Multilateral Trade Policy Department and related agencies	Related agencies	Quarter III-IV/2020
Group 5: Policies and guidelines for trade unions and workers' organisations at enterprise establishments				
20	Coordinate with the MOLISA in training and capacity building for officials of state labour management agencies; support and promote dialogue and negotiation activities at enterprises, mediation institutions, and labour arbitration.	Department of Organisation and Personnel,	Central School of Training and Fostering of Industry and Trade Officials and Related Agencies	Quarter III-IV/2020

Phase 2: From 2021 - 2025

Group 1: Propaganda and dissemination of information about the EVFTA				
21	Continue to operate the Electronic Information Portal on FTAs, including the EVFTA	Multilateral Trade Policy Department	Vietnam E-commerce and Digital Economy Agency, Ministry Office	2021-2025
22	Maintain in-depth TV/radio programmes on the EVFTA	Ministry Office, Multilateral Trade Policy Department	Related agencies	2021-2025
23	Continue to maintain the specialised press column on the EVFTA (focusing on major online and traditional newspapers)	Ministry Office, Multilateral Trade Policy Department	Related agencies	2021-2025
24	Maintain a separate account about the EVFTA on social networking sites such as Facebook, etc., in which official information about this agreement is updated, debated content is created to discuss, update and analyse each specific topic in the EVFTA to raise awareness of the social networking community, especially businesses.	Multilateral Trade Policy Department	Related agencies	2021-2025
25	Continue to organise conferences and seminars to introduce the EVFTA, key commitments and impacts on Vietnam in provinces and cities nationwide based on actual needs.	Multilateral Trade Policy Department	Related agencies	2021-2025
26	Continue to organise in-depth training courses for state management officials and the business community on Vietnam's key commitments in the EVFTA, such as tariff reduction, rules of origin, services and investment, labour, intellectual property, public procurement, environment, trade defence, competition, state-owned enterprises, etc.	Multilateral Trade Policy Department	Related agencies	2021-2025
27	Continue to publish reference documents and guidelines on the EVFTA for central and local management officials, businesses, etc. on different areas of the agreement.	Multilateral Trade Policy Department	Related agencies	2021-2025
28	Maintain the special issue: EVFTA and Vietnam's trade (published quarterly, posted on the MoIT's FTA Information Portal)	Agency of Foreign Trade	CN&TM Information Centre	2021-2025
Group 2: Legislative work				
29	Coordinate with the MOLISA in submitting to the National Assembly for ratification of C087 (on freedom of association and the right to organise).	Department of Legal Affairs	Related agencies	2021-2023
30	Continue to coordinate with ministries and branches to amend, supplement or develop necessary legal documents to implement the EVFTA.	Department of Legal Affairs	Related agencies	2021-2025
Group 3: Improving competitiveness and developing human resources				
31	Coordinate with the EU to develop a cooperation programme to enhance capacity and implement sustainable production and consumption within the framework of EVFTA and the 2030	Department of Energy Conservation and Sustainable Development	Department of European and American Markets, Department of Science and Technology,	2021-2025

	Agenda for Sustainable Development of the UN; Support businesses in implementing regulations and commitments on sustainable development.		Department of Multilateral Trade Policy and related agencies.	
32	Research and propose solutions to enhance the ability to meet commitments on TSD in the EVFTA	Institute for Strategy and Policy Research in Industry and Trade	Agency of Foreign Trade, Multilateral Trade Policy Department	2021-2025
33	Research on evaluating the effectiveness of implementing the EVFTA	Institute for Strategy and Policy Research in Industry and Trade	Multilateral Trade Policy Department and related agencies	2021-2025
34	Research and propose solutions to improve the ability to meet labour and environmental commitments in EVFTA to improve Vietnam's import and export efficiency.	Institute for Strategy and Policy Research in Industry and Trade	Agency of Foreign Trade, Multilateral Trade Policy Department	2021-2025
35	Research and propose digital transformation solutions and effective use of digital databases in import-export management between Vietnam and the EU in the context of EVFTA implementation	Institute for Strategy and Policy Research in Industry and Trade	Agency of Foreign Trade, Multilateral Trade Policy Department	2021-2025
36	Continue communication activities, promote the image of Vietnamese product brands towards the EU market, and promote geographical indications in the EU market within the framework of the National Brand Program.	Department of Trade Promotion	European-American Market Department, Planning Department, Multilateral Trade Policy Department	2021-2025
37	Continue to provide technical support and sustainable development solutions for businesses towards green criteria to access the market and position products in the international market, in line with the environmentally friendly consumption trend of consumers in EU countries.	Department of Trade Promotion	Related entities	2021-2025
38	Continue to strengthen trade promotion activities through e-commerce and maintain the origin tracing app to serve businesses with export potential.	Department of Trade Promotion	GIZ, major e-commerce websites in the world and related agencies	2021-2025
39	Develop a research report on the EU region's e-commerce policy and law situation and organise training on the e-commerce content of the Agreement.	Vietnam E-commerce and Digital Economy Agency	Multilateral Trade Policy Department and related agencies	2021-2025
40	Continue to support Vietnamese enterprises in handling, implementing and reviewing technical aspects when there are requests for inspection and verification of origin from the EU side in case of necessity to protect the legitimate interests of Vietnamese enterprises.	Agency of Foreign Trade	Multilateral Trade Policy Department and related agencies	2021-2025
Group 4: Coordinate and participate in the activities of the EVFTA Trade Committee, EVFTA specialised committees and EVFTA-related work				
41	Deploying coordination activities to implement new generation FTAs, including EVFTA	Multilateral Trade Policy Department	Related agencies	2021-2025
42	Coordinate and participate in the activities of the EVFTA Trade Committee	Multilateral Trade Policy Department	Related agencies	2021-2025
43	Participate in the activities of the specialised committees according to each chapter.	Multilateral Trade Policy Department and related agencies based	Related agencies	2021-2025

		on their specialised responsibility		
44	Coordinate the operations of the DAG on the implementation of the TSD chapter	Multilateral Trade Policy Department	Related agencies	2021-2025
45	Coordinate and synthesise the implementation of the EVFTA to report to the PM.	Multilateral Trade Policy Department	Related agencies	2021-2025
46	Coordinate and participate in technical support activities during the implementation of the EVFTA	Multilateral Trade Policy Department and related agencies	Related agencies	2021-2025
Group 5: Policies and guidelines for trade unions and workers' organisations at enterprise establishments				
47	Continue to coordinate training and capacity building for officials of state labour management agencies; support and promote dialogue and negotiation activities at enterprises, mediation and labour arbitration institutions.	Department of Personnel and Organisation	Central School of Training and Fostering of Industry and Trade Officials and Related Agencies	2021-2025

Source: the authors' analysis (briefly derived from Decision No. 2091/QĐ-BCT)

It is no doubt that Vietnam has intentionally introduced quite explicit plans for the implementation of the EVFTA, for the first two phases ended in 2025. With this preparation, it is firmly believed that Vietnam has a designated contact point (Multilateral Trade Policy Department) and is able to participate in discussion and further work together via various types of cooperation with the EU. So regarding the legislative perspective, Vietnam has proved that there is a high level of compliance of Vietnamese legislation with labour commitments in the EVFTA in terms of dialogue and cooperation with the EU. And also, according to these plans, the year 2025 would be very important for this country to fulfil their plans, and it is time to assess the effectiveness of these strategies⁵¹⁸.

4.2.2.2. Transparency in Introducing New Labour Standards

Same approach as the last section; in this regard, the EVFTA requests Vietnam to undertake the following several main obligations:

Firstly, Vietnam shall, in accordance with its domestic law and Chapter 14 (Transparency), ensure that any measures aimed at protecting labour conditions that may affect trade and investment are developed, introduced and implemented in a transparent manner, with due notice and an opportunity for interested persons to provide their views⁵¹⁹.

Secondly, Vietnam has also committed to ensuring that a measure of general application⁵²⁰: (a) is published promptly by means of an officially designated medium, including, where possible, electronic means, in such a manner as to enable governments and

⁵¹⁸ That will be carefully examined in the next chapter.

⁵¹⁹ EVFTA, art. 13.12.

⁵²⁰ That means laws, regulations, judicial decisions, procedures and administrative rulings of general application that may impact any matter covered by the EVFTA.

interested persons⁵²¹ to become acquainted with it; and (b) allows for a sufficient period of time between publication and entry into force of that measure, except where this is not possible for reasons of urgency.

Thirdly, Vietnam shall endeavour to publish at an early appropriate stage any proposal to adopt and amend any measure of general application with the details to explain the proposal as well as facilitate interested persons to comment on any proposal and take into consideration these comments with high respect⁵²².

From the side of Vietnam, and pursuant to the aforementioned Decision No.1201/QD-TTg, on Sep 9, 2020, the Minister of MOLISA issued a decision to implement the EVFTA (Decision No.1061/QD-LDTBXH), which covers the five main missions between 2020 and 2025 regarding the tasks and progress of implementation to comply with labour commitments in the EVFTA. See Table 17 for more details.

Table 17. MOLISA's Plan on Implementing Labour Commitments in the EVFTA in 2020 - 2025

No.	Work content	Implementing agency	Coordinating agencies	Time duration
Group 1: Propaganda and information dissemination work				
1	Organise workshops and seminars to disseminate labour commitments in EVFTA and related contents to state management agencies at central and local levels, businesses and people.			2020-2025
1.1	About the 04 basic groups of international labour standards	Department of Legal Affairs		
1.2	On the mechanism for monitoring and supervising the implementation of labour contents in EVFTA	Department of International Cooperation		
1.3	On new content in the LC and documents guiding the implementation of the 2019 LC	Department of Legal Affairs	Department of Industrial Relations and Wage	
2	Develop and publish publications and documents to promote and disseminate labour commitments in EVFTA	Department of International Cooperation	Related units	2020-2025
Group 2: Legislative work				
3	Develop and submit for promulgation documents guiding the 2019 LC according to Decision No. 03/QD-LDTBXH dated Jan 2, 2020, of the MOLISA promulgating the 2020 Work Program.	According to the assignment in Decision No. 03/QD-LDBXH		2020
4	Review, consider amending and supplementing documents guiding the implementation of the LC.	Department of Legal Affairs	Related units	2020-2025
5	Develop and complete the dossier for joining C087 on freedom of association according to Decision No. 121/QD-TTg dated Jan 24, 2019, of the PM on implementing the CPTPP	Department of Legal Affairs		2020-2023
6	Research and propose to join other suitable ILO conventions	Department of Legal Affairs		2020-2025 and beyond

⁵²¹ That means any natural or legal person that may be affected by a measure of general application.

⁵²² See commitments related to "Publication" at EVFTA, art. 14.3.

7	Coordinate with the VGCL in the process of amending the Trade Union Law and documents guiding the implementation of the Trade Union Law.	Department of Legal Affairs	Department of Industrial Relations and Wages, Department of International Cooperation	2020-2022
Group 3: Organisation and operation of the apparatus				
8	Establish and operate a labour contact point under Article 13.15, Chapter 13 of the agreement to address labour issues under the agreement	Department of International Cooperation	Department of Personnel and Organisation	2020
9	Appoint personnel to the TSD Committee pursuant to Article 13.15, Chapter 13 of the agreement.	Department of International Cooperation	Department of Personnel and Organisation	2020
10	Coordinate with the MoIT, the Ministry of Natural Resources and Environment and relevant ministries to develop a project to establish a domestic consulting group according to Article 13.15, Chapter 13 of the agreement, and submit it to the PM for approval.	Department of International Cooperation		2020
11	Assignment of focal points for implementing Section D Chapter 8 of the agreement (Temporary presence of natural persons for business purposes)	Department of Employment, Department of International Cooperation	Department of Personnel and Organisation	2020
12	Perfecting the organisation, staffing and operations of the Department of Labour Relations and Wages to perform the function of managing the establishment and operation of labour organisations in enterprises.	Department of Personnel and Organisation	Department of Industrial Relations and Wage	2020-2021
Group 4: Strengthening enforcement capacity				
13	Training to improve capacity for state management agencies on basic international labour standards, new points in the 2019 LC and documents guiding the implementation of the 2019 LC	Department of Legal Affairs, Department of Industrial Relations and Wage	Related units	2020-2023
14	Capacity-building training for members of the National Advisory Group on labour issues	Department of International Cooperation		2020-2025
15	Training to improve capacity for officials of state labour management agencies	Department of Industrial Relations and Wage	Training School on Labour and Social Affairs	2020-2025
16	Support to promote dialogue and negotiation activities at enterprises, mediation institutions, and labour arbitration.	Department of Industrial Relations and Wage		2020-2025
17	Develop and submit to the PM for promulgation the programme on prevention and reduction of child labour for the period 2021-2025, with a vision to 2030; implement the programme according to the PM's decision.	Department of Child Affairs	Related units	2020-2025
18	Strengthen the capacity of the labour inspection system to ensure compliance with labour laws, including taking measures to prevent, detect and address discrimination and interference with and manipulation of workers' representative organisations at the workplace.	Inspectorate		2020-2025
19	Preparation of the first national report on the implementation of ILO C098 and C105	Department of Legal Affairs	Department of International Cooperation	2020-2021

20	Prepare periodic national reports on the application of the fundamental and other ILO Conventions in accordance with ILO membership obligations.	Department of Legal Affairs	Department of International Cooperation	2020-2025
Group 5: Social security policy and sustainable development				
21	Develop and promulgate synchronous policies to support businesses and workers who lose their jobs due to difficulties in competition.	Department of Industrial Relations and Wage	Related units	2020-2025
22	Provide employment counselling services to help workers who have lost their jobs due to businesses having difficulty competing.	Department of Employment		2020-2025
23	Quantitatively assess the impacts of the EVFTA on labour, employment and social issues and recommend appropriate measures	The Institute of Labour Science and Social Affairs	Related units	2020-2025

Source: the authors' analysis (briefly derived from Decision No.1061/QĐ-LĐTBXH)

To be consistent with other agencies, it is clear that the MOLISA has also intentionally introduced quite explicit plans for the implementation of the EVFTA until 2025. With this preparation, it is firmly believed that Vietnam has a designated contact point (Department of Legal Affairs and Department of International Cooperation, and relevant units) and is able to participate in transparency in introducing new labour standards, from the propaganda and information dissemination work, the legislative work, the organisation and operation of the apparatus, strengthening enforcement capacity, and social security policy and sustainable development. These tasks and strategies would guarantee the involvement of any natural or legal person during the whole implementation of labour commitments in the EVFTA. So regarding the legislative perspective, Vietnam has proved that there is a high level of compliance of Vietnamese legislation with labour commitments in the EVFTA in terms of transparency in introducing new labour standards. And the same as the last section, according to these plans, the year 2025 would be very important for this country to fulfil their plans, and it is time to assess the effectiveness of these strategies⁵²³.

4.2.2.3. Monitoring and Review of Sustainability Impacts of the EVFTA

Even though it is implicitly indicated within the EVFTA, specifically, at the Article 13.13 Review of Sustainability Impact, it states that:

"The Parties shall, jointly or individually, review, monitor and assess the impact of the implementation of this Agreement on sustainable development through their respective policies, practices, participative processes and institutions."

In contrast to this approach, from the EU's perspective, the sustainability impact assessment (SIA) provides the Commission with an in-depth analysis of the potential economic, social, human rights, and environmental impacts of ongoing trade negotiations and

⁵²³ That will be carefully examined in the next chapter.

ex-post evaluations; especially, it also looks for unintended effects (for instance, those which were not anticipated at the time of the SIA) and looks for evidence of causality⁵²⁴.

The SIA is a Directorate-General (DG) trade-specific tool for supporting major trade negotiations and FTA implementation. The SIA consists of chapters examining specific subjects in greater depth. SIA chapters cover topics where the agreement is most likely to have an impact on sustainability issues or where the agreement opens opportunities for achieving non-trade policy objectives⁵²⁵.

Regarding the aforementioned *Better Regulation: Guidelines and Toolbox* from the EU, in terms of labour commitments, the SIA consists of several main areas that should be identified as impacts in evaluations, fitness checks and impact assessments, namely, Tool #29: Fundamental rights, including the promotion of equality, and Tool #30: Employment, working conditions, income distribution, social protection and inclusion⁵²⁶.

From the side of Vietnam, as Decision No.1061/QD-LDTBXH illustrates in Table 13, there is a designated and specialised agency in the MOLISA - the Institute of Labour Science and Social Affairs, which would conduct a quantitative assessment regarding the impacts of the EVFTA on labour, employment and social issues and then recommend appropriate measures between the years 2020 and 2025. Basically, Vietnam has proven that this country is willing to satisfy the requirements from the EU and the SIA from the early stage of the EVFTA implementation. As a consequence, regarding the legislative perspective, there is a high level of compliance of Vietnamese legislation with labour commitments in the EVFTA in terms of monitoring and review of sustainability impacts of the EVFTA⁵²⁷.

4.2.2.4. Upholding Levels of Domestic Protection on Labour Standards⁵²⁸

⁵²⁴ Directorate-General for Trade, *Sustainability Impact Assessments*, European Commission, accessed Sep 7, 2025, [Sustainability Impact Assessments](#), and Directorate-General for Trade, *Ex-post Evaluations*, European Commission, accessed Sep 7, 2025, [Ex-post evaluations](#).

⁵²⁵ The European Commission published a second edition of the handbook for sustainability impact assessment in 2016. It sets out the main characteristics, objectives and principles of the new generation of SIAs. Besides that, the European Commission also explicitly introduced *The better regulation guidelines* set out the principles that the European Commission follows when preparing new initiatives and proposals and when managing and evaluating existing legislation. It is meaningful for Vietnam and trading partners to fulfil the obligations regarding SIA in the future. See: Directorate-General for Trade, *Better Regulation: Guidelines and Toolbox*, European Commission, accessed Sep 7, 2025, [Better regulation: guidelines and toolbox](#)

⁵²⁶ Ibidem.

⁵²⁷ Similar to the previous sections, in the long run, by the year 2025, in order to fully comply with labour commitments in the EVFTA, Vietnam has to (shall) carefully prepare the national reports related to SIA, and of course, assessing these reports with the experiences from the EU should be one of the most important parts of the compliance-evaluated level.

⁵²⁸ As discussed, in order not to overlap the scope of CLS in the previous sections, being derived from the EU's experience, this section would examine the domestic protection of labour standards related to working conditions, including wages and/or wage-setting mechanisms, health and safety at work, access to vocational education and training and to career development/advice and labour inspection. See: European Commission, *Better Regulation: Guidelines and Toolbox*, 254-258.

As promulgated in the EVFTA, it requires Vietnam not to weaken the levels of protection in labour areas and that it is inappropriate to encourage trade and investment by weakening the levels of protection afforded in domestic labour law. Vietnam also commits not to waive or derogate from its labour laws in a manner affecting trade and investment between the EU and Vietnam. Besides, the EVFTA prevents Vietnam from a sustained or recurring course of action or inaction, failing to effectively enforce its labour laws as an encouragement for trade and investment⁵²⁹.

In this regard, it is proven that Vietnam has diligently followed the requirements from the EVFTA; in other words, there is a high level of compliance of Vietnamese legislation with labour commitments in the EVFTA in the following key areas:

Firstly, in terms of wages and/or wage-setting mechanisms, besides the LC 2019 to guarantee the equal remuneration as required by C100⁵³⁰, Vietnam has decided to designate a specialised agency since 2021⁵³¹ (the National Wage Council) to perform the functions of advising the government on region-based minimum wage levels (including monthly minimum wage levels and hourly minimum wage levels) and wage policies applicable to employees in accordance with the 2019 LC⁵³². According to this, the National Wage Council has 17 members, including 05 members being representatives of the MOLISA, 05 members being representatives of the VGCL, 05 members being representatives of a number of central-level employers' representative organisations, and 02 members being independent experts⁵³³. Annually, the Council usually advises the MOLISA to submit the draft decree regulating minimum wages for employees working under labour contracts, and then the government will make a decision on the minimum wages applying to these employees in this year⁵³⁴.

Secondly, in terms of health and safety at work, as promulgated in the ILO fundamental conventions on occupational safety and health, namely the Occupational Safety and Health Convention, 1981 (No. 155) (C155) and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187) (C187), which have been ratified by Vietnam since

⁵²⁹ EVFTA, art. 13.3 - Upholding Levels of Protection.

⁵³⁰ As discussed in Section 2.1.1. Upholding ILO CLS

⁵³¹ Decision No. 449/QĐ-TTg of the PM dated Mar 26, 2021 on the Establishment of the National Wages Council.

⁵³² Decree No. 145/2020/ND-CP of the Government dated Dec 14, 2020, Detailing and Guiding the Implementation of a Number of Articles of the LC Regarding Working Conditions and Industrial Relations, art. 49.

⁵³³ In fact, this mechanism remained a new *tripartite* institution among the State, employers and employees since 2013 as Decision No. 1055/DQ-TTg of the PM dated Jul 3, 2013, on the establishment of the National Wages Council. See: Achim D. Schmillen and Truman G. Packard, *Vietnam's Labor Market Institutions, Regulations, and Interventions: Helping People Grasp Work Opportunities in a Risky World*, World Bank Policy Research Working Paper 7587 (Washington, DC: World Bank, 2016).

⁵³⁴ See more at the official website of the Vietnamese Government: Portal of the Government of the Socialist Republic of Vietnam, "Draft Decree Stipulating the Regional Minimum Wage for Employees Working Under Labour Contracts," *Portal of the Government of the Socialist Republic of Vietnam*, accessed Sep 7, 2025, [Dự thảo Nghị định quy định mức lương tối thiểu đối với người lao động làm việc theo hợp đồng lao động](#)

1994 and 2014⁵³⁵, focusing on key obligations of the member states, including the adoption of a strategic systems approach, the promotion of the principle of prevention, and the strengthening of social dialogue at the national and workplace level⁵³⁶. From the legislative side, it has also been demonstrated that Vietnam has carefully paid attention to occupational health and safety for a long period of time since before the signing of the EVFTA until now. According to the assessment from the CEACR-an ILO supervisory agency⁵³⁷ and the independent report from Vietnamese government (MOLISA), Vietnam has generally internalised C155 and C187 into the domestic legislation, and the legislative system related to occupational safety and health in this country has satisfied requirements from these ILO conventions without outstanding limitations⁵³⁸. Besides, this country especially has also maintained the policy to uphold the level of domestic protection regarding occupational safety and health from early times, including the National Council for Occupational Safety and Hygiene (since 2016)⁵³⁹, the Resolution on Promulgating National Program for Occupational Safety and Health in 2021-2025 period⁵⁴⁰ and the annually designated occupational safety and health action month (May)⁵⁴¹.

Thirdly, in terms of labour inspection, Vietnam ratified the ILO Labour Inspection Convention, 1947 (No. 81) (C081) from the very early stage, in 1994. Under C081, ratifying countries are required to maintain a system of labour inspections in industry and commerce. The functions of the labour inspection system are to enforce the legal provisions relating to conditions of work and the protection of workers; to inform and advise employers and workers on how they can best comply with the laws; and to advise the competent authority of defects or abuses not specifically covered by existing legal provisions. National laws are to provide penalties for violations of the laws that labour inspectors administer and for obstructing

⁵³⁵ ILO, “Ratifications for Vietnam,” *ILO Normlex*, accessed Sep 7, 2025, [Ratifications of ILO conventions: Ratifications for Viet Nam](#)

⁵³⁶ ILO, *The Fundamental Conventions on Occupational Safety and Health: An Overview of the Occupational Safety and Health Convention, 1981 (No. 155) and the Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187)* (Geneva: ILO, 2023), 4–5.

⁵³⁷ ILO, “Direct Request (CEACR) - adopted 2020, published 109th ILC session (2021): Vietnam - Underground Work (Women) Convention, 1935 (No. 45) - Hygiene (Commerce and Offices) Convention, 1964 (No. 120) - Occupational Safety and Health Convention, 1981 (No. 155) - Promotional Framework for Occupational Safety and Health Convention, 2006 (No. 187),” ILO, *ILO Normlex*, accessed Sep 7, 2025, [Comments](#)

⁵³⁸ Report No. 142/BC-LDTBXH of the MOLISA, dated Oct 5, 2021, on the Implementation Status of Decision No. 2528/QD-TTg of the PM, dated Dec 31, 2015, on Approval of the Implementation Plan and Proposal for Accession to Conventions of the UN and of the ILO in the Field of Labour and Social Affairs for the Period 2016–2020, 19–22; Law on Occupational Safety and Health, dated Jun 25, 2015; Resolution No. 19/NQ-CP of the Government, dated Feb 16, 2022, on Promulgating the National Program for Occupational Safety and Health in the 2021–2025 Period; and accompanying legal documents.

⁵³⁹ Decision No. 1037/QD-TTg of the PM, dated Jun 10, 2016 on Establishing the National Council for Occupational Safety and Hygiene.

⁵⁴⁰ Resolution No. 19/NQ-CP of the Government, dated Feb 16, 2022, on Promulgating the National Program for Occupational Safety and Health in the 2021–2025 Period.

⁵⁴¹ Decision No. 87/QD-TTg of the PM, dated Jan 12, 2016, on Occupational Safety and Health Action Month.

inspectors in the course of their duties⁵⁴². Similar to the labour standards on occupational safety and health, it is proven that Vietnam has strived to refine the domestic legislation to be aligned with C081; many important legal documents have been promulgated, which have set a concrete legal foundation regarding the system of labour inspections in industry and commerce in Vietnam⁵⁴³. From the ILO agency's (CEACR) perspective, the legislative system of labour inspections in industry and commerce in this country has been relatively in line with C081 and its standards⁵⁴⁴. On the other hand, the Vietnamese government has also strengthened the capacity of labour inspections after the signing of the EVFTA in 2020, with detailed plans from the national to local levels⁵⁴⁵.

Fourthly, Vietnam has firmly demonstrated that it has carefully prepared the legal basis for access to vocational education and training, as well as career development. In accordance with Decision No.1201/QĐ-TTg, nearly 63 provinces and government-run cities in Vietnam have devised their own strategies for executing the EVFTA. In the realm of social security implementation, it is important to highlight several noteworthy policies. They are about to (i) Implement vocational training support policies for career transition, provide job consulting services to assist workers who have lost their jobs due to businesses not being able to stand firm in the competition process, and (ii) Assess the impacts of EVFTA on labour, employment, and social issues in the province. At the same time, propose solutions to effectively implement the EVFTA. (iii) Carry out propaganda and support vocational training for workers according to Circular No.32/2018/TT-BLĐTBXH dated Dec 26, 2018 of the MOLISA on guidelines for vocational training support for workers working in small and medium-sized enterprises to improve competitiveness and develop human resources of enterprises; (iv) Advise vocational training workers on suitable career transitions; Strengthen job counseling and referral work, support job creation for workers in case of job loss due to business dissolution, production reduction due to not being able to stand firm in the competition process; (v) Regularly survey, compile statistics, and evaluate the impact of EVFTA on labour, employment, and social issues to propose solutions for effective implementation of EVFTA⁵⁴⁶.

⁵⁴² New Zealand Treaties Register, *Labour Inspection Convention, 1947 (ILO 81)*, Treaty Code: M1947/24, in force, accession date: Nov 30, 1959, accessed Sep 7, 2025, [New Zealand Treaties Online - Details](#).

⁵⁴³ LC 2019, Chapter XVI Labour Inspection, Handling of Violations of the Labour Law; Decree No. 03/2024/ND-CP of the Government, dated Jan 11, 2024, on Regulations on the Agencies Performing Specialised Inspection Functions and Activities of the Agencies Assigned to Perform Specialised Inspection Functions.

⁵⁴⁴ ILO, *Direct Request (CEACR) – Adopted 2020, Published 109th ILC Session (2021): Labour Inspection Convention, 1947 (No. 81) – Vietnam (Ratification: 1994)*, NORMLEX, accessed Sep 7, 2025, [Comments](#)

⁵⁴⁵ Decision No. 212/QĐ-TTg of the PM, dated Feb 16, 2022, on Approving Project “Improving Capacity for Labour–Invalids and Social Affairs Inspection in 2021–2025 Period,” Decision No. 317/QĐ-LĐTBXH of the Minister of Labour–Invalids and Social Affairs, dated Apr 5, 2022, on the Promulgation of the Implementation Plan of the Project “Improving Capacity for Labour–Invalids and Social Affairs Inspection in 2021–2025 Period.”

⁵⁴⁶ VCCI, *Plan for the Implementation of the EVFTA*.

4.2.3. Institutional Mechanisms

4.2.3.1. Committee on Trade and Sustainable Development

The Committee on TSD established pursuant to the EVFTA shall comprise senior officials from the relevant administrations of each party or officials they designate⁵⁴⁷. Accordingly, from the side of the Vietnamese government, these following agencies have been designated to represent Vietnam in the Committee since the early time after the signing of EVFTA: the MoIT; the MOLISA (for content related to labour); the Ministry of Natural Resources and Environment (for content related to the environment); The Ministry of Agriculture and Rural Development (for content related to forestry and fisheries); and relevant ministries and sectors⁵⁴⁸. The detailed participants of each ministry in the Committee have also been entitled to their own implementation plans⁵⁴⁹. Besides, to comply with the EVFTA⁵⁵⁰, Vietnam has designated a contact point within its administration for the purposes of implementing Chapter 13 (Multilateral Trade Policy Department of MoIT)⁵⁵¹.

4.2.3.2. DAG

Within the EVFTA, each party shall convene a new or consult an existing DAG or group on sustainable development with the task of advising on the implementation of Chapter 13. Each party shall decide on its domestic procedures for the establishment of its DAG or groups and the appointment of the members of such group or groups. The group or groups shall comprise independent representative organisations, ensuring a balanced representation of economic, social and environmental stakeholders, including, among others, employers' and workers' organisations, business groups, and environmental organisations. Each DAG may, on its own initiative, submit views or recommendations to its respective party on the implementation of this chapter⁵⁵². Following this, on Aug 17, 2021, the Minister of MoIT signed and issued Decision No.1972/QD-BCT to establish the DAG Vietnam in accordance with Article 13.15 of the TSD Chapter in the EVFTA⁵⁵³. The Vietnam DAG operates as a

⁵⁴⁷ EVFTA, art. 13.15(2).

⁵⁴⁸ Decision no. 1201/QD-TTg.

⁵⁴⁹ VCCI, *Plan for the Implementation of the EVFTA*.

⁵⁵⁰ EVFTA, art. 13.15(2).

⁵⁵¹ The contact point is regarded as very meaningful for Vietnam to keep contact with the EU via the Committee and prepare for organising the annual meeting with the block regarding Chapter 13 EVFTA implementation. This would be discussed more in the next chapter.

⁵⁵² EVFTA, art. 13.15(4).

⁵⁵³ Vietnam WTO Center, *Vietnam Establishes DAG under the TSD Chapter of the EVFTA*, Vietnam WTO Center, accessed Sep 7, 2025, [TTWTO VCCI - Việt Nam thành lập nhóm tư vấn trong nước \(DAG\) theo quy định của Chương Thương mại và Phát triển ...](#)

forum, without legal status, without its own seal and account, and is responsible for its own operating expenses. The functions and tasks of the Vietnam DAG are to collect and present views and make recommendations, advise and contribute ideas on the implementation of the TSD Chapter of the EVFTA, in accordance with the commitments in the agreement. These views and recommendations will be submitted to the Committee⁵⁵⁴. Members of the Vietnam DAG are associations, non-governmental and non-profit organisations of Vietnam, legally established and operating in Vietnam, representing legitimate interests in Vietnam related to TSD. The Vietnam DAG consists of 03 sub-groups: economic, social and environmental. The composition of the sub-groups is distributed equally⁵⁵⁵. The list of members of the Vietnam DAG is issued in the Appendix of this Decision, including: (1) VCCI (representing employers); (2) Institute of Workers and Trade Unions (IWTU), under the VGCL (representing employees); and (3) Centre for Sustainable Rural Development (SRD) (representing environmental groups)⁵⁵⁶. Therefore, it has been proven that Vietnam has strictly adhered to the requirements of the EVFTA, and these provisions regarding DAG are in accordance with this agreement.

4.2.3.3. Joint Forum

Pursuant to the EVFTA, the joint forum is an institution in which members of the DAG of each Party shall meet and conduct a dialogue on sustainable development aspects of trade relations between the EU and Vietnam. The DAG of both parties may involve other stakeholders in meetings of the joint forum. The forum will be based on a balanced representation of economic, social and environmental stakeholders. The report of each meeting of the joint forum shall be submitted to the Committee on TSD and thereafter be made publicly available⁵⁵⁷. Also according to Decision No.1972/QD-BCT, the Vietnam DAG held a meeting to elect the Executive Board of DAG. As a result, the Vietnam DAG elected an Executive Board consisting of a Chairman and Vice Chairman. A representative of the VCCI⁵⁵⁸, was elected as the Chairman of Vietnam DAG; a representative of the IWTU⁵⁵⁹ and a representative of the Centre for Sustainable Rural Development (SRD)⁵⁶⁰ were also elected as Vice Chairmen. With careful preparations regarding the DAG operation and joint forum in Vietnam, this

⁵⁵⁴ Decision No. 1972/QD-BCT, art. 2.

⁵⁵⁵ *Ibid.*, art. 3.

⁵⁵⁶ Since Mar 23, 2022, Vietnam Elevator Association (VNEA) has been added to the Member List of Vietnam DAG, pursuant to Decision No. 415/QD-BCT of the Minister of MoIT on that day.

⁵⁵⁷ EVFTA, art. 13.15(5).

⁵⁵⁸ Ms Tran Thi Lan Anh - General Secretary of VCCI. See: Centre for Sustainable Rural Development (SRD), *The Second Meeting of the Vietnam DAG (DAG)*, SRD, accessed Sep 7, 2025, [Centre for Sustainable Rural Development : Trung tâm Phát triển Nông thôn bền vững - Cuộc họp Nhóm Tư vấn trong nước \(DAG\) Việt Nam lần thứ 2](#)

⁵⁵⁹ Ms Nguyen Thu Lan, Deputy Director of IWTU.

⁵⁶⁰ Ms Vu Thi Bich Hop, Director of SRD.

country has proven the high level of compliance of the legislation in alignment with commitments in the EVFTA. Every individual and agency in Vietnam have been clearly designated for their obligations as the EVFTA requires. This would further set a comprehensive legal basis for this country to comply with labour commitments regarding *de facto* perspectives in the next chapter.

4.3. Final Remarks

Chapter IV focuses on *de jure* perspectives regarding the labour law in Vietnam within the context of compliance with the EVFTA labour commitments. Vietnam has demonstrated from the outset that it has meticulously and thoroughly prepared for the implementation of the EVFTA. Despite some changes, the EU significantly contributed to Vietnam's launch of a labour law reform, particularly with the promulgation of the LC 2019.

Generally, in terms of substantive and other standards commitments, including obligations to uphold ILO CLS, promote CSR, and the ILO DWA, except for the late ratification of C087 and relative limitations in domestic internalisation regarding other ILO fundamental conventions, Vietnam still needs actively to introduce more strategies and policies in order to get positively involved in promoting CSR and the ILO DWA. This approach would enhance the degree of conformity between Vietnamese labour law and the labour commitments in the EVFTA.

Besides, in terms of procedural commitments and institutional mechanisms, Vietnam has guaranteed a consistent and comprehensive legal basis from national to local levels, and overall, in these regards, there is a high level of compliance of Vietnamese labour law in light of labour commitments in the EVFTA.

However, it should be kept in mind that, in some areas, the high level of compliance between the domestic legislation and commitments in the agreement does not inherently mean that Vietnam truly and fully complies with these commitments. The assessment of this level of compliance must be conducted in conjunction with the *de facto* perspectives of the legislation's implementation, as discussed in Chapter V.

CHAPTER V

COMPLIANCE WITH LABOUR COMMITMENTS IN THE EVFTA: PRESENT LIMITS AND FUTURE REFORMS IN VIETNAM

As discussed in Chapter II, to fully evaluate the level of compliance with labour commitments within the EVFTA in general, the dissertation is to evaluate *de jure* compliance with these commitments (as illustrated in Chapter IV), and now it has statistical analysis attempts to assess *de facto* compliance by using indicators deemed significant⁵⁶¹. In this chapter, to assess Vietnam's compliance with labour rights commitments under the TSD Chapter, the process-tracing method would still be employed in collaboration with the analytical framework indicated in Chapter III, including three main categories⁵⁶²: (1) Upholding/improving domestic labour law protection levels; (2) Non-lowering domestic labour law; and (3) Promoting civil society participation⁵⁶³.

5.1. Compliance with Substantive and Other Standards

5.1.1. Upholding ILO CLS

5.1.1.1. Freedom of association and effective recognition of collective bargaining rights

*In terms of C087*⁵⁶⁴, for the first time, the new LC 2019 officially recognises the circumstance in which, besides the traditional union trade, employees' organisations at

⁵⁶¹ Although such efforts to measure compliance have led to disagreements over methodology, reliability, and bias. For instance, disagreement over the content or definition of international labour standards/rights/norms can produce vastly different results in compliance assessment, e.g., the scope of CSR summarily executed. The data may differ widely, however, depending on what definition of CSR is used. Or besides, compounding difficulties, many rights depend upon subjective assessments, e.g., the degree to which individual workers feel their right of association is free and the recognition of collective bargaining rights is effective. So within this chapter, we employ the objective approaches to assess the compliance level by examining the results not just being issued by Vietnam but also by the EU, ILO, other independent agencies and empirical research conducted by the author to go beyond the inherent limits in this regard, especially the problem of *causality*, to know why a state behaves as it does and the *effectiveness* of labour commitments implementation. See: Dinah Shelton, *Commitment and Compliance: The Role of Non-Binding Norms in the International Legal System* (Oxford: University Press, 2003), 456-457.

⁵⁶² This approach is also similar to the one from the EU side regarding EU FTAs among developing countries. For instance, Jan Orbie and Lore Van den Putte, *Labour Rights in Peru and the EU Trade Agreement: Compliance with the Commitments under the Sustainable Development Chapter*, ÖFSE Working Paper, no. 58 (Vienna: Austrian Foundation for Development Research (ÖFSE), 2016), 14-15.

⁵⁶³ These categories would be examined corresponding with three key provisions of labour commitments in the EVFTA, and of course, where relevant and possible, as mentioned above, the *causal* link between state behaviour and labour rights/norms (promulgated in labour commitments) is intended to be figured out to highlight the impact of these labour commitments. And then, the *effectiveness* of the labour commitments (including labour rights/norms) is also assessed to further deliver recommendations for Vietnam to achieve a higher level of compliance of Vietnamese labour law within the EVFTA.

⁵⁶⁴ Although this is only one remaining fundamental convention that Vietnam has not ratified yet, this country has to guarantee the effectiveness of the implementation of fundamental rights enshrined in this convention.

enterprises could be established in the scope of industrial relations. It means that workers have the right to form, join and operate multiple representative organisations of their own at the enterprise level instead of selecting only a trade union as usual. Even though without the ratification of C087, Vietnam has launched practical strategies to comply with labour commitments within the EVFTA. For more details:

◆ Regarding upholding/improving domestic labour law protection levels, looking more closely, from the early phase, Vietnam has prepared carefully for the ratification of this convention.

Firstly, pursuant to the aforementioned Decision No.1201/QD-TTg, on 09 Sep 2020, the Minister of MOLISA issued a decision to implement the FTA between Vietnam and the EU (Decision No.1061/QD-LDTBXH), which covers the five main missions between 2020 and 2025 regarding the tasks and progress of implementation to comply with labour commitments in the EVFTA. According to this decision, Vietnam has the intention to fulfil the ratification of C087 in the 2020-2023 period, for more details⁵⁶⁵:

Develop and complete the dossier for joining ILO C087 on freedom of association according to Decision No.121/QD-TTg dated 24 Jan 2019 of the Prime Minister on implementing the CPTPP.

Department of Legal Affairs, MOLISA

Secondly, those plans are compatible with the upcoming Memorandum of Understanding between the MOLISA and ILO on the Cooperation to Promote International Labour Standards in Vietnam for the 2021-2030 Period⁵⁶⁶. The memorandum outlines a list of ILO Conventions to be studied and proposed for ratification during the 2021-2030 period, and it specifies that the study and proposal time for C087 ratification falls within the same timeframe of 2020-2023⁵⁶⁷.

However, it seems like there is procrastination that exists in the implementation of those plans from the side of Vietnam without further explanation⁵⁶⁸. And as a consequence, the EU DAG on 27-28 Nov 2023 in Brussels produced the following statement⁵⁶⁹:

We urge Vietnam to live up to the commitment given before the implementation of the EVFTA and ratify ILO C087 on Freedom of Association *without further delay*. We would also like to see the

⁵⁶⁵ See Decision No. 1061/QD-LDTBXH in Chapter IV.

⁵⁶⁶ ILO and MOLISA, *Memorandum of Understanding between the Ministry of Labour – Invalids and Social Affairs and the International Labour Organization on the Cooperation to Promote International Labour Standards, Decent Work and related ILO Conventions in Vietnam, 2021-2030* (Geneva, 2021), accessed Sep 19, 2025, [Memorandum of Understanding between the Ministry of Labour - Invalids and Social Affairs and the International Labour Organization on the Cooperation to Promote International Labour Standards in Viet Nam for the 2021-30 Period | International Labour Organization](#).

⁵⁶⁷ MOLISA and supporting agencies, including VCCI, the Vietnam Cooperative Alliance and other agencies (social partners), are the agencies in charge.

⁵⁶⁸ There is no further information regarding the ratification of C087 available on the official websites of the Vietnamese Government (<https://chinhphu.vn>) and MOLISA (<https://molisa.gov.vn>).

⁵⁶⁹ “Statement from the European Union Domestic Advisory Group”.

effective and timely implementation of the Work Plan on Labour Rights and the adoption and entry into force of the decree on workers' representation and collective bargaining.

And once again, the EU DAG called for the ratification of this convention on 09 Dec 2024. The EU DAG identified this as its top priority issue⁵⁷⁰:

The EU DAG continues to be concerned about the protracted delay to the ratification of ILO C087 on Freedom of Association and Protection of the Right to Organise. This was promised for 2023, but the ratification of this fundamental convention is still not here in late 2024. The EU DAG underlines that free and fair participation in fully independent and unrestricted workers' unions is a fundamental worker's right. Therefore, ILO C087 should be ratified *without further delay and be implemented correctly*.

It is clear that from the early phase, although Vietnam has prepared plans for the ratification of C087, with the delay from 2023 to 2024 and now 2025, unless there is a justifiable explanation, this country may violate the obligations set forth in the EVFTA (Art.13.4.3) regarding the commitment⁵⁷¹:

Each Party shall make *continued* and *sustained* efforts towards ratifying, to the extent it has not yet done so, the fundamental ILO conventions.

On the other hand, even though Vietnam has not ratified C087 yet⁵⁷², as an ILO fundamental convention, this country still holds the obligation to guarantee its effective implementation of the convention in practice. To assess the effectiveness of the implementation of C087, it should be focused on the two main aspects:

Firstly, the ability to form, join and operate multiple representative organisations of employees at the enterprise level instead of selecting only trade union representatives as usual. With a lack of guiding documents from the Vietnamese Government to establish them up until now, it is believed that Vietnamese labour law presently possibly limits the right to organise of employees in this country to some extent, and it would raise concerns among the EU DAG recently⁵⁷³:

The EU DAG therefore calls for a rapid adoption of the decree on workers' representative organisations and for the effective reform of the trade union law, which are matters that are closely linked to ILO C087 and C098.

⁵⁷⁰ EU DAG, *Statement from the European Union Domestic Advisory Group under the EU–Viet Nam Free Trade Agreement, 9 Dec 2024* (Brussels: EU DAG, 2024), [euvn_dag_statement_after_joint_forum_20241209_final.pdf](#)

⁵⁷¹ See also further clarification in Chapter IV, Section 4.2.1

⁵⁷² As a consequence, the reporting obligation as the ILO membership regarding this convention would be excluded from assessment.

⁵⁷³ EU DAG, *Statement under the EU–Viet Nam Free Trade Agreement, 2024*.

Consequently, with the lack of these guiding documents, it is hard for employees, especially the foreign ones, to utilise the rights to form, join and operate their legitimate representative organisations beside the conditional trade union under the VGCL⁵⁷⁴:

Up to now, there has not been an independent trade union organisation officially recognised by the state to operate legally in Vietnam, parallel to the trade union system under the VGCL. At the same time, all strikes by workers up to now have been spontaneous, not organised or led by trade unions.

Former Official at VGCL and ILO Hanoi, Vietnam

Secondly, regarding the free and fair participation in fully independent and unrestricted workers' unions as a fundamental worker's right (as requested from the EU DAG), especially between the Vietnamese and foreign workers in Vietnam. Before the issue of LC 2019, the conventional trade union (as the sole representative organisation of workers) was just for Vietnamese ones⁵⁷⁵; however, on 27 Nov 2024, the National Assembly of Vietnam officially passed the Law on Trade Union (amended, No.50/2024/QH15) (coming into effect on 01 Jul 2025), and according to this important document, within the same provision, Art.5.2 broadens the rights of foreign employees to establish and join the trade unions and participate in the operation of the trade unions⁵⁷⁶, specifically:

Foreign employees working in Vietnam under an employment contract with a term of 12 months or more are allowed to join and participate in operation at the grassroots trade unions⁵⁷⁷.

Therefore, even with undeniable limitations, the rights of foreign employees to establish and join trade unions and participate in their operations have been enhanced in Vietnam. It also provides for better protection against anti-union discrimination and employer interference in union activities⁵⁷⁸. However, despite these improvements, significant gaps

⁵⁷⁴ Besides, according to the empirical research, nearly 50% of workers who participated in the survey need to establish, join, or participate in an organisation representing employees at the enterprise in addition to the traditional trade union organisation. And nearly 40% of them have faced limitations or shortcomings in establishing, joining, and operating their representative organisations at the enterprise level (data collected by Jun 2025).

⁵⁷⁵ Specifically, the Law on Trade Union, No.12/2012/QH13, Art. 5 regulates the rights of establishing, participating in and operating a trade union, which belongs to labourers who are Vietnamese persons working in agencies, organisations and enterprises. This provision would indirectly exclude foreign workers from rights to establish, participate in and operate trade unions. See: https://mof.gov.vn/webcenter/portal/cd/pages_r/l/chi-tiet-tin-cong-doan?dDocName=MOFUCM212286

⁵⁷⁶ *Democracy and Law Journal*, "Foreign Workers in Vietnam Are Allowed to Join and Participate in Trade Union Activities," *Democracy and Law Journal*, Nov 28, 2024, [Người lao động là công dân nước ngoài làm việc tại Việt Nam được gia nhập và hoạt động công đoàn.](#)

⁵⁷⁷ The proposal for the amendment of the Trade Union Law, No.69/TTr-TLD, submitted by VGCL on 13 Feb 2023, underscores the necessity for such amendments, driven by the demands of international economic integration. According to this, international economic integration is an unavoidable trend that serves as a significant catalyst for socio-economic growth, generating employment opportunities, enhancing knowledge, and promoting both material and spiritual well-being. Vietnam has ratified the CPTPP, and EVFTA. Labour obligations under these agreements mandate member states to adhere to the enforcement of fundamental principles and rights of workers as outlined in the ILO Declaration 1998. The obligations outlined in the aforementioned FTAs necessitate a review and enhancement of the legal framework governing social relations, particularly labour relations; consequently, the Law on Trade Union must be further amended and supplemented to align with international labour standards and Vietnam's commitments in new-generation FTAs, in accordance with the country's socio-economic conditions and political institutions.

⁵⁷⁸ ILO, "Revised Vietnamese Labour Code to Help Everyone Gain Fair Shares of Economic Growth," ILO, Nov 20, 2019, [Revised Vietnamese Labour Code to help everyone gain fair shares of economic growth | International Labour Organization.](#)

remain that may lead to less effective implementation of these provisions. Explicitly, among other things, the new independent worker representative organisations must be authorised by the Government (that can also revoke authorisation); are excluded from forming or joining federations at sectoral or regional levels; are not represented in tripartite bodies; and are funded solely via membership fees (in contrast to VGCL unions that are co-funded by a 2% union tax on employers). For these reasons, the new worker representative organisations face an *uneven playing field*, necessitating further amendments of the LC ahead of the planned ratification of C087 in the future⁵⁷⁹.

Conversely, an examination of the functioning of traditional trade unions reveals a fundamental constraint: the dependence of trade union officials on employers hinders the proper optimisation of employee representation rights⁵⁸⁰.

Because they are both managers and union leaders, it is difficult for grassroots unions today to truly represent and protect the rights of workers in their businesses.

Former Official at VGCL and ILO Hanoi, Vietnam

Additionally, an enormous lack of full-time trade union officials has been making this proper optimisation of employee representation rights more and more challenging⁵⁸¹. These practical limitations would set an urgent requirement for a stronger, more substantial, and more comprehensive evolution in conventional trade union strategies in Vietnam⁵⁸².

In sum, although there have been amendments and supplements regarding the new LC 2019 and the Law on Trade Union 2024, they would become a firm legal foundation for employees to uphold/improve domestic labour law protection levels⁵⁸³. However, the lack of ratification of C087, combined with the absence of guiding legal documents for independent worker representative organisations, would render the implementation of C087 in Vietnam

⁵⁷⁹ Marslev and Staritz, *op. cit.*, 18-19.

⁵⁸⁰ In many places, trade unions do not dare to negotiate with businesses to protect workers' rights. Additionally, when workers go on strike, they lack guidance from the trade union. In fact, most of the current strikes do not have union leadership. See: Vietnam Ministry of Labour, Invalids and Social Affairs, "What Can Be Seen from Workers' Strikes in Recent Years," accessed Sep 17, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-THẤY GÌ QUA CÁC VỤ ĐÌNH CÔNG CỦA CÔNG NHÂN TRONG NHỮNG NĂM GẦN ĐÂY](#).

⁵⁸¹ According to the VGCL, as of Dec 2023, the country had 11.225 million union members in 124,325 grassroots unions, but only 6,630 full-time union officials. If not counting decentralisation, on average, one full-time union official is in charge of the activities of 18.75 grassroots unions. Meanwhile, the number of union organisations is increasingly shrinking. The shortage of personnel in the union organisation system, especially grassroots unions, will have a profound impact on the implementation of the right to represent workers at the grassroots level. See: Vietnam General Confederation of Labour, "On Average, One Full-Time Trade Union Official Oversees the Activities of 18.75 Grassroots Trade Unions," *Lao Động Công Đoàn*, Aug 5, 2024, accessed Sep 17, 2025, [Trung bình một cán bộ công đoàn chuyên trách phụ trách hoạt động của 18.75 công đoàn cơ sở](#).

⁵⁸² One of the meaningful solutions in the near future is the proposal to arrange full-time union officials at enterprises with 1,000 or more employees. See: Vietnam General Confederation of Labour, "Proposal for Assigning Trade Union Officials in Enterprises with Over 1,000 Workers," *Government Electronic Newspaper*, Oct 8, 2024, accessed Sep 17, 2025, [Đề xuất bố trí cán bộ công đoàn chuyên trách tại doanh nghiệp có từ 1.000 lao động](#).

⁵⁸³ Simultaneously, there is currently no evidence to support the claim that Vietnam is lowering its domestic labour laws to promote trade and investment.

ineffective; in other words, the concept of multiple representative organisations for workers remains impractical in this country.

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been any recognised evidence about this implication from the CEACR, but it is easily understood because of the absent ratification of C087 in Vietnam. As a consequence, even with the inherent obligations derived from the fundamental convention in many regions of Vietnam, the effectiveness of the C087 implementation has been relatively underestimated until now.

◆ In terms of promoting civil society participation, Vietnam has called for the ideas and suggestions from representative organisations of employees, employers and the state for the preparations for the amendments and supplements of the LC 2019. That is also recognised by the ILO's Vietnam Director⁵⁸⁴:

This is significant progress, as it will substantially improve Viet Nam's employment and industrial relations and create a solid foundation for fair international integration and trade.

However, above all, without the continued and sustained efforts in collaboration with the missing ratification of C087 and alongside the rarely practical solutions to guarantee the effective implementation of C087 in Vietnam, it is no doubt to conclude that the level of compliance of labour law in this country regarding this convention is relatively low.

In terms of C098, as discussed, the ratification of C098 and the promulgation of the new LC have established a firm foundation for employees' representative organisations to exercise their right to collective bargaining. This is achieved by providing two safeguards that protect these organisations and their members from employer discrimination and intervention, as well as facilitating introductions to collective bargaining for enterprises with multiple employee representative organisations.

◆ Regarding upholding/improving domestic labour law protection levels, the Vietnamese Government has promulgated and launched policies and strategies that positively give effect to the C098⁵⁸⁵. Accordingly, the Vietnamese Government has implemented many

⁵⁸⁴ ILO, "Revised Vietnamese Labour Code."

⁵⁸⁵ These policies and strategies have been recognised by CEACR of the ILO. According to this, Vietnam has the adoption of the following decrees and decisions: Decree No.12/2022/ND-CP dated 17 Jan 2022 on administrative sanctions in the field of labour, social insurance, and Vietnamese workers working abroad under contracts; Decision No.416/QD-TTg dated 25 Mar 2020 promulgating the plan for the implementation of Directive No.37-CT/TW on strengthening the leadership and direction of the Central Committee of the Communist Party of Vietnam to build harmonious, stable and progressive industrial relations in the new situation; Decision No.449/QD-TTg dated 26 Mar 2021 on the establishment of the National Wage Council; Decision No.1413/QD-TTg dated 18 Aug 2021 on the strengthening of the functions, duties, organisational structure and operation of the Industrial Relations Committee and Decision No.338/QD-LDTBXH dated 17 Mar 2021 on the announcement of newly promulgated, amended, supplemented and abolished administrative procedures in the field of labour and wages under the state management functions of the MOLISA. See: ILO, *Direct Request (CEACR) – Viet Nam (No. 98)*, 2022/2023.

synchronous measures to promote the development of collective bargaining to meet the requirements of C098, specifically⁵⁸⁶:

-Promote the dissemination of the implementation of the LC 2019 and detailed regulations and implementation instructions. The electronic information portal of the MOLISA has a dedicated page to post publications related to the LC 2019⁵⁸⁷ and a separate Q&A section on labour law regulations⁵⁸⁸.

-Direct and monitor localities to implement the work of perfecting the labour dispute resolution system in accordance with the provisions of the LC 2019 and Decree No.145/2020/ND-CP dated 14 Dec 2020 of the Government detailing and guiding the implementation of a number of contents on working conditions and labour relations of the LC.

-Direct and monitor localities to innovate inspection and examination of the implementation of the LC 2019 and Decree No.12/2022/ND-CP dated 17 Jan 2022 of the Government regulating the handling of administrative violations in the fields of labour, social insurance, and sending Vietnamese workers to work abroad under labour contracts.

-Pilot and innovate more practical models and methods of collective bargaining, promoting 2-party, 3-party, 3-party + mechanisms such as the group enterprise collective bargaining model with the participation of representatives of international brands, NGOs, state management agencies (Fairwear Organisation, Sustainable Trade Initiative - IDH, Dutch Trade Union - CNV) to support and promote the parties in the dialogue and collective bargaining process and promote the supporting and promoting role of all responsible partners, in accordance with international practices and labour standards of major brands in the world (implemented in Ho Chi Minh City, Dong Nai, Hung Yen in the textile and garment industry, in Ca Mau, Kien Giang in the seafood processing industry).

-Develop a plan and organise 06 training courses for 200 collective bargaining experts of trade union organisations in the period of 2020-2023 (for grassroots trade union officials); organise 15 training courses on knowledge and skills of collective bargaining on wages for key trade union officials at all levels (from grassroots and above) in the period of 2021-2023.

-Maintain the network of experts on collective bargaining of the General Confederation of Labour with nearly 100 members; experts regularly support higher-level trade unions, especially grassroots trade unions, in conducting collective bargaining.

⁵⁸⁶ MOLISA, *The Report on the Implementation of C098 on the Application of the Principles of the Right to Organise and Collective Bargaining in Vietnam* (Hanoi, 2021).

⁵⁸⁷ http://boluatlaodong2019.molisa.gov.vn/lang_vn/chuyen_muc/an_pham_bo_lao_dong_tbxh/index

⁵⁸⁸ http://boluatlaodong2019.molisa.gov.vn/lang_vn/chuyen_muc/hoi_dap/index

-Build and maintain the Collective Labour Agreement Library with a database of over 25,000 signed Collective Labour Agreements; exploited and referenced by trade unions at all levels, serving the collective bargaining process.

-Raise awareness of the benefits of collective bargaining for employers.

-Strengthening the participation in monitoring and evaluating compliance with the code of conduct, global framework agreements of brands, transnational companies, global unions for businesses participating in the global supply chain.

-Establishing many forums, activities to share information, good models, and benefits for parties at the non-business level among the three parties, international brands, and transnational companies to promote collective bargaining.

-The Labour Relations Committee recommends that businesses need to strengthen collective bargaining, especially in the context of the unpredictable economic, social, and epidemic situations.

And besides, regarding the promotion of the Convention, the CEACR welcomes the Government's report on measures taken by the MOLISA and provincial labour departments (regional levels) to promote the application of the Convention and disseminate relevant information to workers, employers and relevant agencies and organisations, including on discrimination, manipulative intervention and collective bargaining, such as the development of manuals and communication materials, the organisation of training and dissemination activities, monitoring the implementation of the Convention, the registration of collective agreements and the development of cooperation programmes with national social partners. The government also stated that it would continue to focus on further promoting a number of specific activities related to the application of the Convention.

The Committee also noted that the Government reported that the outbreak of the COVID-19 pandemic had impacted the implementation of the Convention, that it had introduced policies to support workers and businesses, and that despite the difficulties, dialogue had been maintained and promoted in businesses. The government said that dialogue helped workers and employers exchange views, consult each other and agree on issues related to industrial relations, especially in the context of the pandemic, thereby contributing to maintaining stable industrial relations and minimising the negative impact of the pandemic on the employment and lives of workers⁵⁸⁹.

⁵⁸⁹ MOLISA, *Report on the Implementation of C098*, 2021.

Regarding the effectiveness of the implementation of C098 as a fundamental convention, the CEACR also paid attention to these remarkable limitations raised in Chapter IV:

Firstly, *Collective bargaining levels*.

The Committee previously noted that collective bargaining at the national level was not explicitly stipulated in section 78 of the LC and requested the Government to clarify whether such collective bargaining was permitted. The Committee notes the Government's indication that the provision refers to "other types of agreements" and that this may also include national collective bargaining agreements.

And according to the reply from the Vietnamese government, Art.75.1 Collective labour agreements, in the LC 2019, promulgates:

A collective labour agreement is an agreement reached through collective bargaining, established in writing and signed by the parties. Collective labour agreements include enterprise-level collective labour agreement, sectoral-level collective labour agreements, collective labour agreements involving more than one enterprise, and *other collective labour agreements*.

"Other collective labour agreements" here may include national collective bargaining agreements. With the legal basis, the rights to collective bargaining of workers in this country would not be restricted. Conversely, the implementation of collective bargaining in reality has been recognised with positive results⁵⁹⁰, especially with multi-level collective bargaining:

According to the report of VGCL, by the end of Jun 2022, there were 38,588 enterprise-level collective labour agreements, 01 national-level industry collective labour agreement (textile and garment industry), 02 local-level industry collective labour agreements (textile and garment industry in Binh Duong province and textile and garment industry in Hanoi city), 21 multi-enterprise collective labour agreements (tourism enterprise groups in Da Nang, Quang Ninh, Hai Phong city; electronics enterprise groups in Hai Phong city, Bac Ninh province; textile and garment enterprise groups in Hung Yen, Ho Chi Minh City; construction materials group in Quang Tri; preschool groups in Hai Phong city, Quang Ninh and Quang Nam provinces) signed with many contents higher than the provisions of the law, bringing benefits to 6,195,843 workers (accounting for 79% of the total number of workers in enterprises with trade unions).

Secondly, *Collective bargaining at the level of the enterprise. Minimum threshold of representativity*.

⁵⁹⁰ The Committee welcomed the Government's report that: (i) from 2018 to 2020, 6,113 new collective labour agreements were signed at the enterprise level (4.6 times higher than the period 2013–2018); (ii) by the end of 2020, the whole country had 25,020 newly signed or amended collective labour agreements, bringing the total number of collective labour agreements signed at the enterprise level to 34,989, accounting for 68.31% of enterprises that have established grassroots trade unions; and (iii) from 2018 to 2020, 11 group collective labour agreements were signed in 8 localities in the fields of tourism, electronics, textiles, wood processing and preschools, including 112 enterprises, business units and 53,750 workers. The Committee also noted the Government's initiative to encourage collective bargaining as stated in Resolution No.02-NQ/TW with the goal of achieving a collective bargaining rate of 70% of enterprises with trade unions by 2023, 80% by 2025, 85% by 2030 and 99% by 2045. See MOLISA, *Report on the Implementation of C098*, 2021.

The Committee trusts that the decree establishing the minimum requirements for workers' organisations to engage in collective bargaining at the enterprise level will be elaborated without delay, in consultation with the social partners, so as to allow these organisations to participate in collective bargaining to defend the interests of their members. The Committee trusts that the determination of the minimum threshold will be done in line with the Convention, as detailed in the Committee's previous comment, and invites the Government to avail itself of ILO technical assistance in this regard⁵⁹¹.

CEACR, ILO

From the Government of Vietnam, according to Art.68 of the LC 2019, the organisation representing employees at the workplace has the right to request collective bargaining when it reaches the minimum membership ratio over the total number of employees in the enterprise as prescribed by the Government. Currently, the draft Decree of the Government on this content has been prepared, which proposes many different options on the minimum membership ratio of the organisation representing employees to have the right to collective bargaining. The Government is in the process of consulting opinions on the draft Decree for possible promulgation in the near future. The Government acknowledges the Committee's notes on this issue for study in the process of finalising the draft Decree⁵⁹².

In addition, Vietnam has also fulfilled all the reporting procedures related to the C098, including the first report in 2021 and the second report in 2023⁵⁹³.

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been recognised any evidence about this from the CEACR. In contrast, in many regions of Vietnam, the effectiveness of C098 implementation has been regarded as the vital mission that would be pursued in the long run⁵⁹⁴.

◆ In terms of promoting civil society participation, Vietnam has called for the ideas and suggestions from representative organisations of employees, employers and the state for the Report on the Implementation of C098. The Committee of the ILO also recognises this⁵⁹⁵:

The Committee notes the Government's statement that it shared the report with the VGCL, VCCI and Vietnam Cooperative Alliance, which agreed with its content.

CEACR, ILO

Above all, with the continued and sustained efforts in collaboration with various practical solutions to guarantee the effective implementation of C098 in Vietnam. It is no doubt

⁵⁹¹ ILO, *Direct Request, C098 – Viet Nam, 2022*.

⁵⁹² MOLISA, *Report on the Implementation of C098, 2021*.

⁵⁹³ The upcoming regular report is scheduled in the year 2025. This content would be further examined and updated. See: ILO & MOLISA, *Memorandum of Understanding, 2021*.

⁵⁹⁴ For instance, in provinces: Son La, Lao Cai, Ha Noi, Quang Ninh, Nam Dinh, Thai Binh, Dong Thap, Kon Tum, Dak Lak, Dak Nong, Ninh Binh, Lam Dong, Ben Tre, Dong Nai, Binh Thuan, Can Tho, Ca Mau, etc. See: Thu Vien Phap Luat, "Search for Legal Documents: ILO," *Thu Vien Phap Luat*, accessed Sep 18, 2025, [Tra cứu ILO](#).

⁵⁹⁵ ILO, *Direct Request, C098 – Viet Nam, 2022*.

to conclude that the level of compliance of labour law in this country regarding this convention is relatively high⁵⁹⁶.

5.1.1.2. *Forced/compulsory labour elimination*⁵⁹⁷

Many stipulations of C029 and C105 are incorporated into Vietnamese labour legislation; notably, the LC 2019 defines forced labour. The code prohibits employers from exploiting workers through forced labour and affirms employees' rights to work and choose their occupations. They possess the right to terminate their employment contracts unilaterally and without prior notice, regardless of their work obligations.

◆ Regarding upholding/improving domestic labour law protection levels, Vietnam has taken step-by-step synchronised measures of law implementation to eliminate forced labour:

Intending to counter the practice of this phenomenon, Vietnam has ratified C029 and C105 together with reaffirming EVFTA's commitment to putting an end to forced labour through the launch of the National Alliance 8.7, or the Global Alliance to Eradicate Forced Labour, Modern Slavery, Human Trafficking and Child Labour⁵⁹⁸. Moreover, in 2021, the Prime Minister issued Decision No.2234/QD-TTg approving the Strategy on Execution of the C105, encompassing nine working groups and assigning responsibility for organising the implementation to ministries, sectors, and localities⁵⁹⁹. A vast range of various activities, including as (i) propagating and disseminating contents of C105 and related provisions of Vietnam's regulations; (ii) training and enhancing capacity for employees and employers; (iii) reviewing, amending, supplementing documents or promulgating new ones so as to improve the legal system; (iv) developing a database; (v) formulating documents to guide particular provisions of C105 that must be performed in conformity with Vietnam's conditions; (vi) developing and putting in place a system for inspection, supervision, and managing infractions; (vii) reporting regularly or upon request to the ILO on implementation; (viii) strengthening cooperation with other countries; (ix) comprehensively assessing the implementation, drawing experience and supplement solutions⁶⁰⁰. For new regulatory instruments that could be crafted

⁵⁹⁶ It should be noted that the level of compliance in this regard will probably change in the near future because of the reluctance of the Vietnamese government to release the decree guiding Art.68 in the LC 2019 as promised. And it is obvious that the EU has recently regarded this matter as a more serious problem via the DAG mechanism. See: EU DAG, *Statement*, 2024.

⁵⁹⁷ The main findings of this section are derived from: Rab Henriett, Tien Dung Nguyen, and Huyen Nguyen, "The Elimination of Forced or Compulsory Labour in Vietnam within the Context of the EVFTA and Lessons from European Countries," *Lex ET Scientia International Journal* no. XXX, vol. 2 (2023): 91–93.

⁵⁹⁸ European Commission and Government of Vietnam, *EVFTA Report 2018: The EU-Vietnam Free Trade Agreement: Perspectives from Vietnam*, presented to the European Parliament, Oct 2018, 71.

⁵⁹⁹ MOLISA, *First Country Report on the Implementation of ILO Convention 105 on the Elimination of Forced Labour*.

⁶⁰⁰ Prime Minister of Vietnam, *Decision No. 2234/QD-TTg Approving the Strategy on Execution of the ILO Convention No. 105 concerning the Abolition of Forced Labour*, Dec 30, 2021.

to maximise their effectiveness, the National Assembly, the Ethnic Council, the National Assembly Committee, deputies' delegations and deputies from the whole country shall, within the scope of their responsibilities and authority, supervise this execution⁶⁰¹.

As of now, neither extensive scrutiny into forced labour practices in Vietnam nor the mechanisms for gathering information on the forms of compulsory labour have been established. This database also contains information still collected through the mass media and a number of documents from NGOs⁶⁰². Consequently, it is currently impossible to assess the effectiveness of legal instruments comprehensively and accurately, as well as to determine what actions should be taken in the future. Regarding the mechanism for inspection, there has yet to be a full-fledged, subject-matter inspection of forced labour⁶⁰³.

In terms of the plan to eradicate human trafficking, the recently adopted National Plan of Action to Combat and Prevent Trafficking in Persons for the period 2021–2025, with a vision to 2030, emphasises the fight against all forms of human trafficking, including human trafficking with the intention of exploitation, with the aim of mobilising the participation of all relevant ministries and agencies to prevent and deal with the dangers of human trafficking and tackle the root causes of the latter⁶⁰⁴. However, it appears that Vietnam has not yet addressed all forms of human trafficking⁶⁰⁵, and the application of the legislation lags behind since the authors were only able to find very few cases⁶⁰⁶. For example, statistics for 2020 indicate that only 136 individuals were involved in 71 instances of individuals being trafficked for sexual exploitation and ten instances of forced labour⁶⁰⁷, of which it is estimated that about 90% of the human-trafficking cases are cross-border and that human trafficking for prostitution or domestic forced labour accounts for 10% of the total cases detected⁶⁰⁸. Furthermore, according to the U.S. Embassy's report on human trafficking in 2022, the Government of Vietnam failed to ultimately achieve the minimum requirements for eradicating trafficking, and its lack of meaningful efforts to do so resulted in Vietnam being degraded to Tier 3⁶⁰⁹.

⁶⁰¹ National Assembly of Vietnam, *Resolution No. 104/2020/QH14 on Accession to the ILO's Convention No. 105 concerning the Abolition of Forced Labour*, art. 4, Jun 8, 2020.

⁶⁰² Thi My Linh Nguyen and Cong Giao Vu, "Implementing the 2013 Constitutional Decision on the Abolition of Forced Labour," in *The Scientific Workshop to Evaluate 5 Years of Implementation of the Constitution of the Socialist Republic of Vietnam in 2013* (Hanoi, 2018), 339.

⁶⁰³ *Ibid.*

⁶⁰⁴ Le Luong and Caitlin Wyndham, "What We Know about Human Traffickers in Vietnam," *Anti-Trafficking Review*, no. 18 (2022): 34.

⁶⁰⁵ U.S. Department of State, "Vietnam," *2022 Trafficking in Persons Report*, accessed Sep 18, 2025, [Vietnam - United States Department of State](#).

⁶⁰⁶ Axel Marx and Jan Wouters, "Combating Slavery, Forced Labour and Human Trafficking: Are Current International, European and National Instruments Working?" *Global Policy* 8, no. 4 (2017): 496.

⁶⁰⁷ U.S. Department of State, *2022 Trafficking in Persons Report*, "Vietnam."

⁶⁰⁸ Department of Criminal Investigation, *Training Handbook: Capacity Building to Prevent and Combat Human Trafficking for Criminal Police Forces and Grassroots Police* (Hanoi: Ministry of Public Security, 2018), 44.

⁶⁰⁹ U.S. Department of State, *Trafficking in Persons Report*, "Vietnam."

In general, although the VGCL and the Inspectorate of the MOLISA reported that in Vietnam, no cases of forced labour have been recorded so far⁶¹⁰, that does not mean that Vietnam has fulfilled its obligations under its commitments. It seems necessary for Vietnam to have a lot of time to implement its commitments to the abolishment of forced labour in the EVFTA because this agreement just came into force in 2020. Nevertheless, it is still clear how the highest efforts and goodwill of Vietnam contributed to the common goal of respecting, promoting, and implementing the abolition of forced labour, namely by completely ratifying C029 and C105 and abolishing and amending incompatible legal instruments with a view to improving the domestic legal framework compatible with these conventions⁶¹¹, in parallel with the Strategy for Execution of C105 on the Abolition of Forced Labour in the period 2021-2025⁶¹².

Speaking about the effectiveness of the implementation of C029 and C105 as fundamental conventions, besides several minor limitations raised in Chapter IV, the CEACR also paid attention to:

Firstly, in terms of penal sanctions for forced labour⁶¹³:

The Committee notes the Government's information that, since 2016, no cases have been recorded regarding the crime of coercive labour, as stipulated by section 297 of the Penal Code. The Government also indicates that the Prime Minister issued Decision No.1359/QĐ-TTg of 13 Sep 2017 promulgating the Plan on the implementation of the Penal Code, including activities to reinforce the capacity of law enforcement officials to implement the new provisions of the Penal Code. *The Committee requests the Government to continue to take the necessary measures to ensure the effective implementation of section 297 of the Penal Code and to provide information on its application in practice, including the number of investigations, prosecutions, convictions and specific penalties imposed.*

According to this request, although no cases have been recorded regarding the crime of coercive labour (forced labour), Vietnam has actively implemented measures and strategies to prevent forced labour in this country through the fight against human trafficking, and this has recently achieved many positive results. Specifically, recently, the Government's Steering Committee for Crime Prevention and Control has vigorously implemented the work of preventing and combating human trafficking. 30 Jul of each year is chosen by the UN as the

⁶¹⁰ MOLISA, *op. cit.*

⁶¹¹ MOLISA, "Accession to ILO Convention 105: Necessary and "ripe" enough," *molisa.gov.vn*, May 25, 2020, accessed Sep 20, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Gia nhập Công ước 105 của ILO: Rất cần thiết và đã đủ "chín muồi"](#).

⁶¹² Phuong Nhi Vu, "Implementation of the ILO Convention on the Abolition of Forced Labour," *Government News*, Jan 4, 2022, accessed Sep 18, 2025, [Thực hiện Công ước của ILO về xóa bỏ lao động cưỡng bức](#).

⁶¹³ ILO, *Direct Request (CEACR) – adopted 2020, published 109st ILC session (2021): Forced Labour Convention, 1930 (No. 29) – Viet Nam (Ratification: 2007)*, NORMLEX, accessed Sep 20, 2025, [Comments](#).

"World Day against Trafficking in Persons"⁶¹⁴. Since 2016, Vietnam has chosen 30 Jul as the "National Day against Trafficking in Persons" to promote the combined strength of the entire political system and the entire population to participate in preventing, stopping, and gradually repelling this type of crime. In implementing the Government's Program on Prevention and Combat of Human Trafficking for the period 2021-2025, with a vision to 2030, the Ministry of Public Security has presided over and advised ministries, branches, and localities to pay attention to leading and directing the drastic implementation of all aspects of human trafficking prevention and combat; Continue to effectively implement the Government's Programme on Prevention and Combat of Human Trafficking for the period 2021-2025, with a vision to 2030, and the Plan of the Steering Committee 138/CP on the implementation of the work of preventing and combating human trafficking in 2022, mobilising the combined strength of the entire political system and the entire population in the work of preventing and combating human trafficking; Organise a summary of the direction of the implementation of the Program on Prevention and Combat of Human Trafficking in 08 localities under the direction of the Government: Quang Ninh, Lang Son, Lao Cai, Ha Giang, Dien Bien, Nghe An, Can Tho and Tay Ninh, and effectively implement the coordination regulations between the Ministry of Public Security and the MOLISA, the Ministry of National Defence, and the Ministry of Foreign Affairs on inter-sectoral coordination in the work of receiving, protecting, and supporting victims of human trafficking. The fight against human trafficking crimes is carried out with a resolute and uncompromising spirit. In Vietnam, according to reports from units and localities, from 2010 to the end of 2023, nearly 3,500 cases were discovered, with 5,000 subjects buying and selling human beings, defrauding and selling nearly 7,500 victims. According to the Report of the Ministry of Public Security, in 5 years (from 01 Jan 2018 to 31 Dec 2022), 394 cases were discovered nationwide with 837 subjects violating the law and crimes of human trafficking, of which 386 cases were criminally prosecuted with 808 subjects⁶¹⁵.

Secondly, in terms of the imposition of prison sentences involving the obligation to work as a punishment for expressing certain political views or views ideologically opposed to the established political, social, or economic system⁶¹⁶.

⁶¹⁴ UNRIC, "World Day Against Trafficking in Persons 2024," *UNRIC.org*, Jul 12, 2024, accessed Sep 18, 2025, [World Day Against Trafficking in Persons 2024 - United Nations Western Europe](#).

⁶¹⁵ <https://www.xaydungdang.org.vn/nhan-quyen-va-cuoc-song/dau-tranh-ngan-chan-toi-phan-mua-ban-nguoi-21494>

⁶¹⁶ ILO, *Direct Request (CEACR) – adopted 2023, published 112st ILC session (2024): Abolition of Forced Labour Convention, 1957 (No. 105) – Viet Nam (Ratification: 2020)*, NORMLEX, accessed Sep 20, 2025, [Comments](#).

The Committee recalls that *Art.1(a)* of the Convention protects persons who express political views or views (either orally or through the press and other communications media) ideologically opposed to the established political, social, or economic system by establishing that in the context of these activities they cannot be punished by sanctions involving an obligation to work. The freedoms that must be protected under this provision comprise, in addition to freedom of expression, the right of association and of assembly, through which citizens seek to secure the dissemination and acceptance of their views and which may also be affected by measures of political coercion. *Therefore, the Committee requests the Government to take the necessary measures to review the wording of sections 109, 116(1)(a), Section 117(1)(a) and 331 of the Criminal Code to ensure that both in law and practice they cannot be used to punish persons who peacefully express political views or views opposed to the established system, including opposition members and human rights defenders, with penal sanctions involving compulsory labour (including compulsory prison labour).*

Although the official report corresponding to the above-mentioned request of the CEACR has not been released⁶¹⁷, Vietnam has consistently recognised that the rights to freedom of speech and freedom of the press are fundamental rights of citizens. These rights are stipulated in the Constitution 2013: “Citizens have the right to freedom of speech, freedom of the press, access to information, assembly, association, and demonstration. The exercise of these rights is regulated by law and many important laws, such as the Press Law and the Cyber Security Law. However, like other rights of citizens, the exercise of the right to freedom of speech and freedom of the press must be within the framework of the law. Accordingly, when exercising the right to freedom of speech and freedom of the press, citizens must comply with the provisions of the law to protect the social regime, protect the state, and not affect the rights and interests of others⁶¹⁸.”

The right to freedom of speech is the right of people to freely seek, receive and communicate information and opinions on all areas of social life in the form of words, writing (handwritten or typed) or electronically (email, social networking sites...) or in other forms (drawings, performing arts...). And the right to freedom of the press is the right of citizens to create journalistic works, access press information, provide information to the press, respond to information in the press, cooperate with press agencies to produce press products, and print and distribute printed newspapers. The press plays a role as a means for citizens to exercise their freedom of speech.

Citizens' right to freedom of speech in the press is that citizens have the right to express their opinions on the situation of the country and the world; Participate in giving opinions on

⁶¹⁷ Up to 01 Jan 2025.

⁶¹⁸ See the official guiding documents from the Ministry of Justice of Vietnam, “Folded Leaflet 10 – Press – Vietnamese,” *Department of Legal Dissemination and Education*, Ministry of Justice of Vietnam, accessed Sep 18, 2025, [To gap 10 - Bao chi - Tieng Viet.pdf](#).

the formulation and implementation of the Party's guidelines, policies and the state's laws; Contribute opinions, criticisms, recommendations, complaints and denunciations in the press against party organisations, state agencies, socio-political organisations, socio-political-professional organisations, social organisations, socio-professional organisations and other organisations and individuals (Art.11 of the Press Law 2016)⁶¹⁹.

The Vietnamese revolutionary press has developed continuously, truly becoming a forum for the people and social organisations, a tool for monitoring the implementation of policies and laws, and protecting the legitimate rights and interests of the people⁶²⁰. The media in Vietnam operates freely; press and publishing agencies in Vietnam are not censored before printing, transmitting, or broadcasting⁶²¹. With the legal and practical contexts, it is firmly believed that the concerns of the CEACR would be tackled; in other words, the Criminal Code cannot be used to punish persons who peacefully express political views or views opposed to the established system, including opposition members and human rights defenders, with penal sanctions involving compulsory labour⁶²².

In addition, Vietnam has also fulfilled all the reporting procedures related to the C029 and C105, including the first reports in 2023 and the second reports in 2026⁶²³.

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been recognised any evidence about this from the CEACR. In contrast, in many regions of Vietnam, the effectiveness of C029 and C105 implementation has been also regarded as the vital mission that would be pursued in the long run as the last fundamental rights⁶²⁴.

⁶¹⁹ Ibidem.

⁶²⁰ As of Sep 2023, Vietnam has 06 key multimedia communication agencies, 798 press agencies (including 127 newspapers and 671 magazines); 72 radio and television agencies (including 67 central and local radio and television stations, 5 television units without their own broadcasting infrastructure), 78 domestic radio channels, 194 domestic television channels, 45 foreign television channels; there are 9,959 commune-level radio stations in over 10,500 communes, wards and towns (of which 1,799 radio stations apply information and telecommunications technology on internet infrastructure), according to *Nhan dan* newspaper - "The voice of the Party, the State and the people of Vietnam." See: Nhan Dan, "Ensuring the Right to Freedom of Speech, Freedom of the Press, and Access to Information," *Nhan Dan Online Newspaper*, Wednesday, Oct 2, 2024, accessed Sep 18, 2025, [Bảo đảm quyền tự do ngôn luận, tự do báo chí và tiếp cận thông tin | Báo Nhân Dân điện tử](#).

⁶²¹ Ibidem.

⁶²² Especially, Vietnam has been elected to the United Nations Human Rights Council for the 2023-2025 term.

This is the second time Vietnam has been elected to the United Nations Human Rights Council. In 2013, Vietnam was first elected to the United Nations Human Rights Council for the 2014-2016 term with 184/192 votes, the highest among the 14 new member countries. See Government News, "Vietnam Elected to the United Nations Human Rights Council, Term 2023–2025," *Government News*, Oct 12, 2022, accessed Sep 18, 2025, [Việt Nam trúng cử vào Hội đồng Nhân quyền Liên Hợp Quốc, nhiệm kỳ 2023-2025](#).

Vietnam has recently announced its re-election to the United Nations Human Rights Council for the 2026-2028 term. See: Government News, "Vietnam Announces Re-election to the United Nations Human Rights Council, Term 2026–2028," *Government News*, Dec 13, 2024, accessed Sep 18, 2025, [Việt Nam công bố tái ứng cử Hội đồng Nhân quyền Liên Hợp Quốc nhiệm kỳ 2026-2028](#).

⁶²³ The upcoming regular report is scheduled in the year 2026. This content would be further examined and updated. See also at: ILO & MOLISA, *Memorandum of Understanding*, 2021.

⁶²⁴ For instance, in provinces: Son La, Lao Cai, Ha Noi, Vinh Phuc, Tuyen Quang, Hung Yen, Ha Nam, Bac Kan, Bac Ninh, Quang Ninh, Hai Phong, Nam Dinh, Thai Binh, Dong Thap, Kon Tum, Dak Lak, Dak Nong, Ninh Binh, Quang Binh, Ha Tinh, Lam Dong, Ben Tre, Bac Lieu, Dong Nai, Binh Thuan, Tay Ninh, Kien Giang, Can Tho, An Giang, Ca Mau, etc.

◆ In terms of promoting civil society participation, Vietnam has called for the ideas and suggestions from representative organisations of employees, employers and the state for the implementation of Decision No.2234/QĐ-TTg approving the Strategy on Execution of the C105. According to this, specific work, implementation roadmap and assignment of responsibilities in organising the implementation of C105 that require the involvement of civil society include⁶²⁵ (i) Disseminate the contents of C105 and relevant provisions of Vietnamese law to employees, employers, people and relevant agencies and organisations⁶²⁶; (ii) Review, amend, supplement or issue new ones to perfect the legal system to seriously and effectively implement the requirements of C105⁶²⁷; (iii) Training, coaching and capacity building for employees, employers, enterprises, cooperatives, relevant agencies and organisations to prevent, combat and eliminate forced labour⁶²⁸; (iv) Develop specific guidance documents on the implementation of C105 in accordance with Vietnam's conditions for employees, employers, enterprises, cooperatives, relevant agencies and organisations to implement⁶²⁹; (v) Develop an information database to support the work of preventing, combating and eliminating forced labour⁶³⁰; (vi) Develop and implement a mechanism for inspection, supervision and handling of violations in the implementation of relevant legal provisions in accordance with the provisions of C105⁶³¹; (vii) Periodically or upon request, report to the ILO on the implementation of C105⁶³²; (viii) Comprehensively assess the implementation of C105 in the first 5 years after joining the Convention, draw lessons and supplement solutions to effectively implement C105 in Vietnam in the following stages⁶³³.

After all, even with several inherent limitations in legislation, the level of compliance of Vietnamese labour law regarding the fundamental right to forced/compulsory labour elimination is relatively high.

5.1.1.3. *Effective child labour abolition*

The LC 2019 adheres rigorously to C138, significantly safeguarding "minor workers", defined as individuals under 18, in both formal and informal sectors devoid of employment

See:

<https://thuvienphapluat.vn/page/tim-van-ban.aspx?keyword=%22lao+%d0ng+cuong+buc%22&area=0&match=True&type=45&status=0&signer=0&edate=27/12/2024&sort=1&lan=1&scan=0&org=0&fields=&page=3>

⁶²⁵ Prime Minister, *Decision No. 2234/QĐ-TTg Approving the Strategy on Execution of the ILO C105*, Dec 30, 2021.

⁶²⁶ Implementation period: annually.

⁶²⁷ Implementation period: annually.

⁶²⁸ Implementation period: annually.

⁶²⁹ Implementation period: from 2021 to 2023.

⁶³⁰ Implementation period: from 2021 to 2025.

⁶³¹ Implementation period: from 2021 to 2025.

⁶³² Implementation period: every 3 years or upon request of the ILO.

⁶³³ Implementation period: 2025.

relationships. Moreover, both the LC and the Criminal Code ban and eliminate the most egregious kinds of child labour, as mandated by C182, as elaborated in Chapter IV.

◆ Regarding upholding/improving domestic labour law protection levels, Vietnam was the first country in Asia and the second country in the world to ratify the UN Convention on the Rights of the Child on 20 Feb 1990. The country has also ratified two ILO Conventions concerning child labour, namely C138⁶³⁴ and C182. After the ratification, Vietnam actively incorporated the provisions of the international treaties and conventions into the national legal system. Thus far, the national legal system for child protection and care has been relatively comprehensive, ensuring consistency, synchronisation and harmony with international legislation, while creating a comprehensive legal basis on which to address child-related issues, including the exploitation of child labour⁶³⁵. Specifically, among the most important legal bases, it could be identified and named:

Constitution of Vietnam

The first Constitution of the Democratic Republic of Vietnam in 1946 recognised the guarantee of the rights of the child: “*children are cared for in terms of education*” (Art.14). Thereafter, views on child protection and care were consistently affirmed throughout the next generations of constitutions in 1959, 1980 and 1992. Art.37 of the Constitution 2013 states:

1. Children shall be protected, cared for and educated by the State, family and society; children may participate in child-related issues. Harassing, persecuting, maltreating, abandoning or abusing children, exploiting child labour or other acts that violate children’s rights are prohibited.
2. Young people shall be provided by the State, family and society with the conditions for learning, working, entertaining themselves, and developing their physiques and minds, and be educated in morality, national traditions and civic consciousness; and shall take the lead in the cause of creative labour and national defense.”

Children Law

The Children Law 2016 stipulates that “a child is a human being below the age of 16” (Art.1). Specifically, Art.26 of the Law clearly states:

Children have the right to be protected, in any form, from labour exploitation. They must not work when they are under the working age and they must not work overtime or do heavy, dangerous and hazardous work as regulated by the law. They are protected from being forced to do jobs or being involved in working places which cause adverse influence on their personality and comprehensive development.

⁶³⁴ Vietnam applies Art.5 of C138: The Government has restricted the scope of application of the Convention to the “*mining industry; manufacturing industry; construction industry and public works, electricity, gas and water; health and hygiene services; services for transportation and warehouse; communication; plantations and other agricultural production establishment whose products are for commercial purposes*”.

⁶³⁵ ILO and MOLISA, *Viet Nam National Child Labour Survey 2018: Key Findings* (Geneva: ILO, 2020), 3–4.

Labour exploitation is classified as an act of forcing children to work in contravention of the labour law; showing or producing pornography; organising and supporting tourism activities for the purpose of child sexual abuse; giving, receiving or providing children for prostitution; and other acts that use children for self-seeking purposes. The exploitation of child labour is strictly prohibited. This is a consistent principle in all activities using child labour, aiming to realise children's rights, and at the same time determine the responsibilities of relevant agencies and organisations in protecting children's rights.

In parallel with the above principle of the Children Law 2016, the LC 2019 also contains many regulations to protect child labour in Vietnam, and these regulations are mostly compatible with relevant international legal norms. First of all, the regulation on minimum working age (Clause 1, Art.3). Accordingly, the minimum age for children recruited to work in Vietnam is 15 years old (compatible with Clause 3, Art.2 of C138)⁶³⁶. To recruit workers under 15 years old, the LC 2019 also sets strict requirements on signing labour contracts, ensuring the specific contents in Art.21 of the Code. In addition, it is possible to mention the regulations on working hours of child labour, specifically no more than 04 hours/day and 20 hours/week for labourers under 15 years old and no more than 8 hours/day and 40 hours/week for juvenile labourers from 15 to under 18 years old (Art.146).

And in addition to the LC, the Criminal Code 2015 also sets out a number of measures to protect child labour and handle violations in the use of child labour and sets out specific sanctions to prosecute employers who employ people under 16 years old to do heavy, toxic, and dangerous work. The application of criminal sanctions can be considered a strict measure, more effective in deterring than administrative measures against employers of juvenile labourers.

Besides the legal documents passed by the National Assembly, many legal documents issued by competent state agencies also protect the legitimate rights of children when participating in the field of labour and employment. In particular, Circular No.09/2020/TT-BLDTBXH dated 12 Nov 2020 of the MOLISA details and guides the implementation of a number of articles of the LC on child labour. This circular clearly identifies 69 types of work and 06 workplaces that pose a risk of harming the development of minors in terms of physical, mental and personality aspects, and identifies a list of locations/workplaces⁶³⁷.

⁶³⁶ As discussed in Chapter IV.

⁶³⁷ MOLISA, *Circular No. 09/2020/TT-BLDTBXH Detailing and Guiding the Implementation of a Number of Articles of the Labour Code on Juvenile Workers*, Nov 12, 2020, effective Mar 15, 2021.

In terms of programmes on child labour prevention and reduction in the 2016-2020 period, many humane and long-term meaningful social programmes and policies have been and are being applied to children nationwide. Children are a group of subjects that are given special attention in social security policies to create conditions for them to access the best possible opportunities, especially learning opportunities, thereby contributing to preventing and reducing the rate of child labour in different industries. Some important policies issued by the Government in recent times include:

The National Programme on Child Protection for the period 2016 to 2020 (Decision No.2361/QĐ-TTg dated 22 Dec 2015) sets the goal that all children be prevented from falling into extremely disadvantaged circumstances. Children living in extremely disadvantaged circumstances are cared for and supported for rehabilitation, community integration and access to development opportunities⁶³⁸.

The Programme on Child Labour Prevention and Reduction for the period 2016 to 2020 (Decision No.1023/QĐ-TTg dated 07 Jun 2016) sets the goal to effectively implement the prevention and reduction of child labour. Children at risk of participating in child labour and children involved in child labour who are employed against the legal regulations are detected and supported in a timely fashion to reintegrate into community life and to have opportunities for full development⁶³⁹.

The Scheme to support children with disabilities to access community-based protection, care and education for the period 2018 to 2025 (Decision No.1438/QĐ-TTg dated 29 Oct 2018) sets the goal that by 2025, children with disabilities will have access to community-based child protection, care, and educational services for community integration and opportunities to fully exercise the rights of a child with disabilities⁶⁴⁰.

The Scheme to develop preschool education for the period 2018 to 2025 (Decision No.1677/QĐ-TTg dated 03 Dec 2018) aims to support and develop appropriate preschools and classes in line with the practical socioeconomic conditions of localities, meeting the children's needs for going to school toward standardisation, modernisation, socialisation and global integration; diversifying methods and improving the quality of nurturing, caring for and educating children to meet regional and international preschool quality standards; consolidating, maintaining and improving the quality of preschool education for 5-year-old

⁶³⁸ Prime Minister, *Decision No. 2361/QĐ-TTg Approving the Child Protection Programme for the Period 2016–2020*, signed Dec 22, 2015.

⁶³⁹ Prime Minister, *Decision No. 1023/QĐ-TTg Approving the Programme for Prevention and Reduction of Child Labour, Period 2016-2020*, Jun 7, 2016.

⁶⁴⁰ Prime Minister, *Decision No. 1438/QĐ-TTg Approving the Scheme for Assisting Children with Disabilities in Access to Protection, Care, and Education Services in the Community for the Period 2018-2025*, Oct 29, 2018.

children; assisting children to enroll in the first grade; developing preschool education for children under 5 years old⁶⁴¹.

The Scheme on mobilising social resources to support children in extremely disadvantaged communes in ethnic minority areas for the period 2019 to 2025 (Decision No.588/QĐ-TTg dated 17 May 2019) aims to improve the health of children through medical examination and treatment, provision of nutritious meals for preschool and elementary children, provision of children's participation in cultural activities, entertainment and recreation, and supporting the distribution of warm clothes for children⁶⁴².

With the above strategies, the Vietnamese government has allocated resources to fulfil the ultimate purpose of eliminating child labour in this country. Besides this consequence, Vietnam is also a member of international organisations and treaties so that the elimination of child labour in Vietnam has been paid more and more attention, at national and local levels⁶⁴³.

Attending the 5th Global Conference on the Elimination of Child Labour in Durban, South Africa, in May 2022, Vietnam shared good examples and effective solutions and assessed gaps in eliminating child labour globally; together with countries, it called for six groups of solutions and actions: (1) Creating decent jobs for adults and young people above the minimum working age; (2) Eliminating child labour in agriculture; (3) Preventing and eliminating child labour and forced labour through developing and implementing data-based policies; (4) Recognising children's access to education; (5) Ensuring everyone has access to social security; (6) Strengthening cooperation and investment in efforts to eliminate child labour and forced labour. The message that Vietnam participated in discussing and proposing in Durban was “strengthening cooperation to improve the quality of career guidance and vocational education for sustainable employment for the young generation and eliminating child labour”.

Implementing the programme to prevent and reduce illegal child labour for the period 2021-2025, with a vision for 2030, Vietnam sets the goal of continuing to reduce the rate of child labour and minors aged 5-17 to 4.9%; 100% of children at risk, child labourers, and children trafficked for labour exploitation will receive timely support and intervention when notified.

Director of the Department of Children, MOLISA

Regarding the effectiveness of the implementation of C138 and C182 in Vietnam as fundamental conventions, besides several minor limitations raised in Chapter IV, the CEACR also mainly paid attention to these aspects:

Firstly, speaking about the National Policy in 2021-2025 in Vietnam⁶⁴⁴,

⁶⁴¹ Prime Minister, *Decision No. 1677/QĐ-TTg Approving the Scheme for Developing Early Childhood Education for the Period 2018-2025*, Dec 3, 2018.

⁶⁴² Prime Minister, *Decision No. 588/QĐ-TTg Approving the Scheme for Mobilizing Social Resources to Support Children in Particularly Difficult Communes in Ethnic Minority and Mountainous Areas for the Period 2019–2025*, May 17, 2019.

⁶⁴³ “Vietnam’s Efforts in Abolishing Child Labour,” *Human Rights Vietnam*, Jun 1, 2024, accessed Sep 19, 2025, [Nỗ lực của Việt Nam trong xóa bỏ lao động trẻ em - Nhân quyền Việt Nam](#).

⁶⁴⁴ ILO, *Direct Request (CEACR) – adopted 2020, published 109st ILC session (2021): Minimum Age Convention, 1973 (No. 138) – Viet Nam (Ratification: 2003)*, NORMLEX, accessed Sep 20, 2025, [Comments](#).

Considering that the current Programme to Prevent and Reduce Child Labour expires in 2020, the Committee requests the Government to provide information on the evaluation of its implementation, as well as the results achieved in terms of the number of children withdrawn from child labour. It also requests the Government to indicate if a new programme is planned.

CEACR, ILO

According to the 2020 National Report “5-year Progress in Implementing the SDGs” conducted by the Ministry of Planning and Investment with the support of UNDP and the Hanns Siedel Foundation (Germany)⁶⁴⁵, the rate of child labourers aged 5-17 out of the total population of children aged 5-17 decreased from 9.6% in 2012 to 5.4% (1.1 million people) in 2018 (at a low average level compared to the region and the world), while the school attendance rate of children participating in labour increased from over 43% in 2012 to over 63% in 2018. It can be said that this is a remarkable achievement of Vietnam in realising the goal of gradually eliminating child labour. And besides, right after that, the last Programme to Prevent and Reduce Child Labour expired in 2020, and the Prime Minister made the Decision No.23/QD-TTg, on 07 Jan 2021, approving the National Action Program for Children for the period 2021-2030, which illustrates the highest determination of the Government of Vietnam in achieving the goals of eliminating child labour in this country⁶⁴⁶.

Secondly, speaking about the National Programme on the Elimination of the Worst Forms of Child Labour in Vietnam⁶⁴⁷,

The Committee requests the Government to indicate if it envisages developing a new programme upon the expiration of the current Programme on Prevention and Minimisation of Child Labour in 2020. It also requests the Government to provide concrete information on the measures taken and any results achieved regarding the elimination of the worst forms of child labour within the framework of the National Plan to Implement the UN 2030 Agenda for Sustainable Development.

CEACR, ILO

In this regard, besides the aforementioned National Action Program for Children for the period 2021-2030, Vietnam has also sustained immense perseverance in the face of the elimination of the worst forms of child labour in this country through the Decision on the Promulgation of the National Action Plan for Implementation of the 2030 Agenda for Sustainable Development, issued by the Prime Minister on 10 May 2017⁶⁴⁸. And with the

⁶⁴⁵ Government of the Socialist Republic of Vietnam, *National Report 2020: Five-Year Progress of Sustainable Development Goals Implementation* (Hanoi: Dan Tri Publishing House, 2020).

⁶⁴⁶ Prime Minister, *Decision No. 23/QD-TTg Approving the National Action Programme for Children for the Period 2021–2030*, Jan 7, 2021.

⁶⁴⁷ ILO, *Direct Request (CEACR) – adopted 2020, published 109st ILC session (2021): Worst Forms of Labour Convention, 1999 (No. 182) – Viet Nam (Ratification: 2000)*, NORMLEX, accessed Sep 20, 2025, [Comments](#).

⁶⁴⁸ Prime Minister, *Decision No. 622/QD-TTg Approving the National Action Plan for Implementing the 2030 Agenda for Sustainable Development*, May 10, 2017.

annual reports from the Government, Vietnam has achieved remarkable outcomes, especially the elimination of child labour, as the Target 8.7 mentioned in the last chapter. Specifically, in recent years, Vietnam has made efforts to focus on solving the problem of child labour. Focusing on perfecting regulations on the use of minors in the direction of expanding the application of regulations on the protection of minors in the informal sector, without labour relations, to strengthen the prevention and control of child labour; clearly and fully regulating permitted and prohibited jobs, working hours, rest hours, principles and conditions for the use of minors... for each group of minors (LC 2019). The results of two surveys on child labour conducted by the General Statistics Office in 2012 and 2018 showed that the situation of children participating in labour has changed positively: the scale and trend of children participating in labour have decreased sharply, while the school attendance of children participating in labour has improved significantly, from 9.6% in 2012 to 5.4% in 2018⁶⁴⁹. However, it cannot be denied that regarding the situation of child labour, the reduction of child labour still faces some difficulties and challenges, such as the following: the awareness of all levels, sectors, grassroots cadres, employers, parents, child care workers and children about child labour prevention is inadequate; the staff of all sectors and levels, especially at the local level, is still lacking and limited in the capacity to detect child labour in the community; there is limited funding for implementing models for child labour prevention, support and intervention. Child labour is mainly concentrated in the informal sector, with a tendency to expand in the supply chain, so control, inspection and examination face many difficulties⁶⁵⁰.

In addition, Vietnam has also fulfilled all the reporting procedures related to the C138 and C182, including the nearly regular reports in 2023 and the second reports in 2026⁶⁵¹.

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been recognised any evidence about this from the CEACR. In contrast, in many regions of Vietnam, the effectiveness of C138 and C182 implementation has also been regarded as the vital mission that would be pursued in the short-term and long-term periods as the last fundamental rights, especially the month of action for children annually and plans of action for children in the period 2021-2030, being consistent with the prior plans and strategies of the Government⁶⁵².

⁶⁴⁹ Ministry of Planning and Investment, *Report on the Assessment of the Implementation of the Sustainable Development Goals in 2022* (Hanoi, 2023), 70, [Bao-cao-SDG-2022.pdf](#).

⁶⁵⁰ Ministry of Planning and Investment, *Report on the Implementation of the Sustainable Development Goals 2023 (SDGs Report 2023)* (Hanoi, 2024), 28, [BaocaoSDGs2023.pdf](#).

⁶⁵¹ The upcoming regular report is scheduled for the year 2026. This content would be further examined and updated. See also at: ILO & MOLISA, *Memorandum of Understanding*, 2021.

⁶⁵² For instance, in provinces: Gia Lai, Khanh Hoa, Ha Noi, Bac Giang, Bac Ninh, Dong Nai, Kien Giang, Hung Yen, Vinh Phuc, Quang Ngai, Binh Duong, Binh Dinh, Can Tho, Dien Bien, Thai Binh, Nam Dinh, Phu Yen, Dak Nong, Ho Chi Minh, Da Nang, Vinh Long, An Giang, Bac Kan, Son La, Ninh Thuan, Gia Lai, Ba Ria - Vung Tau, etc. See: Thu Vien Phap Luat, "Search 'Action for Children'," Hanoi, accessed Sep 20, 2025, [Tra cứu hành động vì trẻ em](#).

◆ In terms of promoting civil society participation, Vietnam has continuously called for the ideas, suggestions, participation and supervision from representative organisations of employees, employers, the state and NGOs for the implementation of the National Action Program for Children for the period 2021-2030 and the National Action Plan for Implementation of the 2030 Agenda for Sustainable Development. Especially for the indicators in the SDG Index, they need to be monitored and periodically communicated with to international organisations⁶⁵³.

Therefore, with the continued and sustained efforts in collaboration with various practical solutions and national-to-local strategies to guarantee the effective implementation of C138 and C182 in Vietnam, it is no doubt to conclude that the level of compliance of labour law in this country regarding these conventions is relatively high.

5.1.1.4. Elimination of employment and occupational discrimination

The LC 2019, particularly in Chapter IV, establishes a robust legal framework to eradicate employment and occupational discrimination in Vietnam through the enactment of overarching principles regarding remuneration and specific criteria designed to ensure an equitable working environment for all.

◆ Regarding upholding/improving domestic labour law protection levels, first of all, the major amendments of the LC 2019 are to almost directly internalise the discrimination criteria according to the ILO Conventions. Specifically, the code defines discrimination in labour as including three acts: (i) Discrimination; (ii) exclusion; (iii) priority, as well as adding six dangerous discriminatory factors such as: Race, national origin, social origin, age, maternity status, political views, and family responsibilities, but with regulations on exclusion cases when not considered discrimination (Art.3)⁶⁵⁴. This definition is considered to have been and is being arranged with the standards set by the ILO⁶⁵⁵. At this time, non-discrimination becomes one of the rights of employees (Art.5) and one of the seriously prohibited acts in the labour field (Art.8). In particular, the State also considers this a labour policy "ensuring gender equality; regulating labour regimes and social policies aimed at protecting female workers, harmful workers, elderly workers, and underage workers"⁶⁵⁶.

⁶⁵³ For instance, including World Data Lab, World Data Lab FAO, UNICEF, WHO, FAO, UNAIDS, UNESCO, UNDESA, ILO, Inter-Parliamentary Union (IPU), etc. See: Ministry of Planning and Investment, *SDGs Report 2023*, 143-145.

⁶⁵⁴ Xuan Thu Nguyen and Tien Dung Nguyen, "Labour Commitments in EU-Vietnam Free Trade Agreement: Amendments, Supplements for Vietnam's Law and Some Recommendations," *Legal Professions Review* 12 (2022): 74.

⁶⁵⁵ European Chamber of Commerce in Vietnam (EUROCHAM), *EVFTA Report 2019 – The EU-Vietnam Free Trade Agreement: Perspectives from Vietnam* (2019), 61.

⁶⁵⁶ LC (2019), art. 4.7.

In addition, instead of the approach of protecting female employees by having separate regulations, the LC 2019 has revised the approach in terms of rights⁶⁵⁷ and towards the concern of both genders⁶⁵⁸. Accordingly, Chapter X of the Code was renamed from "Special regulations for female employees" to "Special regulations for female employees and ensuring gender equality". At the same time, some regulations were also revised to apply to both male and female employees⁶⁵⁹.

In particular, the change in approach from protecting female employees by prohibiting regulations to regulations empowering them to decide on issues such as doing/not doing work that adversely affects reproductive function and raising young children; or being able to decide whether to work at night, work overtime or go on business trips while raising a child under 12 months old, along with other measures to enhance maternity protection (Art.137), are very positive amendments and supplements of the LC 2019 to be compatible with the International Labour Standards on ending discrimination. It is also necessary to mention the adjustment of the retirement age roadmap between male and female workers (Art.169) which has narrowed and may move towards eliminating the gender gap in the future.

Director of Legal Department, MOLISA⁶⁶⁰

Besides, the new LC also completes the legal framework on preventing sexual harassment in the workplace through regulations on the definition of sexual harassment in the workplace. In particular, "sexual harassment in the workplace" is a sexual act of a broader nature defined as a sexual act of any person towards another person in the workplace that is not desired or accepted by that person. "Workplace" is defined as any place where the employee actually works according to the agreement or assignment of the employer⁶⁶¹. At this point, the issue of "sexual harassment at work" becomes a content of the rights of employees (Art.5), employers are required to develop and implement measures to prevent and combat sexual harassment at work (Art.6), the content of collective bargaining (Art.67), the content of labour regulations (Art.118), the basis for disciplinary dismissal (Art.125), and state policies (Art.135)⁶⁶². This change of the LC 2019, along with new obligations for employers in implementing measures to prevent sexual harassment, will prevent this behaviour at work and help women advance in their careers⁶⁶³. In this regard, Vietnam has paid attention to launching

⁶⁵⁷ Thi Thuy Lam Tran, "Overview of the 2019 Labour Code," in *Commentary on the New Provisions of the 2019 Labour Code*, edited by Thi Thuy Lam Tran and Thi Dung Do (Hanoi: Labour Publishing House, 2021), 21.

⁶⁵⁸ Thi Hoa Phuong Ha, "Comments on New Provisions Regarding Minor Employees and Certain Other Employees," in *Commentary on the New Points of the 2019 Labor Code*, ed. Tran Thi Thuy Lam and Do Thi Dung (Hanoi: Labor Publishing House, 2021), 161.

⁶⁵⁹ *Ibid.*, 162.

⁶⁶⁰ "Labour Commitment: EVFTA and Amendments and Supplements to Labour Code 2019," *ILO*, Apr 4, 2021, accessed Sep 19, 2025, [Labour Commitment in EVFTA and Amendments and Supplements of the Labour Code 2019 | International Labour Organization](#).

⁶⁶¹ LC (2019), art. 4.7.

⁶⁶² Thi Hoa Phuong Ha, "New Provisions in the 2019 Labour Code on Gender Equality," *Legal Professions Review*, no. 3 (2020): 54.

⁶⁶³ EUROCHAM, *op. cit.*, 62.

a series of workshops with topics related to sexual harassment in the workplace according to the LC 2019 and the Draft Code of Conduct on Sexual Harassment in the Workplace, alongside the participation of the ILO representative⁶⁶⁴.

On the other hand, the amendments and supplements to strengthen the protection of vulnerable groups of workers and ensure non-discrimination are reoriented and more specifically help to eliminate discrimination in employment, such as: Empowering workers with disabilities to decide whether or not to do heavy, hazardous, or dangerous work on the basis of being provided with full information and ensuring occupational safety and hygiene or working overtime, working at night (Art.160), giving flexibility to elderly workers to sign multiple fixed-term labour contracts, and agreeing on shortening working hours (Art.148 and 149)⁶⁶⁵.

Regarding the principle of equal pay for male and female workers for work of equal value according to C100, Vietnamese labour law has applied this principle in the Law on Gender Equality, the LC and guiding documents for implementation. It means that Vietnamese law has provisions stating that men and women must have equal rights to remuneration, promotion, and insurance according to law and working conditions⁶⁶⁶. In particular, employees have the right to receive wages in accordance with their professional skills on the basis of agreement with the employer⁶⁶⁷. Additionally, employers pay employees based on agreed-upon wages, labour productivity and quality of work performance. Thus, gender is not a basis for determining employees' wages. In particular, Clause 3, Art.90 of the LC 2019 stipulates: "The employer shall pay equal wages without gender-based discrimination to employees doing jobs generating same values."

Similar to the last fundamental rights, besides the legal documents passed by the National Assembly, Vietnam has issued the national strategy related to the elimination of employment and occupational discrimination, as well as strengthening the vital role of women in modern society, specifically with the Resolution No.28/NQ-CP on Issuance of National Strategy for Gender Equality in 2021-2030, by the Prime Minister, in Mar 2021. According to this, in the political sphere, the goal is to ensure that 60% of state management agencies and local authorities have female key leaders, with a target of 75% by 2030. In the economic and

⁶⁶⁴ MOLISA, "A Workshop on the Topic of Sexual Harassment in the Workplace under the 2019 Labor Code and the Draft Code of Conduct on Sexual Harassment in the Workplace," *molisa.gov.vn*, Sep 17, 2022, accessed Sep 20, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Hội thảo về chủ đề Quấy rối tình dục tại nơi làm việc của Bộ luật Lao động 2019 và dự thảo Bộ quy tắc ứng xử về Quấy rối tình dục tại nơi làm việc](#).

⁶⁶⁵ Xuan Thu Nguyen and Tien Dung Nguyen, *op. cit.*, 74.

⁶⁶⁶ EUROCHAM, *op. cit.*, 62.

⁶⁶⁷ LC (2019), art. 5.1.b.

labour fields, strive to: Increase the proportion of female wage earners to 50% by 2025 and about 60% by 2030; Reduce the proportion of female workers in the agricultural sector in the total number of employed female workers to below 30% by 2025 and below 25% by 2030; and ensure the rate of female directors/owners of enterprises and cooperatives will reach at least 27% by 2025 and 30% by 2030. Additionally, this strategy outlines targets in various areas, including family life, prevention, and response to gender-based violence, health, education, training, and information, as well as communication⁶⁶⁸.

Regarding the effectiveness of the implementation of C100 and C111 in Vietnam as fundamental conventions, besides several minor limitations raised in Chapter IV, the CEACR also mainly paid attention to these aspects:

Firstly, speaking about assessing and addressing the gender wage gap in Vietnam⁶⁶⁹.

The Committee invites the Government to step up its efforts to address the underlying causes of the persistent gender wage gap, including measures aimed at promoting women's access to a greater range of training opportunities and jobs and to higher level positions, as well as measures to encourage men and women to share career and family responsibilities more equally.

In this regard, according to the MOLISA, in the past 10 years, the Party, the Government and the Prime Minister have issued many policies and directive documents focusing on implementing solutions to support training, retraining and improving vocational skills for workers in general, and disadvantaged women in particular (women with disabilities, single women... who are not poor or near-poor households) with vocational skills that meet the requirements of the labour market, specifically, such as:

Decision No.46/2015/QD-TTg dated 28 Sep 2015 of the Prime Minister stipulating policies to support elementary level training, and training under 3 months, including female workers (women with disabilities, single women...), rural workers, and people with disabilities⁶⁷⁰.

Decision No.1190/QD-TTg dated 05 Aug 2020 of the Prime Minister approving the Programme to Support People with Disabilities for the 2021-2030 period with the goal of supporting vocational training and job creation for 200,000 people with disabilities who are in need and qualified, including disadvantaged women, in the 2021-2025 period⁶⁷¹.

⁶⁶⁸ Prime Minister, *Resolution No. 28/NQ-CP Approving the National Strategy for Gender Equality for the Period 2021–2030*, Mar 3, 2021.

⁶⁶⁹ ILO, *Observation (CEACR) – adopted 2021, published 110st ILC session (2022): Equal Remuneration Convention, 1951 (No. 100) – Viet Nam (Ratification: 1997)*, NORMLEX, accessed Sep 20, 2025, accessed Sep 20, 2025, [Comments](#).

⁶⁷⁰ Prime Minister, *Decision No. 46/2015/QD-TTg on Policies Supporting Training at the Primary Level and Short-Term Vocational Training under 3 Months*, Sep 28, 2015.

⁶⁷¹ Prime Minister, *Decision No. 1190/QD-TTg Approving the National Programme on Assistance for Persons with Disabilities for the Period 2021–2030*, Aug 5, 2020.

Decision No.17/2021/QĐ-TTg dated 31 Mar 2021 of the Prime Minister regulating vocational training support policies for workers participating in unemployment insurance, including disadvantaged women⁶⁷².

Resolution No.19-NQ/TW dated 16 Jun 2022 of the 13th Party Central Committee on agriculture, farmers, and rural areas to 2030, with a vision to 2045, including the content on human resource training in agriculture and rural areas⁶⁷³.

Resolution No.06/NQ-CP dated 10 Jan 2023 of the Government on developing a flexible, modern, effective, sustainable and integrated labour market for rapid socio-economic recovery⁶⁷⁴.

Also according to the MOLISA, in the national target programs for the period 2021-2025, including support for elementary level training, training under 03 months for rural workers, ethnic minorities, people from poor and near-poor households and other policy beneficiaries, including disadvantaged women, the MOLISA has directed localities and vocational training establishments to only organise training when determining the workplace and income of learners, linking vocational training with the labour needs of enterprises, the labour market, linking vocational training with strategies and plans for socio-economic development, planning for new rural construction and sustainable poverty reduction. In addition, to contribute to improving the quality of rural vocational training, including for disadvantaged women, the MOLISA is finalising the draft project "Innovation and improvement of rural vocational training quality by 2030" to submit to the government for promulgation in 2024⁶⁷⁵.

Thus, the policy to support vocational training for workers, including disadvantaged female workers, has been issued, and resources for implementation have been ensured in national target programmes and other programmes and projects with vocational training content.

Representative of MOLISA

Also according to the MOLISA, on the basis of the Law on Employment 2013, the Government and the Prime Minister have also issued policies to support job creation to promote employment for workers, including female workers and workers after vocational training (loan policies to support job creation from the National Employment Fund and other preferential

⁶⁷² Prime Minister, *Decision No. 17/2021/QĐ-TTg on the Level of Vocational Training Support for Unemployed Workers Participating in Unemployment Insurance*, Mar 31, 2021.

⁶⁷³ Central Committee of the Communist Party of Vietnam, *Resolution No. 19-NQ/TW on Agriculture, Farmers, and Rural Areas to 2030, Vision to 2045*, Jun 16, 2022.

⁶⁷⁴ Prime Minister, *Resolution No. 06/NQ-CP on Developing a Flexible Labour Market to Rapidly Recover the Socio-Economic Situation*, Jan 10, 2023.

⁶⁷⁵ Government Inspectorate of Vietnam, "Policies Supporting Vocational Training for Workers and Disadvantaged Women Have Been Ensured," *Thanh Tra Newspaper*, Mar 27, 2023, [Chính sách hỗ trợ đào tạo nghề cho người lao động và phụ nữ yếu thế đã được đảm bảo](#).

credit sources; policies to support job transition for workers in rural areas; public employment policies; support for sending workers to work abroad under contracts; support for job creation for vulnerable labour groups; policies to support labour market development, development of employment service organisations to support connection between labour supply and demand, development of labour market information systems; policies on unemployment insurance...)⁶⁷⁶

In fact, an ILO survey found that non-compliance with laws on discrimination in the workplace is very low among surveyed enterprises⁶⁷⁷. Especially, Vietnam has a high female labour force participation rate of 74%, exceeding the global average by 20 percentage points⁶⁷⁸. In addition, while the global gender pay gap is 23% (women earn 77% of what men earn for the same type of work), Vietnam sees a relatively lower gap of 13%⁶⁷⁹.

Secondly, speaking about discrimination based on sex and sexual harassment⁶⁸⁰.

The Committee asks the Government to provide information on the application of the relevant provisions of the LC and the Decree No.145/2020/ND-CP, including examples of measures adopted to prevent sexual harassment pursuant to section 135 of the LC and examples of internal regulations setting out measures and procedures to prevent and address cases of sexual harassment at work.

The Committee also asks the Government to provide information on any cases of sexual harassment addressed by the labour inspectors and the judiciary, as well as disciplinary measures, including dismissal, applied by employers pursuant to the LC 2019.

The Committee also requests the Government to provide information on the revision of the Code of Conduct on Sexual Harassment in the Workplace 2015 and its outcome.

CEACR, ILO

The phrase “sexual harassment” first appeared in the LC 2012, but after 08 years of implementation, there is no specific guidance document on what sexual harassment is and how to handle it. In 2015, the Code of Conduct against Sexual Harassment in the Workplace was signed and issued by the MOLISA, the VGCL and the VCCI. Sexual harassment is identified in 03 groups: physical, non-physical and verbal harassment. However, this code of conduct is not a mandatory document; whether or not it should be implemented depends on the awareness of the employer.

⁶⁷⁶ According to statistics, as of Mar 2024, the total outstanding loan programme for job creation reached over VND 94,513 billion (of which, capital from the National Employment Fund is about VND 4,539 billion; capital mobilised by the Social Policy Bank is about VND 54,332 billion; and local capital entrusted to the Social Policy Bank is about VND 35,642 billion), contributing to supporting the creation, maintenance and expansion of jobs for hundreds of thousands of workers each year (rural workers account for about 90%; female workers account for about 55%; ethnic minority workers account for about 10%; and workers with disabilities account for about 5%). See: Government Inspectorate of Vietnam, “Policies Supporting Vocational Training for Workers and Disadvantaged Women.”

⁶⁷⁷ ILO, *Better Work: Annual Report 2017 – An Industry and Compliance Review* (Geneva: International Labour Office; International Finance Corporation, 2018).

⁶⁷⁸ Tin Nguyen, “Closing the Gender Gap: What Is the Finish Line?” *Forbes Vietnam*, Nov 16, 2023, [Thu hẹp khoảng cách về giới: Đầu là vạch đích? - Forbes Việt Nam](#).

⁶⁷⁹ Ibidem.

⁶⁸⁰ accessed Sep 20, 2025, [Comments](#)

As discussed, the LC 2019 continues to revise the content of sexual harassment with a clear definition, specifically stipulating that enterprises must issue written regulations and ensure that there are measures to prevent and combat it. However, the regulations do not meet the situations arising in practice, and harassment is still difficult to identify.

Currently in Vietnam there is no adequate research to assess the current level of sexual harassment in the workplace. Sexual harassers are often people in power, not necessarily high-ranking, sometimes just technical people in garment factories, for example, in the nature of demands, exchanges, and coercion. Sexual harassment also occurs between colleagues. Very few people understand the situation thoroughly, especially in Vietnam. Something that needs to change is joking about sex. Most people still think it's just a joke without knowing that people are making the atmosphere unhealthy.⁶⁸¹

Director of the Institute for Social Development Studies

In terms of the revision of the Code of Conduct on Sexual Harassment 2015 in the Workplace, the biggest difficulty is the evidence of verbal and physical harassment without direct contact.

Without video evidence, without proof of the behaviour or consequences of the behaviour, it is very difficult to handle. In addition, the responsibility of the authorities in detecting and handling the case is often not timely, leading to many cases not being thoroughly resolved, the victims feeling resentful, and even in some cases the victims being blamed.

Lawyer of Hanoi Bar Association

Another side is from an internal survey on sexual harassment prevention to gain insights into the issue between Aug-Sep 2023, conducted by Better Work Vietnam. The survey collected responses from over 500 respondents in around 100 participating factories. It revealed that individuals experiencing sexual harassment often refrain from sharing or reporting their cases.

Verbal forms of sexual harassment and unwanted touching emerged from the survey as the more prevalent issues, also revealing a widespread lack of understanding about the various forms of such behaviour, particularly among male respondents. These findings align with those included in Better Work's discussion paper on sexual harassment prevention in the global garment industry, published in Jul 2023. Here, evidence shows that sexual harassment interventions are taking place in a "hierarchical, patriarchal culture, shaped by a fundamental lack of acknowledgement of sexual harassment, and a culture of silence where women are largely afraid to report"⁶⁸².

⁶⁸¹ Minh Hieu, "Sexual Harassment in the Workplace: A Joke or a Serious Issue?," *Voice of Vietnam Traffic*, Jun 12, 2022, [Quấy rối tình dục nơi công sở: Chuyên dễ đùa, khó xử lý.](#)

⁶⁸² "Promoting Change: Better Work Vietnam Takes on Sexual Harassment and Gender-Based Violence through Targeted Initiatives," *Better Work Vietnam*, accessed Sep 18, 2025, [Promoting change: Better Work Viet Nam takes on sexual harassment and gender-based violence through targeted initiatives - Better Work.](#)

Despite the lack of systematic research on employment discrimination, evidence suggests that gender, age, and appearance discrimination in employment is not uncommon. Among employment discrimination based on gender, race, age, disability, and religion, gender and disability discrimination appear to be more prevalent in Vietnam. It is not uncommon to see job advertisements specifically requesting attractive young women under a certain age, or, conversely, advertisements seeking young male candidates. Facilitating the participation of people with disabilities is rarely observed⁶⁸³.

The actual data shows that less than 5% of surveyed enterprises engage in gender discrimination, which often involves stating a gender preference in job advertisements (e.g. recruiting female workers in garment factories). External reports and research show that many forms of discrimination, particularly against pregnant women, persist but are underreported. For example, hiring women on short-term fixed-term contracts where they can be easily terminated (and without maternity benefits) if they become pregnant. Or employers may require physical tests such as jumping on the spot to screen out pregnant workers during recruitment⁶⁸⁴.

Therefore, it is believed that more practical strategy plans should be considered carefully in this country to effectively prevent employees from discrimination based on sex and sexual harassment, and first of all, things to be done are to launch systematic research on employment discrimination at the workplace so that the labour inspectors, the judiciary, employees, and even employers would have the whole picture of this phenomenon in Vietnam before initiating other meaningful solutions.

Thirdly, speaking about restrictions on women's employment.

In line with the previously mentioned viewpoints, Vietnam has made significant positive changes to its legislation, particularly in the LC 2019, which the CEACR highly praises. However, in reality, the implementation of these changes may raise concerns about their effectiveness⁶⁸⁵:

Welcoming these changes, the Committee asks the Government to provide information on the application in practice of both sections 137 and 142 of the LC 2019, and in particular, regarding: (i) whether the reduction of daily working time provided for in section 137(2) applies to pregnant women; and (ii) whether any awareness-raising activities have been foreseen or undertaken for workers and employers,

⁶⁸³ Quang Canh Le and Le Hai Ha Dinh, *Practical Cases in Vietnam on Responsible Business Practices* (Hanoi: National Economics University Publishing House, 2023), 14.

⁶⁸⁴ *Ibidem*.

⁶⁸⁵ ILO, *Observation (CEACR) – adopted 2021, published 110th ILC session (2022): Discrimination (Employment and Occupation) Convention, 1958 (No. 111) – Viet Nam (Ratification: 1997)*, NORMLEX, accessed Sep 20, 2025, accessed Sep 20, 2025, [Comments](#).

and their respective organisations, as well as public enforcement officials, regarding these two provisions.

Based on the key findings of the empirical research conducted in a province in the middle region of Vietnam⁶⁸⁶ and through research at businesses operating in the province, it shows that the enforcement of laws on the use of female labour is still not really guaranteed.

On the one hand, regarding the implementation of some specific provisions of the LC for female workers, Tho Xuan district has always paid attention to leading, directing, and issuing many plans, creating favourable conditions for units and enterprises to ensure gender equality and policies for female workers. Specifically, The District Women's Union has coordinated with the Department of Labour, Invalids and Social Affairs to provide vocational training for female workers, pay attention to supporting women in economic development, and establish a model to support female workers in units and enterprises.

From 2021 to the end of the first quarter of 2024, the district Social Insurance agency has paid benefits to 13,657 female workers with an amount of more than 71 billion VND. Creating conditions for female workers who are pregnant, raising young children, maternity benefits, hygiene conditions, and shift meals at enterprises are guaranteed. Relevant units also organise periodic health check-ups and gynecological check-ups for female workers in many forms, and provide care for pregnant female workers and those raising young children.

Representative of Department of Labour, Invalids and Social Affairs

On the other hand, the implementation of some specific regulations for female workers of the LC in some communes, wards and enterprises in the whole province has not properly implemented the regulations on policies specifically for female workers, such as not examining gynaecologists when having periodic health check-ups for female workers and not properly implementing the regulation "female workers during the period of raising children under 12 months old are entitled to 60 minutes off/day during working hours to breastfeed, express, store milk, and rest"... Adiana Shoes Vietnam Company Limited - Tho Xuan Branch built a milk expression and storage room far from the production site, causing inconvenience to workers. Most enterprises have difficulty in building nurseries and kindergartens due to lack of land and funding...In addition, some enterprises violate social insurance regulations, such as only paying social insurance for workers when they are pregnant. Late payment and evasion of payment of social insurance, health insurance, and unemployment insurance affect the rights and payment time of social insurance regimes of female workers.

⁶⁸⁶ The research has been mainly conducted in Thanh Hoa Province, and Tho Xuan, Quang Xuong and Yen Dinh District with 03 representative companies: 888 Company Limited (Main industry: Sewing clothes (except fur clothes)); Jasan Thanh Hoa Knitting Company Limited (Main industry: Production of knitted and crocheted garments) and Adiana Shoes Vietnam Company Limited - Tho Xuan Branch (Main industry: Shoe manufacturing).

In some enterprises, the working conditions of female workers are still difficult such as hot and noisy workshops, most female workers have to stand all the time working because they have to work on the assembly line; female workers after giving birth, in addition to the State's regulations, have almost no additional allowances. A number of small, micro-small enterprises, and private enterprises have not paid attention to implementing policies for workers in general and female workers in particular...

Inspection, supervision and urging of the implementation of the LC are still limited, especially at the grassroots level. There is no separate inspection and supervision content on the implementation of labour regulations for female workers.

President of Provincial Women's Union

So in order to effectively implement the specialised provisions for female workers of the LC 2019 in the near future, more feasible and enhanced solutions should be taken into account on a large scale and point out the limits of the implementation of these regulations. That would be very significant for Vietnam to guarantee the effectiveness of the ILO fundamental conventions.

In addition, Vietnam has also fulfilled all the reporting procedures related to the C100 and C111, including the nearly regular reports in 2021 and the upcoming reports in 2024⁶⁸⁷.

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been recognised any evidence about this from the CEACR. In contrast, in many regions of Vietnam, the effectiveness of C100 and C111 implementation has also been regarded as the vital mission that would be pursued in the short-term and long-term periods as the last fundamental rights, especially the month of action for gender equality, being consistent with the prior plans and strategies of the Government⁶⁸⁸.

◆ In terms of promoting civil society participation, Vietnam has continuously called for the ideas, suggestions, participation and supervision from representative organisations of employees, employers, the State, and NGOs, and it should be highlighted that the Vietnamese Women's Union has a significant role in the implementation of the National Action Program for Gender Equality and the National Action Plan for Implementation of the 2030 Agenda for Sustainable Development. Especially for the indicators in the SDG Index, they need to be monitored and periodically communicated with international organisations⁶⁸⁹.

⁶⁸⁷ The upcoming regular report is scheduled in the year 2026. This content would be further examined and updated. See also at: ILO & MOLISA, *Memorandum of Understanding*, 2021.

⁶⁸⁸ For instance, in provinces: Gia Lai, Binh Thuan, Can Tho, Bac Kan, Ha Noi, Ho Chi Minh, Binh Dinh, Phu Tho, Dak Lak, Phu Yen, Thai Binh, Nghe An, Quang Ngai, Thanh Hoa, Ninh Binh, Kon Tum, An Giang, Thua Thien Hue, Hai Phong, Tuyen Quang, Vinh Long, Tra Vinh, Ba Ria-Vung Tau, Da Nang, Kien Giang, Gia Lai, Bac Ninh, Nghe An, Son La, etc. See: Thu Vien Phap Luat, "Search 'Month of Action for Gender Equality'," Hanoi, accessed Sep 20, 2025, [Tra cứu "tháng hành động vì bình đẳng giới"](#).

⁶⁸⁹ For instance, including UNESCO, UNDESA, ILO, Inter-Parliamentary Union (IPU), etc. See: Ministry of Planning and Investment, *SDGs Report 2023*, 48-56, 143.

Therefore, with the continued and sustained efforts in collaboration with various practical solutions and national-to-local strategies to guarantee the effective implementation of C100 and C111 in Vietnam, even though present limits are still recorded in several areas, it is not exaggerated to conclude that the level of compliance of labour law in this country regarding these conventions is relatively high.

5.1.2. Promoting Corporate Social Responsibility

As outlined in Chapter IV, Vietnam exhibits a considerable legislative deficiency in regulating CSR for workers, in contrast to the legal frameworks of the EU and its member states, owing to the lack of explicit legal instruments and constraints within current legislation. However, it is crucial to emphasise that Vietnam has enacted effective initiatives to enhance compliance with labour regulations in this domain. For additional information:

◆ Regarding upholding/improving domestic labour law protection levels to ensure compliance with Vietnam's international commitments in bilateral and multilateral economic cooperation frameworks, especially the EVFTA and CPTPP, the Deputy Prime Minister has just signed Decision No.843/QD-TTg dated 14 Jul 2023 promulgating the National Action Program to improve policies and laws to promote responsible business practices in Vietnam for the period 2023-2027⁶⁹⁰.

The Program's objectives are to raise awareness and capacity; Review and improve policies and laws and improve the effectiveness of policy and law enforcement (including improving the effectiveness and promoting access to remedies) to promote responsible business practices in Vietnam in the period of 2023-2027 to promote the positive aspects and minimise the negative aspects of economic and business development activities on society and the environment (focusing on the fields of investment, labour, environment; protecting the legitimate rights and interests of workers, consumers and vulnerable groups), thereby contributing to promoting the development of a circular economy, perfecting the socialist-oriented market economic institutions of Vietnam.

The specific objective of the program is to raise awareness and capacity of state agencies, enterprises and the community on responsible business practices, contributing to the implementation of the 2030 Agenda for Sustainable Development. At the same time, this is to

⁶⁹⁰ Prime Minister, *Decision No. 843/QD-TTg on Completing Policies to Promote Responsible Business Practices*, Mar 22, 2023.

ensure that the State promulgates policies and laws on responsible business practices in accordance with international commitments to which the Socialist Republic of Vietnam is a member; develop priority measures and incentives for enterprises to practice responsible business and guarantee that enterprises comply with legal regulations on responsible business practices; encourage enterprises to practice responsible business beyond the minimum level prescribed by law; thereby contributing to sustainable socio-economic development and improve the efficiency and quality of law enforcement related to responsible business practices of enterprises in Vietnam, including improving the effectiveness of inspection, supervision and promoting access to remedies and perfecting sanctions to handle violations related to responsible business practices in Vietnam⁶⁹¹.

To achieve the above objectives, the Program sets out specific tasks and solutions such as: Training to raise awareness and enhance capacity for relevant agencies, organisations, businesses and people on policies and laws on responsible business practices; improving the capacity of those with the authority to sanction administrative violations, investigators, and legal consulting capacity of lawyers in activities related to responsible business practices; developing columns to propagate and disseminate policies and laws on responsible business practices for broadcast on mass media, and to improve policies and laws, the Program conducts reviews, researches and proposes to complete documents on the following areas: investment, labour, protection of the rights of vulnerable groups, environmental protection, protection of consumer rights, etc.

In this regard, Vietnam has strictly followed their aforementioned tasks and solutions. Specifically, it could be mainly mentioned that:

“Preliminary Assessment of Vietnam’s Legal Framework on Responsible Business Practices” was conducted within the framework of the Responsible Business Project implemented by the United Nations Development Programme (UNDP) Vietnam in collaboration with the Ministry of Justice of Vietnam with the support of the Government of Sweden in Oct 2020⁶⁹².

Following that project, the Ministry of Justice made a Decision No.2306/QĐ-BTP, dated 02 Oct 2023, on Promulgating the Plan to Implement the National Action Program to Improve Policies and Laws to Promote Responsible Business Practices in Vietnam for the

⁶⁹¹ <https://dangcongsan.vn/day-manh-cai-cach-tu-phap-va-hoat-dong-tu-phap/duong-loi-chinh-sach/hoan-thien-chinh-sach-va-phap-luat-thuc-day-thuc-hanh-kinh-doanh-co-trach-nhiem-tai-viet-nam-641871.html>

⁶⁹² *Preliminary Assessment of Responsible Business Practices in Viet Nam* (Hà Nội: Ministry of Justice and UNDP, 2020).

2023-2027 period of the Ministry of Justice⁶⁹³, and then on 18 Oct 2023, the Ministry of Justice held a conference on "Implementing the National Action Program to improve policies and laws to promote responsible business practices in Vietnam for the period 2023-2027" in specific areas such as training, handling administrative violations, lawyers, disseminating laws, publishing... and the need to focus on training to raise awareness and enhance capacity for relevant agencies and organisations as well as specific positions such as investigators, lawyers and especially raise awareness for businesses and people about policies and laws on responsible business practices⁶⁹⁴.

On 14 Mar 2024, the Ministry of Justice organised a Workshop on International Experience Exchange on Responsible Business Practices. The workshop aimed to enhance capacity and provide information to ministries, ministerial-level agencies, government agencies, localities, relevant organisations and associations on the National Action Program to improve policies and laws to promote responsible business practices in Vietnam for the period 2023-2027⁶⁹⁵. And, most recently, on 12 Dec 2024, the Ministry of Justice coordinated with the UNDP Vietnam to organise a forum to share experiences in promoting responsible business practices in Vietnam⁶⁹⁶.

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been recognised any evidence about this from the EU DAG. In contrast, in many regions of Vietnam, the implementation of CSR, or responsible business practices, has also been regarded as the vital mission that would be pursued in the short-term and long-term periods as the strategic plans to achieve SDGs, being consistent with the prior Decision No.843/QD-TTg of the Government⁶⁹⁷.

◆ In terms of promoting civil society participation, Vietnam has continuously called for the ideas, suggestions, participation and supervision from representative organisations of employees, employers, the state, and NGOs for the implementation of the National Action Program to improve policies and laws to promote responsible business practices in Vietnam

⁶⁹³ Ministry of Justice, *Decision No. 2306/QĐ-BTP on the Implementation Plan for the National Action Program to Improve Policies and Laws Promoting Responsible Business Practices in Vietnam for the Period 2023–2027*, Oct 2, 2023.

⁶⁹⁴ Ministry of Justice, "Implementation of the National Action Program on Improving Policies and Laws in Vietnam for the Period 2023–2027," *moj.gov.vn*, Oct 20, 2023, accessed Sep 19, 2025, [Triển khai Chương trình hành động quốc gia hoàn thiện chính sách và pháp luật tại Việt Nam giai đoạn 2023-2027](#).

⁶⁹⁵ *Vietnam Law Newspaper*, "Sharing International Experiences on Responsible Business Practices," accessed Sep 19, 2025, [Chia sẻ kinh nghiệm quốc tế về thực hành kinh doanh có trách nhiệm](#).

⁶⁹⁶ Ministry of Justice, "Raising Awareness and Promoting Responsible Business Practices in Vietnam," *moj.gov.vn*, Dec 12, 2024, accessed Sep 19, 2025, [Nâng cao nhận thức, thúc đẩy thực hành kinh doanh có trách nhiệm tại Việt Nam](#).

⁶⁹⁷ For instance, in provinces: Ba Ria-Vung Tau, Vinh Phuc, Dong Thap, Ca Mau, Quang Ngai, Son La, Dak Nong, Tuyen Quang, Lai Chau, Bac Giang, Binh Dinh, Binh Thuan, Hai Phong, Quang Ninh, etc. See: Thu Vien Phap Luat, "Search 'Responsible Business Practice'," Hanoi, accessed Sep 20, 2025, [Tra cứu "thực hành kinh doanh có trách nhiệm"](#).

for the period 2023-2027. Especially it should be highlighted that the UNDP Vietnam has played a significant role in recent times⁶⁹⁸. In CSR activities in Vietnam up to now, there are some common points implemented by pioneering enterprises. Specifically:

Creating jobs and developing skills: In addition to creating jobs for the community, enterprises often invest in training and developing skills for workers, helping to improve their quality of life and competitiveness in the labour market.

Respecting human rights and business ethics: Enterprises often commit to complying with business ethics standards, which include ensuring the human rights of workers and their safety and health. Namely, besides other numerous enterprises in Vietnam⁶⁹⁹:

To support internal employees, Bosch has implemented many activities. Bosch has initiated numerous postgraduate training programmes, vocational training, and leadership development training.

Representative of Bosch Vietnam

Panasonic focuses on two areas: education and environment, aiming at the United Nations' sustainable development goals, because these are two areas that the company believes will bring many practical benefits to the country's future generations. In the field of education, for nearly 20 years, Panasonic scholarships have nurtured generations of young talents, providing learning opportunities for nearly 100 students from many regions of the country with a total value of up to 52 billion VND.

Panasonic Vietnam Representative

One of Unilever Vietnam's key programmes is to empower women, contributing to promoting gender equality in Vietnam, notably the programme Vietnamese Women Confidently Doing Business, sponsored by the Sunlight brand. This program has spread to 32 provinces and trained more than 100,000 women; it will continue to expand until 2027.

Unilever's Vietnam CSR plan

FPT focusses on investing in social responsibility activities, with education being a key area, including the Hope School project. Hope School is a place to nurture children who have unfortunately lost their parents due to COVID-19. FPT hopes to bring a better life to the future generation, especially those in less fortunate circumstances, by providing a quality learning environment and access to modern technology.

FPT Corporation Representative

In sum, although until now, there have not been major changes in the legislation of Vietnam regarding the CSR, with the continued and sustained efforts in collaboration with various practical strategic plans and national-to-local strategies to fulfil the requirements from

⁶⁹⁸ UNDP Vietnam, "A Key Milestone in Enhancing Responsible Business Practices in Viet Nam," Jul 17, 2023, [A Key Milestone in Enhancing Responsible Business Practices in Viet Nam | United Nations Development Programme](#).

⁶⁹⁹ Including, but not limited to, HSBC Vietnam, Loc Troi Group, Honda Vietnam, Intel Products Vietnam, GreenFeed Vietnam, Vinamilk, Cargill Vietnam, Samsung Vina, Holcim Vietnam, VinGroup, P&G Vietnam, Coca-Cola. See: Forbes Vietnam, "CSR," Hanoi, accessed Sep 20, 2025, [CSR - Forbes Việt Nam](#).

the EU in this regard. In other words, it is not an overstatement to conclude that the level of compliance of Vietnamese labour law regarding the CSR is acceptable.

5.1.3. Promoting ILO Decent Work Agenda

In the last chapter, it has been proven that there is a firm legal foundation for ILO DWA in Vietnam regarding three key pillars, including employment promotion, social protection, and social dialogue. In reality, it should be highlighted that:

◆ Regarding upholding/improving domestic labour law protection levels, this is the fourth Decent Work Country Programme between the ILO and tripartite constituents (the Government, the workers' and employers' organisations) to address the decent work challenges with an aim to assuring all Vietnamese women and men opportunities for work that is productive and delivers a fair income; security in the workplace and social protection for families; better prospects for personal development and social integration and freedom for people to express their concerns, organise and participate in decisions that affect their lives⁷⁰⁰.

Accordingly, *Vietnam has adopted a national strategy on decent work, targeting a series of priorities to pursue strategic objectives*. Specifically, since Vietnam rejoined the ILO in 1992, Vietnam and the ILO have been implementing four cooperation programmes on decent work that involve the following: (1) a cooperation programme to support Vietnam in developing its LC when Vietnam had to create a new legal framework to govern the labour market as part of the Doi Moi process (1994); (2) Decent Work Country Programme in Viet Nam, 2012–2016; (3) Decent Work Country Programme in Viet Nam, 2017-2021 (4) Decent Work Country Programme in Viet Nam, 2022-2026. And Vietnam, in its country programme, sets priorities based on the guidelines of the ILO and aligns them closely with the aims of the ILO DWA. In particular, the current Decent Work Country Programme sets out three priorities, which are:⁷⁰¹

Country Priority 1 (Decent work during economic transformation): By the year 2026, individuals in Vietnam, particularly those who are vulnerable, would actively participate in and get fair advantages from a sustainable, inclusive, and gender-responsive economic transformation. This transformation will be driven by innovation, entrepreneurship, increased productivity, competitiveness, and decent work.

⁷⁰⁰ ILO, *Decent Work Country Programme Viet Nam 2022–2026: The Future of Work We Create* (Geneva: ILO, 2023), [Decent Work Country Programme Viet Nam 2022-2026: The future of work we create | International Labour Organization](#).

⁷⁰¹ Memorandum of Understanding between the Government of the Socialist Republic of Viet Nam, Workers' and Employers' Organisations and the ILO on the Decent Work Country Programme in Viet Nam, 2022-2026.

Country Priority 2 (Social protection for inclusive development): By 2026, individuals in Vietnam, particularly those who are economically disadvantaged and vulnerable to exclusion, will experience the advantages of comprehensive, gender-responsive, disability-inclusive, fair, accessible, and high-quality social services and social protection systems. They will also make significant progress in overcoming poverty in all its aspects and gain the ability to fully realise their potential.

Country Priority 3 (Governance for Decent Work): By 2026, individuals in Vietnam, particularly those who are vulnerable to being marginalised, will experience advantages and actively participate in a society that is fair, secure, and inclusive. This will be achieved through enhanced governance, more accountable institutions, reinforced adherence to legal principles, and the safeguarding and promotion of human rights, gender equality, and freedom from all types of violence and discrimination. These efforts align with Vietnam's international obligations.

Second, Vietnam has established appropriate indicators to monitor and evaluate progress achieved. With more details, Vietnam has unequivocally demonstrated its commitment to achieving the goals of sustainable development and decent work for all through the publication of a catalogue of targets. The National SDG closely align with SDG 8 but also include special duties tailored to the socio-economic conditions of the country. Additionally, they designate specific agencies accountable for executing and coordinating the achievement of these goals.⁷⁰²

Table 18. Vietnam’s SDGs in terms of decent work

Target 8.1 (SDG 8.1)	Sustain per capita GDP growth rate of 4 - 4.5%/year and annual GDP growth rate of 5 - 6% on average. (Pursue effective international integration to increasingly attract and effectively utilise international support relating to trade and participate in high value-added global production chains (SDG 8.a)).
Target 8.2 (SDG 8.2)	Increase productivity through accelerating economic restructuring, transforming the economic growth model, upgrading and renovating technology, through a focus on high value-added and labour-intensive sectors.
Target 8.3 (SDG 8.3)	Promote development-related policies that support productive activities, create decent jobs creation, entrepreneurship, creativity and innovation; encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through improving access to financial services.
Target 8.4 (SDG 8.4)	By 2030, increase the efficiency of resource use in production and consumption, minimise the impacts of economic growth on environmental degradation, in accordance with the 10-year framework of programmes on sustainable production and consumption of Viet Nam.
Target 8.5 (SDG 8.5)	By 2030, achieve full and productive employment and decent work for all men and women, including for young people and persons with disabilities, and ensure equal pay for work of equal value.
Target 8.6 (SDG 8.6; 8.b)	By 2030, substantially reduce the proportion of young people not in employment, education or training; make proactive efforts in effectively implementing ILO’s Global Jobs Pact.
Target 8.7 (SDG 8.7)	Take timely and effective measures to eradicate forced labour, end modern slavery and human trafficking, and prevent and abolish child labour in all its forms.
Target 8.8 (SDG 8.8)	Protect labour rights and promote safe and secure working environments for all workers, particularly female migrant workers and workers in the informal sector.
Target 8.9 (SDG 8.9)	By 2030, develop sustainable tourism, creates jobs and turns out products/services that are competitive with countries in the region and the world; and promote local cultures and products.
Target 8.10 (SDG 8.10)	Strengthen the capacity of domestic financial institutions to encourage and expand access to financial, banking and insurance services for all citizens.

Source: the authors’ analysis

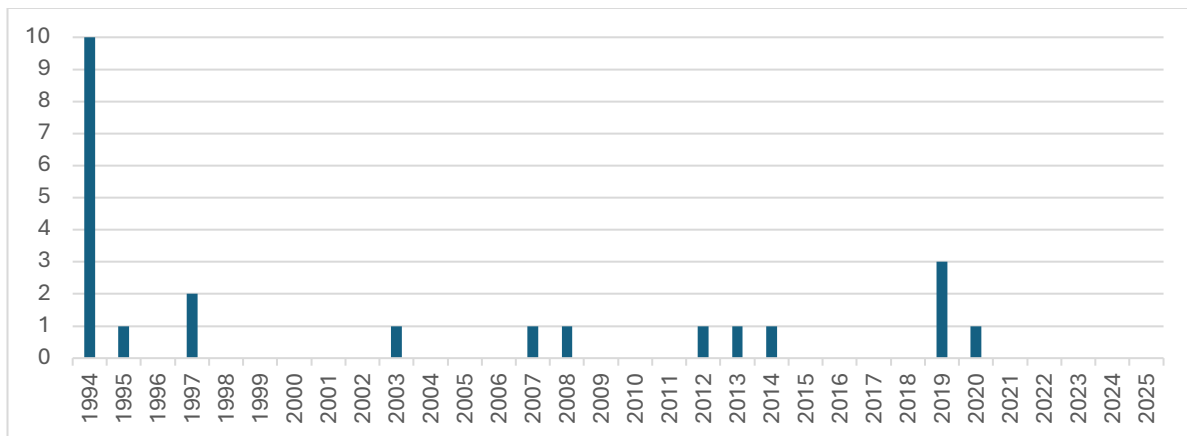
⁷⁰² Decision 622/QĐ-TTg dated 10 May 2017 on National action plan to implement the 2030 Agenda for Sustainable Development issued by the Prime Minister.

Third, Vietnam has relatively complete ratification of the ILO's core conventions with respect to increasing coverage of each of the strategic objectives set out in the ILO DWA.

Viet Nam has been a member of the ILO since 20 May 1992. The ILO Country Office was established in Hanoi in 2003 and remains one of the organisation's biggest country offices. The main aims of the ILO in Viet Nam are to promote rights at work, encourage decent employment opportunities, enhance social protection, and strengthen dialogue on work-related issues⁷⁰³.

Accordingly, Vietnam has ratified a total of 25 conventions and is bound by 23 ILO conventions. Vietnam has officially ratified 9/10 core conventions out of these, with the exception of C087, which remains unratified. Out of the ILO Governance Conventions, C081, C122, and C144 have been officially ratified, whereas C129 remains unapproved.⁷⁰⁴ The ratification cycle shown in the chart demonstrates Vietnam's preparedness to fulfil its international commitments.⁷⁰⁵ It appears that after the signing of the EVFTA in 2020, the ratification of the outstanding ILO convention has largely stalled; however, the implementation of ratified fundamental conventions, for instance, C098 in reality, is still at a high level⁷⁰⁶.

Figure 10. ILO Convention ratification by year 1994-2025



Source: the authors' analysis

Being an ILO member and having signed the most comprehensive and expected FTA with the EU, Vietnam is expected to consistently uphold policies and practices and, moreover, utilise all possible measures to fulfil its legal obligation of promoting decent work. In fact, Vietnam has been pursuing actions on decent work, corresponding to its obligations under the

⁷⁰³<https://www.ilo.org/regions-and-countries/asia-and-pacific/viet-nam#:~:text=On%2020%20May%201992%2C%20Viet,for%20collaboration%20with%20the%20ILO.>

⁷⁰⁴ ILO, *NORMLEX Viet Nam*, accessed Sep 7, 2025, [International Labour Standards country profile: Viet Nam \(ilo.org\)](https://www.ilo.org/normlex/en/f?p=1000:12000:0::NO::).

⁷⁰⁵ ILO, *Country Programme Review*, 71.

⁷⁰⁶ See more in Chapter V, Section 5.1.1.1

ILO. Yet, there exists a distinct disparity between Vietnam's commitment to decent work within trade agreements and its national programmes, which we will delve into in the next part.

Although time is still remaining to assess the whole phase of this programme, it is undoubted that Vietnam has strictly complied with these strategic plans and achieved positive outcomes. For instance, in the years 2022-2023, all levels, sectors and localities have resolutely, synchronously, substantially and effectively implemented the tasks and solutions set out to develop the economy. Sectors and fields continue to be restructured, in which the agricultural sector is promoted and encouraged to develop green, clean, ecological, organic, circular, high-tech, smart agriculture, adapting to climate change. In 2023, the GDP growth rate reached 5.05%, lower than in 2022 (8.02%) and the set target but at a high level in the world and in the region; the GDP scale at current prices continues to increase, estimated at 10,221.8 trillion VND, equivalent to 430 billion USD, entering the group of upper middle-income countries; labour productivity of the whole economy at current prices is estimated at 199.3 million VND/worker (an increase of 274 USD compared to 2022). The legal system has been improved, ensuring effective implementation of the 2013 Law on Employment, piloting the first national online job exchange, and promptly supporting people and workers who have lost their jobs or had their working hours reduced. Accordingly, the unemployment rate continues to remain at 2.1%; the average monthly income of workers is 7.1 million VND, an increase of 6.9% compared to 2022⁷⁰⁷. With the positive outcomes and potential perspective, from Mar 2023, ILO has selected Vietnam as a partner for the Decent Work Supply Chain Survey - Pilot on the electronics supply chain in Viet Nam⁷⁰⁸.

The pilot project in Vietnam holds great significance as it offers a practical database that aids policymakers in accurately assessing and building labour and employment policies in the electronics industry. This, in turn, enhances the effectiveness of these policies in other industries and countries, thereby promoting the implementation of decent work goals for everyone worldwide.

ILO representative⁷⁰⁹

◆ Regarding other aspects, like non-lowering domestic labour law, there has not been recognised any evidence about this from the EU DAG. In contrast, in many regions of Vietnam, the implementation of DWA has also been regarded as the vital mission that would be pursued

⁷⁰⁷ Ministry of Planning and Investment, *SDGs Report 2023*, 29.

⁷⁰⁸ *Decent Work Supply Chain Survey: Pilot on the Electronics Supply Chain in Viet Nam* (Geneva: ILO, Oct 13, 2023), [Decent Work Supply Chain Survey - Pilot on the electronics supply chain in Viet Nam | International Labour Organization](#).

⁷⁰⁹ Within the 21st International Conference of Labour Statisticians: <https://live.ilo.org/group/21st-international-conference-labour-statisticians-2023-10>

in the short-term and long-term periods as the strategic plans to achieve SDGs, being consistent with the prior decisions and directives of the government⁷¹⁰.

◆ In terms of promoting civil society participation, Vietnam has continuously called for the ideas, suggestions, participation and supervision from representative organisations of employees, employers, the state and NGOs for the implementation of the Decent Work Country Programme to improve policies and laws to promote decent work in Vietnam for the period 2022-2026. Especially it should be highlighted that the significant role of the ILO Vietnam and other tripartite institutions in recent times⁷¹¹.

Above all, until now, with the continued and sustained efforts in collaboration with various practical strategic plans and national-to-local strategies to fulfil the requirements from the EU in the decent work regard, it is justifiable to deduce that the level of compliance of Vietnamese labour law regarding the DWA is also relatively high.

5.2. Compliance with Procedural Commitments

As indicated, with Decision No.1201/QĐ-TTg by the Prime Minister of Vietnam approving the plan for implementing the EVFTA, this would set a firm legal foundation for Vietnam to comply with procedural commitments regarding the labour commitments in this agreement. In reality, Vietnam has implemented these key sectors, as follows:

5.2.1. Dialogue and Cooperation between the Parties

◆ Regarding upholding/improving domestic labour law protection levels, in this regard, Vietnam has already fulfilled the requests from the EVFTA:

Firstly, Vietnam has designated a contact point within its administration to liaise with the EU on matters related to the implementation of Chapter 16, Cooperation and Capacity Building.

The two officials at the Multilateral Trade Policy Department, MoIT, have been designated to receive the official information from the EU and replied to them via the official email address: VCSTMDB@MoIT.gov.vn; and phone number (optional): 024 2220 5412; Fax: 024 2220 2525. Until now, the process of receiving information from the EU has been smooth, and the representatives of the

⁷¹⁰ For instance, in provinces: Binh Dinh, Thai Nguyen, Lam Dong, Dong Thap, Hai Duong, Dong Nai, Ninh Binh, Quang Ninh, Can Tho, Son La, Bac Kan, etc. See: Thu Vien Phap Luat, "Search 'Sustainable Employment'," Hanoi, accessed Sep 20, 2025, [Tra cứu "việc làm bền vững"](#).

⁷¹¹ "Toward Sustainable and Decent Work for Everyone," *MOLISA*, accessed Sep 18, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Hướng tới việc làm bền vững và thỏa đáng cho tất cả mọi người](#).

department have never ever acknowledged the negative claim or reaction to the lateness from the counterpart of Vietnam.

Representative of Multilateral Trade Policy Department, MoIT

Secondly, Vietnam has worked together with the EU through various types of cooperation, including, for instance, workshops, seminars, training and dialogues to share knowledge, experiences and best practices; studies; and technical assistance and capacity building, namely (but not limited to):

Workshop "EVFTA: Opportunities for Businesses": In the plan to promote the EVFTA, the workshop continued in Hanoi on 01 Jun 2016. In Ho Chi Minh City, the MoIT, in collaboration with the union delegation of EU in Vietnam, along with the support of the European Trade and Investment Support Project (Mutrap), has organised this seminar⁷¹².

On the morning of 22 Jan 2016, the Trade Policy Forum with the theme "CPTPP and EVFTA: Opportunities and challenges for Vietnamese small and medium-sized businesses" by the MoIT in the framework of the program "Improving the competitiveness of export for Vietnamese SMEs through the local trade promotion system" by the Federal Department of Economics, Switzerland (SECO), was held in Hanoi. This is also an activity coordinated with experts of the EU-MUTRAP project on "Trade and Investment Policy Support" funded by the EU and the programme "Improving export competitiveness for Vietnamese small and medium-sized businesses through local trade promotion system"⁷¹³.

EU-Vietnam commercial forum: "EVFTA - New horizons of Large and Comprehensive Cooperation". To enhance the economic connection between Vietnam and the EU, on 30 Jul 2019, the MoIT cooperated with the EU delegation and the Embassy of Vietnam - EU commercial herd with the that theme at Rex Saigon Hotel, Ho Chi Minh City. Attending the forum were leaders of the MoIT; leaders of the People's Committee of Tien Giang, Long An, Can Tho, Dong Thap, Ben Tre, Dong Nai, Tra Vinh, Ca Mau, An Giang and Ho Chi Minh City; representatives of departments and centers for trade and investment promotion, agricultural extension and industrial promotion of southern provinces and cities; industry associations; Enterprises in the field of production, import, export, distribution, logistics and

⁷¹² MoIT, "Vietnam - EU Free Trade Agreement (EVFTA): Opportunities for Businesses in Ho Chi Minh City," *MoIT.gov.vn*, Jan 25, 2016, accessed Sep 18, 2025, [Hiệp định Thương mại tự do Việt Nam - EU \(EVFTA\): Cơ hội đối với doanh nghiệp tại Thành phố Hồ Chí Minh](#); MoIT, "Workshop "Vietnam - EU Free Trade Agreement (EVFTA): Opportunities for Businesses," *MoIT.gov.vn*, May 31, 2016, accessed Sep 18, 2025, [Hội thảo "Hiệp định Thương mại tự do Việt Nam - EU \(EVFTA\): Cơ hội đối với doanh nghiệp"](#).

⁷¹³ MoIT, "Creating a Favorable Business Environment for Enterprises through the Trade Policy Forum 'TPP and EVFTA: Opportunities for SMEs,'" *MoIT.gov.vn*, Jan 25, 2016, accessed Sep 2025, [Tạo môi trường kinh doanh thuận lợi cho các doanh nghiệp qua Diễn đàn chính sách thương mại "TPP và ..."](#).

investment of the EU and Vietnam; and representatives of the embassies of EU countries in Vietnam⁷¹⁴.

On the afternoon of 9 Apr 2020, Minister of MoIT Tran Tuan Anh had a phone call with EU Trade Commissioner Phil Hogan to discuss several issues related to the EVFTA and trade cooperation between Vietnam and the EU in the context of the COVID-19 pandemic⁷¹⁵.

On 6 Aug 2020, Prime Minister Nguyen Xuan Phuc chaired an online conference on “The action plan to implement the EVFTA”. The conference was attended by leaders of Party and National Assembly agencies, ministries, branches, localities, ambassadors and heads of delegations representing EU countries, as well as representative associations and businesses from both Vietnam and the EU⁷¹⁶.

◆ Regarding other aspects, like non-lowering domestic labour law, there has also not been recognised any evidence about this from the EU DAG. In addition, Vietnam has initiated many programmes regarding the implementation of the EVFTA, especially commitments under this agreement, and until now, these programmes have captured the public’s attention and also have positive outcomes at the national level. For instance, it must be mentioned that were intensive training conferences on commitments in the EVFTA⁷¹⁷ and a massive number of people who registered for the training on these commitments⁷¹⁸. That would be very meaningful for the applicants who will be affected by the EVFTA by raising their awareness in a synchronous and complete manner and then further improving the level of domestic labour law protection⁷¹⁹.

◆ In terms of promoting civil society participation through various types of cooperation between Vietnam and the EU as well as vibrant approaches to integrate commitments in general and labour commitments in particular in the EVFTA into domestic implementation, Vietnam has successfully called for the ideas, suggestions, participation and supervision from

⁷¹⁴ MoIT, “Vietnam – EU Trade Forum: “EVFTA – A New Horizon for Broad and Comprehensive Cooperation,” *MoIT.gov.vn*, Jul 31, 2019, accessed Sep 19, 2025, [Diễn đàn Thương mại Việt Nam – EU: “EVFTA – chân trời mới hợp tác rộng lớn toàn diện”](#).

⁷¹⁵ MoIT, “Minister of Industry and Trade Trần Tuấn Anh held a Telephone Conversation with EU Trade Commissioner Phil Hogan,” *MoIT.gov.vn*, Apr 10, 2020, accessed Sep 19, 2025, [Bộ trưởng Bộ Công Thương Trần Tuấn Anh điện đàm với Cao ủy Thương mại EU Phil Hogan](#).

⁷¹⁶ MoIT, “Online Conference on “Implementing the Action Plan for the Enforcement of the EU–Vietnam Free Trade Agreement (EVFTA),” *MoIT.gov.vn*, Aug 6, 2020, accessed Sep 19, 2025, [Hội nghị trực tuyến về “Triển khai kế hoạch thực thi Hiệp định thương mại ...”](#).

⁷¹⁷ MoIT, “Intensive Training Conference on Commitments under the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the EU–Vietnam Free Trade Agreement (EVFTA),” *MoIT.gov.vn*, Oct 20, 2020, accessed Sep 19, 2025, [Hội nghị tập huấn chuyên sâu về cam kết trong Hiệp định Đối tác Toàn diện và Tiên bộ xuyên Thái ...](#).

⁷¹⁸ 3,300 trainees registered to attend online training on commitments in EVFTA and more.

⁷¹⁹ MOLISA, “Workshop on Labor Commitments in New-Generation Free Trade Agreements,” *molisa.gov.vn*, Nov 20, 2018, accessed Sep 19, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Hội thảo cam kết lao động trong Hiệp định thương mại tự do thế hệ mới](#).

representative organisations of employees, employers, the state and NGOs for the implementation of the EVFTA, and then further making the dialogue and cooperation between the EU and Vietnam smooth and consistent⁷²⁰.

Most importantly, until now, with the continued and sustained efforts in collaboration with the the EU from the very first steps in the dialogue and cooperation between the parties regard, it is justifiable to deduce that the level of compliance of Vietnamese labour law in terms of the dialogue and cooperation between the parties is also relatively high.

5.2.2. Transparency in Introducing New Labour Standards

◆ Regarding upholding/improving domestic labour law protection levels, Vietnam has already fulfilled the requests from the EVFTA⁷²¹, especially with the new labour standards embedded in C098 and C105:

Firstly, Vietnam, in accordance with its domestic law and Chapter 14 (Transparency), has introduced and implemented in a transparent manner, with due notice and an opportunity for interested persons to provide their views. Specifically, in terms of the integration of these labour standards into the LC 2019, the MOLISA has established a drafting board and the editor of the law project; Organised the drafting meeting to exchange, comment on the drafting plan and submit to the LC project (amended), the viewpoint of law construction, some large contents and comments on Draft LC (amended). The MOLISA has also held many meetings with specialised units and technical meetings with relevant agencies to exchange and comment on each issue, each specific content of the LC (amended)⁷²².

In addition, the Ministry has collected opinions of ministries, branches and localities on the amended LC project; posted projects and drafts of the amended LC on the Government's electronic portal and the MOLISA; organised conferences and seminars to collect opinions on subjects affected; collected experts and researchers for the draft LC (amended); and summarised and acquired and explained participation to complete the draft consultation committee and editor before sending it to the Ministry of Justice to appraise⁷²³.

⁷²⁰ MoIT, "The EVFTA Contributes to Fostering Increasingly Profound and Substantive Cooperation between Vietnam and the EU," *MoIT.gov.vn*, Oct 1, 2023, accessed Sep 19, 2025, [EVFTA góp phần đưa quan hệ hợp tác giữa Việt Nam và EU phát triển ngày càng sâu rộng và thực chất.](#)

⁷²¹ Section 4.2.2.2, Chapter IV

⁷²² Standing Committee of the National Assembly's Committee for Social Affairs, "Standing Committee of the Committee for Social Affairs Works with the Leadership of the Ministry of Labour, Invalids and Social Affairs," (Hanoi, Feb 7, 2023), accessed Sep 19, 2025, [Công thông tin điện tử Quốc hội.](#)

⁷²³ *Ibidem*.

These processes are carried out strictly and effectively in accordance with the Law on Promulgation of Legislative Documents (2015, amended and supplemented in 2020)⁷²⁴.

Secondly, Vietnam has also strictly and effectively complied with the Law on Treaties (2016); accordingly, regarding the international conventions of the ILO, the MOLISA has identified and deployed specific work groups that will be implemented in the Convention, including the establishment of an interdisciplinary research team to propose to join the Convention; Researched the contents of the Convention and documents related to the Convention; Reviewed and systematised Vietnamese laws related to the Convention; Surveyed a practical evaluation of the implementation of the rights and the possibility of Vietnam joining the Convention; Developed documents in the dossier submission to join the Convention in accordance with the Law on Treaties 2016; Consulted experts, technical meetings, and seminars to consult the Convention; Carried out the official procedures submitting the proposal and joining the Convention in accordance with the Law on Treaties 2016⁷²⁵.

◆ Regarding other aspects, like non-lowering domestic labour law, there has also not been recognised any evidence about this from the EU DAG. Additionally, Vietnam has launched many programmes regarding the introduction of the new labour standards; these programmes have been easily approached and also have positive outcomes at the national level. In reality, it must be mentioned that the efforts of Vietnam in all steps in introducing new labour standards have received applause from the ILO⁷²⁶. Once again, that would be very meaningful for the applicants who will be affected by the EVFTA by raising their awareness in a synchronous and complete manner and then further improving the level of domestic labour law protection⁷²⁷.

⁷²⁴ National Assembly, *Law No. 63/2020/QH14 on Amending and Supplementing Certain Articles of the Law on Promulgation of Legal Documents*, Hanoi, Jun 18, 2020.

⁷²⁵ For the C098, Vietnam has successfully fulfilled those procedures and requirements. See: MOLISA, “Official Review of the Accession to ILO Convention No. 98,” *molisa.gov.vn*, May 24, 2019, accessed Sep 18, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Thăm tra chính thức việc gia nhập Công ước số 98 ILO](#); MOLISA, “Vietnam’s Accession to ILO Convention No. 98 Demonstrates the Country’s Political Commitment to International Integration in the Field of Labour”, *molisa.gov.vn*, May 25, 2019, accessed Sep 18, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Gia nhập Công ước 98 của ILO thể hiện quyết tâm chính trị của Việt Nam về hội nhập quốc tế trong lĩnh vực lao động](#). For the C105, similarly, see: National Assembly of the Socialist Republic of Vietnam, “Review Report on the Accession to ILO Convention No. 105 on the Abolition of Forced Labour,” *Electronic Portal of the National Assembly*, May 20, 2020, accessed Sep 18, 2025, [BÁO CÁO THĂM TRA VIỆC GIA NHẬP CÔNG ƯỚC SỐ 105 CỦA ILO VỀ XÓA BỎ LAO ĐỘNG CƯỠNG BỨC](#); Government of the Socialist Republic of Vietnam, “Proposal for the National Assembly to Ratify ILO Convention No. 105,” *Government Electronic Newspaper*, Apr 28, 2020, accessed Sep 18, 2025, [Đề nghị Quốc hội phê chuẩn gia nhập Công ước 105 của ILO](#).

⁷²⁶ “Viet Nam Is Good at Seizing New Opportunities and Using Their Potential,” *ILO*, Oct 17, 2019, accessed Sep 18, 2025, [Viet Nam is good at seizing new opportunities and using their potential | International Labour Organization](#); “ILO Welcomes Milestone to End Forced Labour in Viet Nam,” *ILO*, published Jun 5, 2020, accessed Sep 18, 2025, [ILO welcomes milestone to end forced labour in Viet Nam | International Labour Organization](#).

⁷²⁷ MOLISA, *Workshop on Labor Commitments in New-Generation Free Trade Agreements*.

◆ In terms of promoting civil society participation through various types of information channels that Vietnam has created to make it easy to approach the new labour standards, Vietnam has also successfully called for the ideas, suggestions, participation and supervision from representative organisations of employees, employers, the state and NGOs for the implementation of the new labour standards, and then further proven that this country has a strong dedication to an ILO membership⁷²⁸.

Most importantly, until now, with the continued and sustained efforts at the national level, and with extensive engagement of authority in Vietnam to publicly introduce new labour standards, it is justifiable to deduce that the level of compliance of Vietnamese labour law in terms of the transparency in introducing new labour standards is also relatively high.

5.2.3. Monitoring and Review of Sustainability Impacts of the EVFTA

◆ Regarding upholding/improving domestic labour law protection levels, Vietnam has already fulfilled the requests from the EVFTA⁷²⁹; accordingly, Vietnam has conducted an impact assessment of employment and labour after 02 years of EVFTA execution⁷³⁰. Specifically, the EVFTA will affect the rate of labour participating in social insurance, affecting wages and creating more jobs in urban and rural areas. In the main evaluation results, the EVFTA will create about 146,000 jobs for the period 2022-2025, an average of about 36.5 thousand jobs/year. Some industries have a strong impact, benefiting from the EVFTA, such as: Construction (up 0.065%); Processing and manufacturing industry (up 0.063%); Finance, banking and insurance (up 0.061%); ... Especially compared to other areas, salaries in areas participating in the EVFTA are higher than in the remaining area by about 17% - 28%, about 11% higher than the time when the EVFTA had not been valid⁷³¹.

In terms of the impact on labour, the EVFTA also has many impacts on gender-working demand, age group, technical qualifications and satisfactory job opportunities of workers. Accordingly, the EVFTA is expected to have a strong impact on the labour group from 15 to 34 years old; create job opportunities for low-level labour groups; and provide satisfactory jobs

⁷²⁸ “ILO Welcomes Viet Nam’s Vote to Ratify ILO Fundamental Convention on Collective Bargaining,” *International Labour Organization*, published Jun 17, 2019, accessed Sep 18, 2025, [ILO welcomes Viet Nam's vote to ratify ILO fundamental convention on collective bargaining | International Labour Organization](#).

⁷²⁹ Section 4.2.2.3, Chapter IV; this section is to focus on labour aspects.

⁷³⁰ The remaining assessment for 2023-2025 would be expected to be published at the end of 2025.

⁷³¹ MOLISA, “An Assessment of the Impact of the EVFTA on Labor and Employment after Two Years of Implementation,” *molisa.gov.vn*, Nov 24, 2022, accessed Sep 20, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Đánh giá tác động của EVFTA đối với vấn đề lao động – việc làm sau 02 năm thực thi](#).

for workers with higher probability, bringing many benefits to female labour groups, high-tech qualifications and urban labour⁷³².

Besides, Vietnam also enhances the implementation of information exchange and coordination with the EU in assessing the impact of the EVFTA on employment, labour. Specifically, the second meeting of the Committee on TSD under the EVFTA has been successfully organised, creating an important premise for Vietnam and the EU to enhance each other's understanding, especially in labour-employment issues, including implementation activities, concerns, priorities as well as approaches⁷³³.

The issues that Vietnam and the EU are both interested in have been proposed and answered in detail and satisfactorily, helping both sides clearly see these sides. Efforts of each other, especially the Vietnamese Government in serious enforcement, promote all the EVFTA commitments or better understandings of the domestic regulations related to TSD.

Representative of Multilateral Trade Policy Department, MoIT

◆ Regarding other aspects, like non-lowering domestic labour law, there has also not been recognised any evidence about this from the EU DAG. Additionally, Vietnam has launched many domestic programmes regarding monitoring and review of impacts of the EVFTA; these programmes have been easily approached and aim at various aspects at the national level, for instance, economic sectors, state budget revenue⁷³⁴, institutions and policies⁷³⁵, etc. In reality, it must be mentioned that the efforts of Vietnam in monitoring and reviewing the impacts of the EVFTA in general and in labour in particular have been very meaningful for the applicants, especially businesses, who will be affected by the EVFTA by raising their awareness to utilise the circumstance and further achieve the benefits from this FTA⁷³⁶.

◆ In terms of promoting civil society participation, Vietnam has been willing to call for the independent ideas, suggestions, participation and supervision from representative organisations of employees, employers, the state and NGOs for the implementation of monitoring and review of sustainability impacts of the EVFTA. This process has involved many agencies at the national level. For instance, on 10 Nov 2022, in Hanoi, the VCCI (the representative organisation of employers in Vietnam), in collaboration with the Vietnam FNF

⁷³² According to the Institute of Labour Science and Social Affairs (MOLISA), expert's statement at the Conference "Assess the Impact of the EVFTA on Labour-Employment Issues," (Hà Nội, Nov 23, 2022).

⁷³³ MOLISA, *An Assessment of the Impact of the EVFTA on Labour and Employment*.

⁷³⁴ https://mof.gov.vn/webcenter/portal/btcvn/pages_r/l/tin-bo-tai-chinh?dDocName=MOFUCM092164

⁷³⁵ Viet Hang, "EVFTA's Positive Impact on Vietnam's Institutional and Policy Reforms," *Industry and Trade Magazine*, Nov 7, 2023, accessed Sep 18, 2025, [EVFTA tác động tích cực tới cải cách thể chế và chính sách của Việt Nam](#).

⁷³⁶ Center for WTO and International Trade – VCCI, *Summary Report: Two-Year Implementation of the EVFTA in Vietnam, A Review from Business Perspective*, with the support of the Friedrich Naumann Foundation for Freedom (Hanoi, 2022).

Institute (Germany), organised the seminar: “Two-year implementation of the EVFTA in Vietnam - A review from a business perspective”. At the same time, the report was published based on the results of a survey of more than 500 businesses nationwide and a review and assessment of legal documents implementing EVFTA in the past two years⁷³⁷. On the other side, it must be taken into account that research report: Assessment of Commitments and Implementation of Chapter 13 of the EVFTA on TSD and Forest Governance. To accomplish this report, many agencies, organisations and individuals from many sectors were sought for advice and further this process has relatively positive impacts on the society as a whole⁷³⁸.

Most importantly, until now, with the continued and sustained efforts at the national level and with extensive engagement of authority in Vietnam for public monitoring and review of the sustainability impacts of the EVFTA, it is justifiable to deduce that the level of compliance of Vietnamese labour law in terms of this obligation is also relatively high.

5.2.4. Upholding Levels of Domestic Protection on Labour Standards

◆ Regarding improving domestic labour law protection levels, as indicated in several areas, Vietnam has relatively fulfilled the requests from the EVFTA:

Firstly, in terms of wages and/or wage-setting mechanisms, with a specialised agency since 2021 - the National Wage Council - annually, this Council usually advises the MOLISA to submit the draft decree regulating minimum wages for employees working under labour contracts, and then the Government will make a decision on the minimum wages applying to these employees in this year. Accordingly, from the year 2022, the region-based minimum wage levels (including monthly minimum wage levels and hourly minimum wage levels) have increased step by step, as Table 18 follows⁷³⁹:

⁷³⁷ “Workshop: Evaluation of Two Years of EVFTA Implementation in Viet Nam from the Business Perspective,” *Centre for WTO & Integration (VCCI)*, published Nov 10, 2022, accessed Sep 18, 2025, [TTWTO VCCI - Hội thảo: Đánh giá 02 năm thực thi EVFTA tại Việt Nam từ góc nhìn doanh nghiệp](#).

⁷³⁸ “Research Report on the Assessment of Commitments and Implementation of Chapter 13 of the EVFTA on Trade and Sustainable Development – Forest Governance,” *Logging Off*, accessed Sep 7, 2025, [BÁO CÁO NGHIÊN CỨU Đánh giá Cam kết và Thực Thi Chương 13 Hiệp định EVFTA về Thương Mại và Phát Triển Bền Vững, Quản trị rừng • LoggingOff](#).

⁷³⁹ As promulgated in Decree No.38/2022/ND-CP, dated 12 Jun 2022, and Decree No.74/2024/ND-CP, dated 30 Jun 2024, prescribing statutory minimum wages paid to employees working under employment contracts, regarding the data of the year 2025, the VGCL is expected to propose the regional minimum wage increase in early Mar 2025, based on a specific survey base. See: “Proposed Increase of Regional Minimum Wage for 2025 in Early March,” *Ngươi Lao Dong*, Feb 15, 2025, accessed Sep 18, 2025, [ĐỀ XUẤT tăng lương tối thiểu vùng năm 2025 vào đầu tháng 3](#).

Table 18. Region-based minimum wages in Vietnam from 2022 to 2025

	2022	2023	2024	2025
Region I	4.420.000	4.680.000	4.960.000	4.960.000
Region II	3.920.000	4.160.000	4.410.000	4.410.000
Region III	3.430.000	3.640.000	3.860.000	3.860.000
Region IV	3.070.000	3.250.000	3.450.000	3.450.000

(Unit: Vietnam Dong – VND, per month)

As usual, this agency (VGCL) will propose a regional minimum wage increase in Mar every year, after assessing the overall socio-economic situation in 2025.

Vice Chairman of VGCL

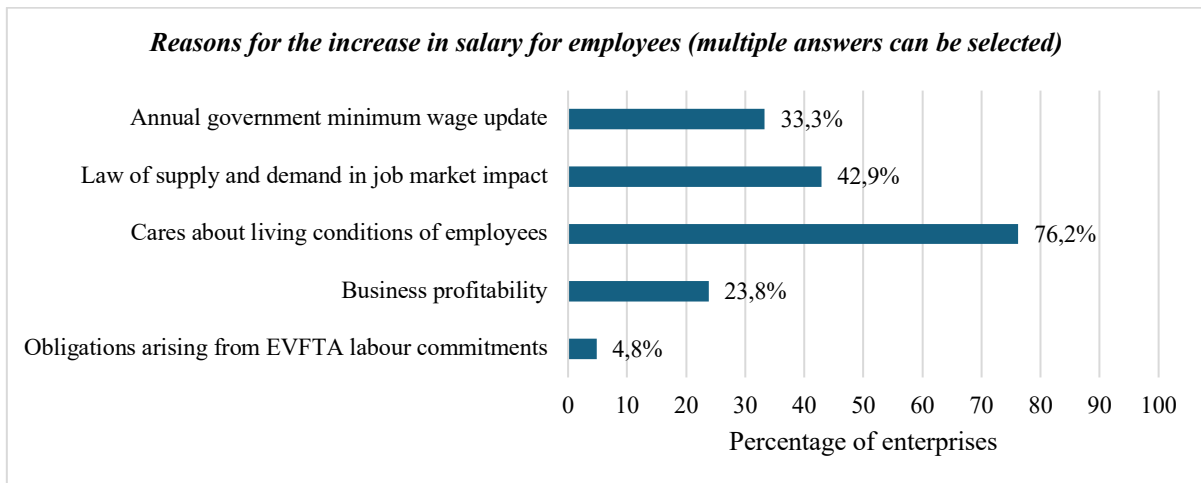
The term "regional minimum wage" first appeared in the LC 35-L/CTN, effective from 01 Jan 1995. Also, according to Art.56 of this Code, the regional minimum wage is decided and announced by the Government after consulting the VGCL and representatives of employers. However, it was not until 2007 that the government issued the first decree on regional minimum wages, Decree No.167/2007/ND-CP. The regional minimum wage stipulated in this decree was effective 01 Jan 2008. The regional minimum wage has almost always increased gradually over the years. In 2021 and early 2022, the regional minimum wage will not increase due to the impact of the Covid-19 pandemic. The government wants to focus financial resources on epidemic prevention and control. By 2022, the epidemic has been basically controlled, and the economy has shown signs of recovery. The lowest living standards of workers are not being met by the current regional minimum wage, though. Therefore, instead of increasing from 01 Jan as in previous years, the regional minimum wage has been increased from 01 Jul 2022.

Director of Department of Labour Relations and Wages, MOLISA

Additionally, the empirical research has indicated that nearly all enterprises (over 90%) that participated in the survey have increased employee salaries since 2020. The reasons for this increase primarily include the enterprise's concern for its employees' living conditions, the influence of supply and demand in the job market, annual adjustments to regional minimum wage by the government, and business profitability (with nearly 80%, 45%, 35%, and 25% of enterprises citing these reasons, respectively). In contrast, obligations arising from labour commitments under EVFTA account for less than 5% of an enterprise's motivation. See Figure 11 below⁷⁴⁰:

⁷⁴⁰ Tien Dung Nguyen et al., *Insights into Labour Commitments in the EVFTA and Policy Implications for Vietnam*, *Lentera Hukum*, ISSN 2355-4673 (Print) 2621-3710 (Online), 12:3 (2025), 475.

Figure 11. Reasons for the increase in salary for employees



Secondly, in terms of health and safety at work, as illustrated in Chapter IV, with the high determination from the early time to uphold the level of domestic protection regarding this area, Vietnam has launched various meaningful programmes in reality at the national level; for instance:

The MOLISA shall assume the prime responsibility for and coordinate with relevant ministries, branches, agencies, and localities to guide and organise the "Occupational Safety and Health Action Month", effective for the following purpose: raising awareness and compliance with laws on occupational safety and hygiene; promoting measures to improve working conditions and reduce working environment pollution; limiting occupational accidents and occupational diseases; and providing health care for workers. Accordingly, this ministry has issued the circular to achieve the expected outcomes in the Occupational Safety and Health Action Month at the ministry-, sector- and local levels and at the enterprise level⁷⁴¹.

This plan is diligently adhered to by detailed plans in numerous provinces in Vietnam, for instance, especially in May 2025, with the theme of the event being "Strengthening assessment, identifying risks, and proactively implementing measures to ensure safety and hygiene at the workplace" in Bac Giang⁷⁴², Quang Ngai, Dak Nong, Ca Mau, Binh Dinh, Binh

⁷⁴¹ Circular No. 02/2017/TT-BLĐTBXH: Guidelines for the Organization of Occupational Safety and Health Action Month, issued by the Ministry of Labour – Invalids and Social Affairs, Hanoi, Feb 20, 2017; effective Apr 6, 2017.

⁷⁴² "Action Month on Occupational Safety and Hygiene 2025 Takes Place from May 1 to 31," *Bac Ninh TV Newspaper*, Feb 5, 2025, accessed Sep 18, 2025, [Tháng hành động về an toàn, vệ sinh lao động năm 2025 diễn ra từ ngày 1 đến 31/5](#).

Thuan, Tuyen Quang, Thanh Hoa⁷⁴³, Ha Noi⁷⁴⁴, Quang Nam⁷⁴⁵, Bac Ninh, Da Nang, Lai Chau, Ho Chi Minh⁷⁴⁶, Can Tho⁷⁴⁷, Tra Vinh⁷⁴⁸, Thua Thien Hue, etc⁷⁴⁹.

On 24 Feb 2012, the Central Party Secretariat issued Notice No.77-TB/TW agreeing to the policy of taking May every year as "Workers' Month" with the goal of caring for and protecting the legitimate and legal rights and interests of workers, civil servants, and labourers; building harmonious, stable, and progressive labour relations in enterprises; strengthening the leadership of Party committees at all levels; and enhancing the responsibility of authorities at all levels to pay attention to building the Vietnamese working class in the period of accelerating industrialisation and modernisation of the country. The activities of the annual Workers' Month have increasingly brought about great efficiency and benefits for socio-economic development and have a strong influence not only on the labour force but also have a wide impact on the entire labour force of society, and it is always associated with the requirements and regulations of the law on ensuring occupational safety and health for all subjects in all working environments and circumstances.

Regarding occupational safety and health, since 2017, the Prime Minister has decided to make May every year the "Month of Action on Occupational Safety and Health". This is an opportunity to raise awareness and compliance with occupational safety and health laws; promote the implementation of measures to improve working conditions; reduce occupational environmental pollution; limit occupational accidents and occupational diseases; and take care of workers' health.

Therefore, May every year is considered the peak month for organising activities to ensure occupational safety and health, taking care of union members and workers in all aspects, including material, mental and health.

President of City Labour Federation, Hanoi

2025 is the year to celebrate major events in our country, so the Launching Ceremony of the Month of Action on Occupational Safety and Health and Workers' Month 2025 needs to be well prepared and organised, with highlights to create a strong ripple effect to industries, localities, and trade unions at all levels in caring for and creating a safe working environment for workers, and at the same time, it is an activity towards the 50th anniversary of the Liberation of the South and National Reunification Day.

Deputy Minister of Ministry of Home Affairs

⁷⁴³ "Launching "Workers' Month" and Responding to the Action Month on Occupational Safety and Hygiene 2025," *Thanh Hoa Newspaper Online*, Apr 23, 2025, accessed Sep 18, 2025, [Phát động "Tháng Công nhân" và hưởng ứng "Tháng hành động về an toàn, vệ sinh lao động" năm 2025](#).

⁷⁴⁴ "Hanoi Launches the Action Month on Occupational Safety and Sanitation and Workers' Month 2025," *Lao Động Thủ đô Online*, Apr 18, 2025, accessed Sep 18, 2025, [TRÚC TUYẾN: Hà Nội phát động Tháng hành động về An toàn, vệ sinh lao động và Tháng Công nhân năm 2025](#).

⁷⁴⁵ "Quảng Nam Launches the 2025 Action Month on Occupational Safety and Health," *Quảng Nam Provincial Government Portal*, Apr 23, 2025, accessed Sep 18, 2025, [Quảng Nam phát động Tháng hành động về an toàn, vệ sinh lao động năm 2025](#).

⁷⁴⁶ "Ho Chi Minh City Launches the 17th Workers' Month 2025," *Nhân Dân Online*, Apr 19, 2025, accessed Sep 18, 2025, [Thành phố Hồ Chí Minh phát động Tháng Công nhân lần thứ 17 năm 2025 | Báo Nhân Dân điện tử](#).

⁷⁴⁷ "Launching the Action Month on Occupational Safety and Hygiene and Workers' Month 2025," *Can Tho Newspaper Online*, Apr 22, 2025, accessed Sep 18, 2025, [Phát động Tháng hành động về an toàn, vệ sinh lao động và Tháng Công nhân năm 2025 - Báo Cần Thơ Online](#).

⁷⁴⁸ Tra Vinh News, "Workers' Month and Action Month for Occupational Safety and Health 2025: Many Practical Activities Held," Apr 22, 2025, accessed Sep 18, 2025, [Tháng Công nhân, Tháng hành động về An toàn, vệ sinh lao động 2025: Diễn ra nhiều hoạt động thiết thực](#).

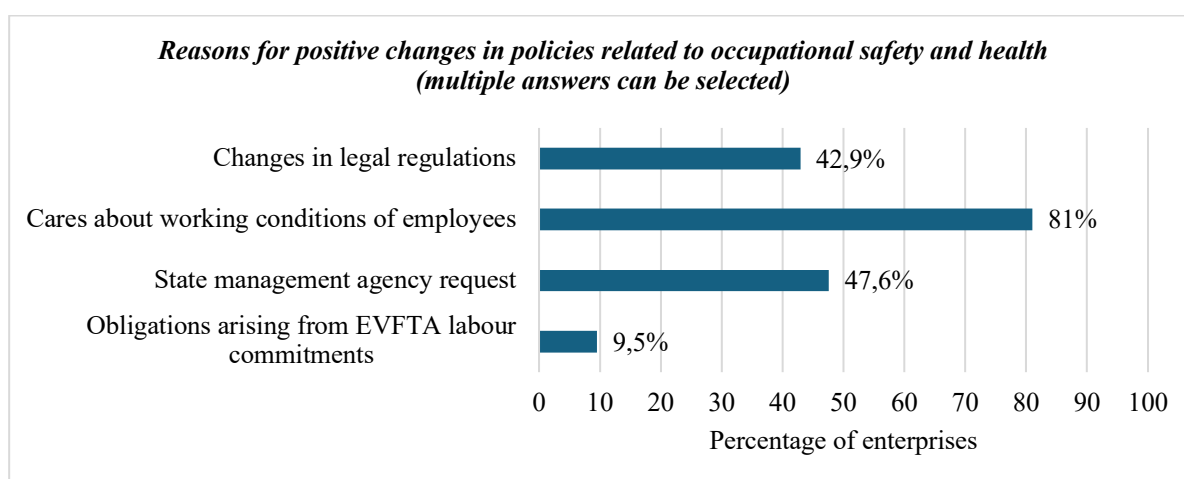
⁷⁴⁹ Thu Vien Phap Luat, "Search results for 'Action Month on Occupational Safety and Health,'" accessed Sep 7, 2025, [Tra cứu Tháng hành động về An toàn, vệ sinh lao động](#).

This is an annual activity, combined with Workers' Month in 2025, with the theme "Vietnamese Workers Pioneer Entering a New Era", to honour the role of the working class while raising social awareness in caring for and protecting workers' rights.

Vice President of City Labour Federation, Ho Chi Minh City

Additionally, the empirical research has also shown that nearly all enterprises (nearly 80%) that participated in the survey have had positive changes in policies related to occupational safety and health since 2020. The reasons for these changes primarily include the enterprise's concern for its employees' working conditions, the request from the state management agency, and changes in legal regulations (with nearly 85%, 50%, and 45% of enterprises citing these reasons, respectively). In contrast, obligations arising from labour commitments under EVFTA account for less than 10% of an enterprise's motivation. See Figure 12 below⁷⁵⁰:

Figure 12. Reasons for positive changes in policies related to occupational safety and health



Thirdly, in terms of labour inspection, as indicated, besides the relatively compliant legislation, Vietnam has detailed plans to strengthen the capacity of labour inspections from the national to local levels. Accordingly, pursuant to Decision No.212/QD-TTg of the Prime Minister, dated 16 Feb 2022 on approving project “Improving Capacity for Labour, Invalids and Social affairs Inspection in 2021-2025 period”; the Minister of Labour, Invalids and Social affairs issued Decision No.317/QD-LDTBXH dated 05 Apr 2022 on the promulgation of the implementation plan of the project “Improving Capacity for Labour, Invalids and Social Affairs Inspection in 2021-2025 period”, with several important strategies, including, for instance, completing legal regulations on organisation, operation, policies, and conditions to ensure the operation of the inspection work of the Labour, Invalids and Social Affairs sector; Completing

⁷⁵⁰ Tien Dung Nguyen et al., *Insights into Labour Commitments in the EVFTA and Policy Implications for Vietnam*, *Lentera Hukum*, ISSN 2355-4673 (Print) 2621-3710 (Online), 12:3 (2025), 476.

the organisation and apparatus of the Labour, Invalids and Social Affairs sector inspection agency to meet the requirements of the tasks of the Labour, Invalids and Social Affairs sector in the period of 2021-2025; improving the capacity of the team of civil servants inspecting the Labour, Invalids and Social Affairs sector; innovating the process and methods of specialised inspection of the Labour, Invalids and Social Affairs sector; and enhancing facilities and working conditions for inspection agencies in the Labour, Invalids and Social Affairs sector⁷⁵¹.

From the practical side, this project has been rigorously implemented, especially with the capacity improvement of the team of civil servants through training on inspection skills in various fields, for instance, of children⁷⁵², management of meritorious people and society⁷⁵³, alongside the annual inspection plan of the MOLISA⁷⁵⁴, which would be meaningful to raise the awareness of businesses and further guarantee better working rights and conditions for employees⁷⁵⁵.

However, the empirical research has also shown that nearly 50% of state management officials concluded that since 2020, the locality has strengthened labour inspection at enterprises as well as implemented plans to improve the quality of labour inspection, but the reasons for this change do not come from the EVFTA. See Figure 13:

Since 2020, has the locality strengthened labour inspection at enterprises as well as implemented plans to improve the quality of labour inspection, and do the reasons for this change come from the EVFTA or not?

⁷⁵¹ MOLISA, Decision No. 317/QĐ-LĐTBXH of Apr 5, 2022: Plan for Implementing the Project “Enhancing the Capacity of Labour — Invalids and Social Affairs Inspection Sector for the Period 2021-2025,” Apr 5, 2022.

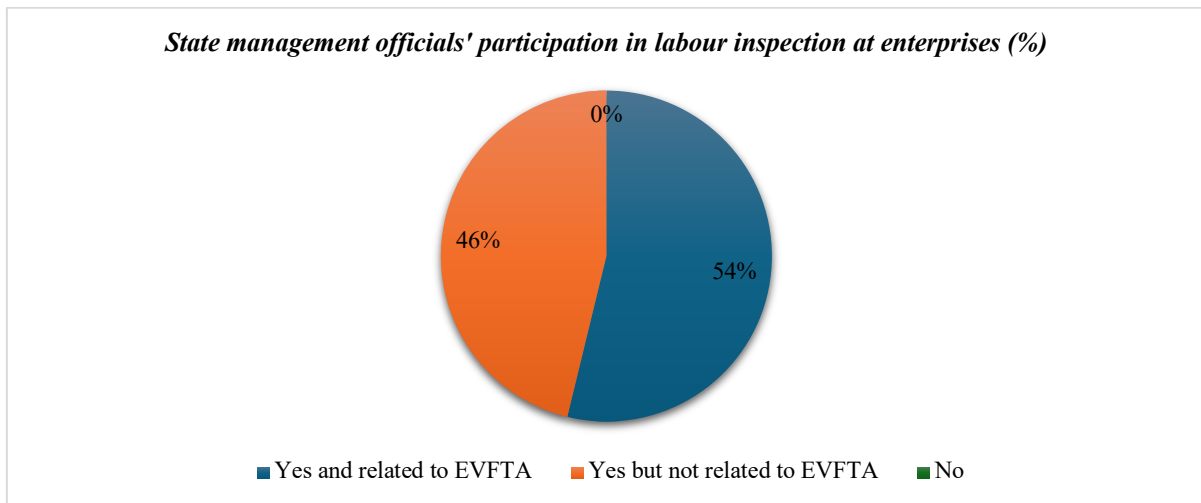
⁷⁵² <https://thantra.molisa.gov.vn/tin-ct/525-Tập--huấn--nghiep--vu--thanh--tra--linh--vuc--tre--em--va--xa--hoi>

⁷⁵³ <https://thantra.molisa.gov.vn/tin-ct/1615-Tập--huấn--nghiep--vu--thanh--tra--cong--tac--quan--ly--nguoi--co--cong--va--xa--hoi--nam--2023>

⁷⁵⁴ <https://thantra.molisa.gov.vn/tin-ct/2636-Kế--hoach--thanh--tra--của--Bộ--Lao--động-----Thương--binh--và--Xã--hội--năm--2025>

⁷⁵⁵ Ministry of Labour, Invalids and Social Affairs of Vietnam, “The Role of Labour Inspectors in Promoting Corporate Social Responsibility,” accessed Sep 18, 2025, [BỘ LAO ĐỘNG - THƯƠNG BINH VÀ XÃ HỘI-Vai trò của thanh tra lao động trong việc thúc đẩy trách nhiệm xã hội doanh nghiệp](#); and Government Inspectorate of Vietnam, “Strong Inspection to Ensure Occupational Safety,” May 26, 2015, accessed Sep 18, 2025, [“Manh tay” thanh tra không để mất an toàn lao động](#).

Figure 13. State management officials' participation in labour inspection at enterprises



Alongside this, just nearly 50% of enterprises have been inspected by labour inspectors from the Department and/or Ministry of Labour, Invalids, and Social Affairs and/or Industrial Park Management Board. This data further demonstrates that EVFTA's impact on labour inspections in Vietnam is unclear and requires a more thorough evaluation in this area. See Figure 14 below:

Since 2020, has the enterprise been inspected by labour inspectors from the Department and/or Ministry of Labour, Invalids and Social Affairs and/or Industrial Park Management Board? (If yes, please specify the number of times and the last time the inspection was conducted)

Figure 14. Workplace inspections by labour inspectors at enterprise level from 2020



Fourthly, regarding the access to vocational education and training, pursuant to the firm domestic legal basis, especially propaganda and support for vocational training for workers working in small and medium-sized enterprises to improve competitiveness and develop human resources of enterprises, many provinces have put an effort into the implementation of

this policy⁷⁵⁶, from detailed plans at enterprises to vocational education at the national level and positive outcomes have been recognised⁷⁵⁷. Specifically, the plans to support workers with vocational training have been regarded as important missions in the EVFTA⁷⁵⁸ and life-long strategies in several provinces⁷⁵⁹.

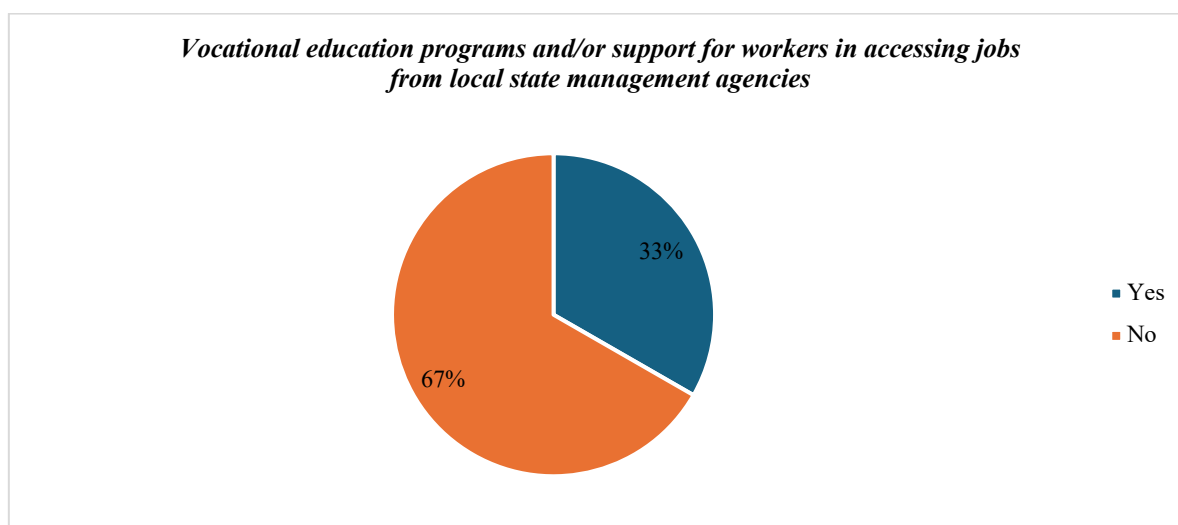
Every year, people's councils at all levels often have policies to allocate financial resources for vocational training support for workers in the province, which has been regularly implemented before and after the EVFTA agreement signing.

Chairman of the Provincial People's Committee, Phu Tho Province

Unfortunately, the empirical research has revealed that the EVFTA in general and its implementation policies at the local level seem unlikely to be meaningful and do not have a great impact on workers' working conditions. Specifically, since 2020, nearly 70% of enterprises that participated in the survey confirmed that local state management agencies have not implemented vocational education programs and/or supported workers to access jobs at the enterprise. See Figure 15:

Since 2020, have local state management agencies implemented vocational education programmes and/or supported workers to access jobs at the enterprise?

Figure 15. Vocational education programmes and/or support for workers in accessing jobs from local state management agencies at the enterprise level from 2020



⁷⁵⁶ For instance, in Ninh Thuan, Thua Thien Hue, Tien Giang, Son La, Kien Giang, Binh Phuoc, Ha Noi, Quang Ngai, Vinh Long, Kon Tum, Soc Trang, Lai Chau, Vinh Phuc, Ho Chi Minh, Tra Vinh, Quang Binh, Can Tho, Binh Thuan, Dong Nai, Ha Tinh, Binh Dinh, Quang Nam, Quang Ninh, Lao Cai, Cao Bang, Vinh Long, Thanh Hoa, Bac Ninh, Tay Ninh, Hai Phong, Kon Tum, Hai Duong, Ca Mau, Nghe An, etc. See: Thu Vien Phap Luat, "Search '32/2018/TT-BLĐTBXH'," Hanoi, accessed Sep 20, 2025, [Tra cứu "32/2018/TT-BLĐTBXH"](#).

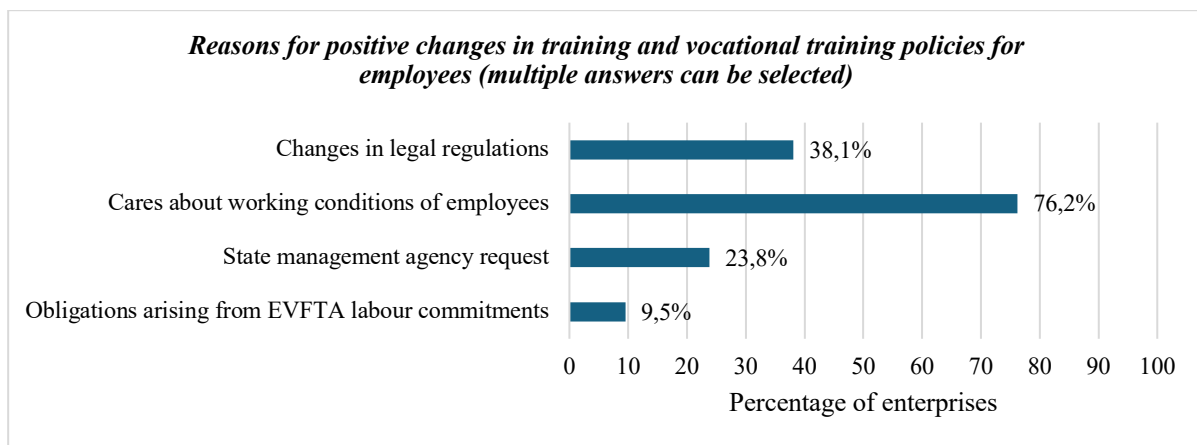
⁷⁵⁷ See annual reports on vocational education in Vietnam: Institute of Vocational Education Science, *Vietnam Vocational Education and Training Report 2021* (Hanoi: Directorate of Vocational Education and Training, 2022), accessed Sep 18, 2025, [VET-VN-Report-2021-VN.pdf](#).

⁷⁵⁸ For instance, in provinces like Can Tho, Tien Giang, Ha Tinh, Quang Nam, Binh Dinh, Binh Thuan, etc.

⁷⁵⁹ For instance, Binh Duong province offers online vocational training programmes, while Quang Ninh province focusses on enhancing collaboration between the state, schools, and enterprises. See: MoIT of Vietnam, "Localities Have Paid Much Attention to Implementing Commitments under the EVFTA," Jul 2, 2023, accessed Sep 18, 2025, [Các địa phương đã chú ý nhiều đến việc thực hiện các cam kết theo EVFTA.](#)

And even though, since 2020, over 80% of those enterprises have made positive changes in training and vocational training policies for employees before and after they are recruited into the enterprise, the most important reasons come from the fact that the enterprises care about the working conditions of their employees, changes in legal regulations, or requests from state management agencies. Only a small number of enterprises concluded that their changes stemmed from obligations related to labour commitments under the EVFTA. See Figure 16 below:

Figure 16. Reasons for positive changes in training and vocational training policies for employees



In short, it can be seen that the convergence of the four areas abovementioned, including wages and/or wage setting mechanisms, health and safety at work, labour inspection and the access to vocational education and training, is that even though at the first glance, it seems easily to conclude that Vietnam has complied with the obligations derived from the EVFTA labour commitments at a relative high level, but looking more closely, by tracing back the revolution of legislation in collaboration with results from empirical research, it has been revealed that the compliance with those labour commitments is mostly based on (i) the already careful preparation of the domestic legislation from the very early stage before the signing of EVFTA (wages and/or wage setting mechanisms, health and safety at work); or (ii) the domestic legislation promulgated after the signing of EVFTA but not clearly and strongly referring to the EVFTA (labour inspection and the access to vocational education and training); and besides, (iii) from the perspectives of state management officials and enterprise-level managers, the EVFTA has not been a significant reason for the change in state policies as well as in practice at enterprise level. In other words, there has not been a firm causality between the implementation of EVFTA and the improving working conditions of employees in

Vietnam, from the legislative to practical approaches, although the level of compliance with labour commitments in this country is still relatively high⁷⁶⁰.

◆ Regarding other aspects, like non-lowering domestic labour law, there has also not been recognised any evidence about this from the EU DAG or independent empirical research.

Additionally, Vietnam has launched many domestic programmes, especially with the representative mechanism of workers (VGCL), putting a lot of effort into caring for workers, with a lot of meaningful and outstanding activities. For instance, the programme “Typical Enterprises for Workers” has developed a brand, a competitive movement in enterprises, aiming to improve the working environment, care for the interests, improve the lives of workers, and build harmonious, stable and progressive labour relations.

The year 2024 is the 10th year of the “Typical Enterprises for Workers” programme. Over the past 10 years, each year the programme has selected truly outstanding enterprises to honour, and every 5 years, the Prime Minister's Certificate of Merit will be awarded to outstanding enterprises that have been continuously honoured in the ranking. The honoured enterprises always care about employees with higher welfare regimes than the state's regulations, growing production and business, and always fulfilling the enterprise's responsibilities to the state, such as taxes, the environment, etc.

Chairman of VGCL

In industrial parks in Bac Giang province, the trade unions at enterprises urgently developed plans to pay salaries and bonuses to employees, helping them feel secure about a full Tet holiday in Feb 2025. GU Vina Co., Ltd. in Dinh Tram Industrial Park creates stable jobs for more than 400 employees with an average income of 8-9 million VND per person/month (equivalent to 313-352 USD).

Although profits have decreased compared to last year due to a decrease in export product prices, the company still ensures that bonuses for employees are not less than 50% of their current monthly salaries.

⁷⁶⁰ This seems likely to be forecasted from Chapter II; according to this, compliance with international treaty commitments is in practice often inadvertent, coincidental, or an artefact of the legal rule or standard chosen; the sheer fact of compliance with a given commitment tells us little about the utility and impact of that commitment. See: *Ibid.*, 398. The reasons behind the scene could be divided into subjective and objective categories that the author partly mentions in the last chapter and that he wholeheartedly believes in. For subjective reasons, during his research and writing of the dissertation, the author noticed that policymakers seemed to have an incomplete understanding of these labour commitments, which means that Vietnamese state officials responsible for enforcing them also lacked a full understanding of them. For instance, commitments in the FTAs, including EVFTA, are also Vietnam's commitments within the framework of the United Nations and are obligations of ILO member states. This argument contradicts the synchronised guiding documents each province has issued to implement EVFTA labour commitments, which refer to national government strategies. Consequently, we are even more convinced that these local guiding documents are largely symbolic and not practically meaningful. As a result of this misunderstanding from the very beginning, Vietnam has not paid attention to new areas like CSR or ESG. For the objective reasons, it can be denied that several can be mentioned, including the complexity of labour commitments in the EVFTA; they also refer to many guiding documents, and the author believes that it is hard for Vietnam and developing countries to keep up with. Additionally, the rapid advancement of legislation in key areas such as CSR and ESG, along with the push to eliminate forced labour, will be driven by the Directive on Corporate Sustainability Due Diligence. This directive requires businesses to demonstrate that they have taken all necessary steps to prevent, identify, and address forced labour in every aspect of their operations and supply chain, a challenge that is quite new for Vietnam to adapt to.

In addition, the company commits to paying Jan 2025 salaries on time, which is the 15th of each month; if it is close to the Tet holiday, there will be a plan to pay earlier.

Deputy Production Director and Chairwoman of the Company's Trade Union

Especially in terms of caring for workers in difficult circumstances, in many places in Vietnam, working and living conditions and even additional allowances have been seriously taken into account. For instance, in Hai Phong, Ho Chi Minh, Bac Giang, and Binh Duong.

The city's trade unions at all levels mobilised social, local, industry, and business resources to focus on taking care of the Tet holiday for union members and workers with a total budget of more than 18 billion VND. The city budget contributed 10 billion VND, the city labour federation contributed 8 billion VND, and other sources were also mobilised. Trade unions at all levels strive to take care of all union members and workers so that they can have a warm and happy Tet holiday, with priority given to workers in especially difficult circumstances... Hai Phong's trade unions at all levels plan to provide subsidies, gifts, and bus tickets and trips for about 35,000 union members and workers; organise "Union Tet Market"; organise free cancer screening and examinations for 1,000 workers and labourers;

Chairman of the Hai Phong Labour Federation

This year's Tet bonus policy and regime are maintained by Nidec Vietnam Co., Ltd. (High-tech Park, Thu Duc City, Ho Chi Minh) as of 2023 for 3,500 employees of the company.

Each employee is rewarded with 1.1 months' salary and receives a Tet gift worth 500,000 VND. It is expected that Nidec Vietnam Company will organise 14 trips this year to bring nearly 1,000 workers from the central and northern provinces back to their hometowns for Tet.

Chairman of the Company's Trade Union

The Provincial Labour Federation is preparing 10,000 Tet gifts for union members, workers in difficult circumstances, workers who stay at work, and workers from far away who cannot return home. The Provincial Federation of Labour organised the "Union Tet Market" from 10 to 12 Jan 2025, at Than Nhan Trung Square, Viet Yen town. There were about 100 booths displaying and introducing products, services, and selling preferential goods to workers, including a "0 VND" booth to support union members in difficult circumstances. The Provincial Federation of Labour distributed 10,000 discount coupons to union members and workers.

Vice Chairman of the Bac Giang Provincial Labour Federation

As an industrial development locality, Binh Duong province employs over 1.3 million workers in domestic and foreign-invested enterprises, with more than 80% coming from various provinces and cities nationwide. Binh Duong province has many policies to care for workers, helping them stabilise their jobs and improve their lives. The total estimated budget for taking care of union members and workers during the Lunar New Year in 2025 is about 322 billion VND, of which 50 billion VND is from the provincial budget and 272 billion VND is from the financial resources of enterprises.

Through understanding the situation of wages, bonuses, and labour relations at nearly 1,700 enterprises in the area, it is expected that the highest Lunar New Year (Tet) bonus is 368 million VND, belonging to FDI enterprises located in industrial parks.

Deputy Director of the Department of Labour, Invalids, and Social Affairs, Binh Duong Province

◆ In terms of promoting civil society participation, as illustrated by the independent empirical research, Vietnam has been willing to call for the independent ideas, suggestions, participation and supervision from representative organisations of employees, employers, the state and NGOs for the implementation of improving domestic labour law protection levels within the EVFTA; this process has involved many agencies at the national level.

Most importantly, until now, with the continued and sustained efforts at the national level and with extensive engagement of authority in Vietnam to improve domestic labour law protection levels, it is justifiable to deduce that the level of compliance of Vietnamese labour law in terms of this obligation is also relatively high.

5.3. Compliance with Institutional Mechanisms

As indicated in the last chapter, with Decision No. 2091/QD-BCT by the Minister of the MoIT regarding the implementation roadmap to comply with labour commitments in the EVFTA and subsequent guiding documents, this would also set a firm legal foundation for Vietnam to comply with institutional mechanism commitments in this agreement. In reality, Vietnam has implemented these key sectors, as follows:

5.3.1. Committee on Trade and Sustainable Development

◆ Regarding improving domestic labour law protection levels, Vietnam has fulfilled the requests from the EVFTA:

From the side of Vietnam, as discussed, the Committee on TSD established pursuant to the EVFTA comprises senior officials from the relevant administrations. Accordingly, these following agencies have been designated to represent Vietnam in the Committee since the early time after the signing of EVFTA: The MoIT; The MOLISA (for content related to labour); The Ministry of Natural Resources and Environment (for content related to the environment); The Ministry of Agriculture and Rural Development (for content related to forestry and fisheries) and relevant ministries and sectors⁷⁶¹. In reality, Vietnam has strictly complied with this plan,

⁷⁶¹ Decision No.1201/QD-TTg.

and the participants are more than expectation, from other agencies, like representatives of the Ministries of Foreign Affairs, Finance, Transport, Public Security and Health⁷⁶². Besides, to comply with the EVFTA, Vietnam has designated a contact point within its administration for the purposes of implementing Chapter 13 (Multilateral Trade Policy Department of MoIT)⁷⁶³.

Participants from ministries of Vietnam have been guaranteed the time, additional allowance, documents, etc., when attending the meeting under the Committee on TSD. The Government seems likely to seriously take into account the presence of representatives of central agencies in Vietnam.

Representative of Ministry Office, MoIT

◆ Regarding other aspects, like non-lowering domestic labour law, there has also not been recognised any evidence about this from the EU DAG or independent empirical research. In reality, the preparation for the Committee attracts more and more attention and efforts, especially before the official session of the Committee.

In preparation for the Session of the Committee on TSD and the Joint Forum on TSD under the framework of implementing Chapter 13 of the EVFTA in Nov 2024, i.e. a few months in advance, the MoIT is conducting consultations with stakeholders at risk of being affected by a number of recently issued EU regulations related to TSD, specifically the environment and labour (e.g. the Carbon Border Adjustment Mechanism (CBAM); the EU Deforestation Regulation (EUDR); and the Regulation on Control of Goods Produced by Labour (EUFLR)).

Representative of MoIT

◆ In terms of promoting civil society participation, Vietnam has actively solicited independent ideas, suggestions, participation, and oversight from representative organisations of employees, employers, the State, and NGOs to promote civil society engagement, as evidenced by independent empirical research. This initiative pertains to the implementation of the Committee on TSD within the EVFTA and has engaged numerous national agencies.

It is expected that these regulations have had, are having, and will have a direct impact on businesses involved in the production and export of related goods to the EU market. To ensure the rights and interests of businesses, the VCCI hopes that businesses will provide information and problems (if any) related to the issue of meeting the regulations on TSD when exporting goods to the EU and propose technical support from the EU (if necessary) to meet these regulations.

Representative of VCCI

⁷⁶² Within the scope of the 3rd meeting of the Committee on TSD in the EVFTA, on 01 Dec 2023. See: https://dangcongsan.org.vn/bocongthuong/lists/tinhoatdong/view_detail.aspx?itemid=618

⁷⁶³ The contact point is regarded as very meaningful for Vietnam to keep contact with the EU via the Committee and prepare for organising the annual meeting with the block regarding Chapter 13 EVFTA implementation. See more at the last meeting with the EU at: MoIT of Vietnam, “Third Meeting of the Trade Committee under the Free Trade Agreement between Vietnam and the European Union (EVFTA),” Dec 1, 2023, accessed Sep 18, 2025, [Phiên họp lần thứ ba, Ủy ban Thương mại của Hiệp định Thương mại tự do giữa Việt Nam và Liên minh ...](#)

Most importantly, until now, it is justifiable to deduce that the level of compliance with Vietnamese labour law in terms of this obligation, even if it is just related to procedures, is also relatively high.

5.3.2. Domestic Advisory Group

◆ Regarding improving domestic labour law protection levels, Vietnam has also fulfilled the requests from the EVFTA:

From the side of Vietnam, as discussed, Vietnam has convened a new existing DAG with the task of advising on the implementation of Chapter 13, and according to Decision No. 1972/QD-BCT to establish the DAG Vietnam in accordance with Art.13.15 of the TSD Chapter in the EVFTA, the Vietnam DAG consists of 03 sub-groups: economic, social and environmental. The composition of the sub-groups is distributed equally⁷⁶⁴. The list of members of the Vietnam DAG includes: (1) VCCI representative (representing employers); (2) IWTU representative, under the VGCL (representing employees); and (3) Center for Sustainable Rural Development (SRD) (representing environmental groups)⁷⁶⁵. These members have been guaranteed that they can attend the DAG and play their roles properly:

The first meeting of the Vietnam DAG was held immediately after the issuance of Decision No. 1972/QD-BCT in the presence of representatives of the Ministry of Agriculture and Rural Development; the Ministry of Natural Resources and Environment; the Ministry of Home Affairs; the Ministry of Public Security; the Ministry of Foreign Affairs; the MOLISA; the Ministry of Finance; the Ministry of Industry and Trade; and the Multilateral Trade Policy Department. At this meeting, delegates gave their comments on the draft, and the DAG approved the "Regulations on Organisation and Operation of the Vietnam DAG" in accordance with Chapter 13 of the EVFTA. Since then, periodically, according to the agreement, the Vietnam DAG has met to provide consultations to the Vietnamese Government, the joint forum, and the Committee on TSD.

Representative of IWTU

◆ Regarding other aspects, like non-lowering domestic labour law, once again, there has also not been recognised any evidence about this from the EU DAG or independent empirical research. In reality, the preparation for the DAG meeting attracts more and more attention and efforts, especially before the official session of the joint forum.

From the EU and especially the EU DAG side, they have emphasised the role of civil society participation recently, even though the organisation and operation of the DAG in Vietnam have become the focal point

⁷⁶⁴ Decision No.1972/QD-BCT, art. 3.

⁷⁶⁵ Since 23 Mar 2022, Vietnam Elevator Association (VNEA) has been added to the Member List of Vietnam DAG, pursuant to Decision No.415/QD-BCT of the Minister of MoIT on that day.

of heated discussion between the EU DAG and the counterpart in Vietnam. Therefore, prior to the official session of the joint forum, the DAG in Vietnam must carefully and seriously consider the statement made by the EU DAG.

Representative of VCCI

◆ In terms of promoting civil society participation through representative mechanisms of employers, employees, and relevant agencies, Vietnam has been willing to call for independent ideas, suggestions, participation, and supervision from those responsible for the implementation of DAG within the EVFTA; this process has also involved many agencies at the national level⁷⁶⁶.

With the status of legally established associations, NGOs, and non-profits, we are free to gather and present views, make recommendations, and give advice on the implementation of the TSD Chapter of the EVFTA, independent of the state management agencies to which the Vietnam DAG provides guidance.

Representative of IWTU

Unfortunately, from an EU perspective, Vietnam has limited the participation of civil society mechanisms under the EVFTA in scrutinising and monitoring the implementation of this agreement, from the very early to the nearly final phases.

The EU DAG reiterates its call for the full respect of the rights of civil society organisations to scrutinise and monitor the implementation of the EVFTA under the TSD chapter. TSD chapters in trade agreements can only live up to their promise if civil society is able to transparently monitor and scrutinise implementation.[...] The EU DAG reminded the EU and Vietnamese authorities that civil society organisations must be able to prepare properly to engage in joint meetings and therefore, extremely limited warning of meetings and lack of information on agendas and topics to be addressed endangers civil society scrutiny. For all the reasons laid out above, this is a particularly sensitive matter in the case of the EVFTA. Therefore, EU DAG members insist on greater involvement in the preparation of meetings in the future and long notice of dates.

EU DAG (29 Sep 2022)

We are deeply concerned about the repression and arrests of civil society activists and individuals who express legitimate concerns about environmental protection, labour and land rights violations, and the socio-economic impacts of infrastructure and investment projects. This crackdown on individuals and organisations working on sustainable development violates the conditions within the TSD chapter of the EVFTA and undermines the efforts of civil society to effectively monitor Viet Nam in this regard.[...] it is crucial that both sides organise a DAG where civil society can participate independently and freely in

⁷⁶⁶ On 30 Dec 2021, the Minister of Industry and Trade issued Decision No.3019/QĐ-BCT amending and supplementing several articles of Decision No.1972/QĐ-BCT establishing the Vietnam DAG within the framework of the EVFTA. As a result, the Vietnam DAG Group has added three new organisations to its official member list: Vietnam Association of Seafood Exporters and Producers (VASEP); Vietnam Fisheries Society (VINAFIS); Education for Nature (ENV). Thus, DAG Vietnam Group has 6 official members up to now. See: MoIT of Vietnam, “Addition of Members to Vietnam’s Domestic Advisory Group (DAG) under the EVFTA,” Dec 30, 2021, accessed Sep 18, 2025, [Bổ sung thành viên của Nhóm tư vấn trong nước \(DAG\) Việt Nam trong Hiệp định EVFTA](#).

order to monitor the sustainability aspects of the agreement. This also includes the ability of both DAGs to meet and interact substantially with the TSD committee.

Chair of EU DAG (01 Apr 2025)

Therefore, until now, even though an explanation would be delivered regarding this matter⁷⁶⁷, it is justifiable to deduce that the level of compliance with Vietnamese labour law in terms of this obligation related to DAG in Vietnam is also relatively acceptable.

5.3.3. Joint Forum

◆ Regarding improving domestic labour law protection levels, Vietnam has also fulfilled the requests from the EVFTA:

From Vietnam's perspective, as discussed, with the designated composition of the DAG, Vietnam has intentionally attended and/or organised the meeting of the EU-Vietnam Joint Forum on TSD under the EVFTA every year.

Annually, around Oct and Nov, respectively, the EU DAG and Vietnam DAG would have organised the meeting of the EU and the Vietnam DAGs, the so-called "DAG-to-DAG meeting," in the joint forum in the monitoring exercises of the TSD chapter to come together and exchange views on implementation issues. Each counterpart's concerns would shape the central discussion.

Chair of Vietnam DAG

Through the DAG mechanism, the EU DAG and Vietnam DAG would give a hand to the EU and Vietnam regarding the future work to encourage Vietnam to pay more attention in improving domestic labour rights as well as the level of the EVFTA implementation:

Recent discussions have focused on the ratification of ILO conventions and global supply chains in the context of due diligence, the implementation of the Vietnamese Work Plan on Labour Rights, and the current status of ratification of ILO fundamental conventions by EU member states and Vietnam, with the right to association being an essential element of Chapter 13.

Chair of EU DAG⁷⁶⁸

◆ Regarding other aspects, like non-lowering domestic labour law, once again, there has also not been recognised any evidence about this from the EU DAG or independent empirical research. In reality, the same as the other institutional mechanisms, the preparation

⁷⁶⁷ These activists and individuals have been found guilty and now face legal liability under Vietnamese law. As a consequence, their rights to join the civil society mechanism within the TSD Chapter in the EVFTA have also been restricted. See: *Tien Phong* Newspaper, "Appellate Court Upholds Five-Year Prison Sentence for Defendant Dang Dinh Bach," *Tien Phong*, Aug 11, 2022, accessed Sep 18, 2025, [Y án sơ thẩm 5 năm tù đối với bị cáo Đặng Đình Bách | Báo điện tử Tiền Phong](#); Tuyet Mai, "Defendant Pham Chi Dung Sentenced to 15 Years in Prison," *Tuoi Tre Online*, Jan 5, 2021, accessed Sep 18, 2025, [Bi cáo Pham Chi Dung lãnh 15 năm tù - Tuổi Trẻ Online](#).

⁷⁶⁸ As the interview conducted on 27-28 Nov 2023, at: European Economic and Social Committee, "3rd DAG & DAG Meeting under EU-Vietnam FTA," *European Economic and Social Committee*, accessed Sep 18, 2025, [3rd DAG-to-DAG meeting under the EU-Vietnam FTA | EESC](#).

for the joint forum attracts more and more attention and efforts, especially before the official session of that event.

In each joint forum, a joint statement, prepared by both sides, was discussed, but even though an agreement could not be reached, the DAG from the EU or Vietnam is free to hold their opinions, and more or less, these concerns would be raised in the next session to guarantee that Vietnam or every EU member state will implement Chapter 13 properly and effectively.

Chair of EU DAG⁷⁶⁹

◆ In terms of promoting civil society participation, it can be said that not only the joint forum but also the DAG and Committee on TSD are opening mechanisms which are open to civil society participation from both sides, including but not limited to labour and business organisations, environmental groups, academics and other civil society organisations. The joint forum has been available in on-site and off-site meeting formats, or even hybrid ones. According to these ways, registration is welcome to interested organisations. Through representatives of these bodies, Vietnam has been willing to call for independent ideas, suggestions, participation, and supervision from those responsible for the implementation of the joint forum within the EVFTA; this process has also involved many agencies at the national level⁷⁷⁰.

The joint forum has attracted more and more attention from civil society organisations—even those in Vietnam and overseas. For the second joint forum, we received registrations from many organisations and academics working in the EU, especially a lot of Vietnamese. Unfortunately, at that time, we had just scheduled an in-person meeting.

Representative of MoIT

Consequently, the same as the other institutional mechanisms, most importantly, until now, it is justifiable to deduce that the level of compliance with Vietnamese labour law in terms of this obligation related to the joint forum in Vietnam is also relatively high.

5.4. Final Remarks

Chapter V focuses on *de facto* perspectives regarding the labour law in Vietnam as well as relevant domestic policies and strategies within the context of compliance with the EVFTA labour commitments. Based on the legislative foundation set out in Chapter IV, Vietnam has

⁷⁶⁹ Ibid.

⁷⁷⁰ European Commission, “Fourth Meeting of the EU–Vietnam Joint Forum on Trade and Sustainable Development (TSD) under the EVFTA, 21 Nov 2024,” *European Commission*, accessed Sep 18, 2025, [Fourth meeting of the EU-Vietnam Joint Forum on TSD under the EVFTA - European Commission](#); European Commission, “Fourth Meeting of the EU–Vietnam Joint Forum on Trade and Sustainable Development (TSD) under the EVFTA, 21 Nov 2024,” *European Commission*, accessed Sep 18, 2025, [Mời tham dự diễn đàn chung lần thứ hai về Thương mại và Phát triển bền vững trong khuôn khổ ...](#).

continuously and thoroughly fulfilled the aforementioned plans to comply with labour commitments in the EVFTA regarding three key pillars and the analytical frameworks that keep up with contemporary research.

Generally, it has been proven that Vietnam has strictly adhered to obligations derived from the ILO membership, and as a result, the level of compliance of Vietnamese labour law in these regards is relatively high. In contrast, after the signing of the EVFTA, Vietnam has not faithfully complied with responsibilities under this agreement, especially the C087 ratification and in some relatively "new" areas like CSR, and as a consequence, the level of compliance regarding these commitments is also relatively low. As a consequence, this country should urgently implement practical strategies and plans as well as improve the legal system to keep up with C087, as suggested in the last chapter.

Besides, in terms of procedural commitments and institutional mechanisms, with the consistent and comprehensive legal basis from national to local levels, overall, in these regards, there is a high level of compliance with Vietnamese labour law in light of labour commitments in the EVFTA. Except for the DAG mechanism in Vietnam, there are still concerns raised by the EU DAG to guarantee the true and full effectiveness of this mechanism under the TSD Chapter. It is believed that, besides a good legal foundation, Vietnam needs to effectively implement these regulations with the highest level of commitment to fully transfer the EU models-at the international level-to the domestic level, as the EU DAG suggested.

It also should be highlighted that, even though in some spheres, especially the upholding of levels of domestic protection on labour standards, including wages and wage-setting mechanisms, health and safety at work, labour inspection and access to vocational education and training, Vietnam has a relatively high level of compliance with the labour commitments in the EVFTA, there has not been a clear and strong connection between this agreement and changes in state behaviours, strategies and policies in this country. This explains why labour commitments in the EVFTA have not significantly impacted the labour rights and conditions of workers in Vietnam.

CHAPTER VI

CONCLUSIONS AND DISCUSSION

Stemming from the theory of trade liberalisation to remove or reduce both tariff and non-tariff barriers in the flow of goods and services across the border of economies and countries, with the ultimate goal being free trade, PTAs have been the new reality of today's global economy and one of the two major pillars of governance of world trade, alongside the WTO. This "umbrella" term encompasses several types of reciprocal agreements between trading partners: RTAs, FTAs, and CUs. In addition, Chapter II reveals several reasons that have encouraged countries to sign FTAs instead of PTAs, including the trend towards regionalisation, geopolitical stability, and the effect of the proliferation of FTAs on PTAs. It then maps this "vogue" by tracing back the history of PTAs and the creation of FTAs. As a signatory of various multilateral, bilateral, and regional agreements that position it as a key player in the international trade system, the EU is not an exception to this trend, particularly with respect to four categories of FTAs; among these, the EVFTA represents one of the second category (new-generation FTAs). Even though the names and focus of EU FTAs have changed recently, their basic nature and effects have stayed the same, as they still aim for long-term goals beyond just EU commercial interests, such as including labour and environmental rules to support sustainable development. Because of the connection between trade and labour in EU FTAs, the author wants to explain why this shift is happening and to better understand why there are more labour commitments in EU FTAs today.

Accordingly, there are two main arguments related to "unfair competition" and "human rights" that would have been the rationales of trade-labour linkages; in addition, the circumstances in Europe, with increasingly domestic and external pressure among EU states, have become the momentum for the labour provisions in EU trade policy-making. Throughout three milestones, in 2010, the EU-Korea FTA was the first one signed under the new strategy and has been a model for the agreements that followed. Since the FTA, the TSD chapter has integrated these labour provisions with environmental protection rules. The EU expected the EVFTA, signed in 2020, to be the most comprehensive and promising FTA between the EU and a developing nation.

Although there are some variations among the different agreements, the TSD chapters in EU FTAs and the EVFTA share three pillars: substantive commitments, procedural commitments, and institutional mechanisms. These pillars will also serve as the foundation for

examining the compliance of Vietnamese labour law regarding labour commitments in the EVFTA in the upcoming sections of the dissertation.

Understanding of compliance theory plays a significant part of the dissertation. According to this, compliance is a complex and ambiguous matter and can rarely be traced to a single factor but should be understood via the application of a multi-causal research design. Compliance includes implementation but is broader, concerned with factual matching of state behaviour and international norms in general. The concept of compliance does not establish a causal connection between a legal rule and behaviour, but rather, it merely signifies a conformity between the rule and behaviour. And to speak of effectiveness is to speak directly of causality: to claim that a rule is "effective" is to claim that it led to certain behaviours or outcomes, which may or may not meet the legal standard for compliance. And as discussed in Chapter II, compliance is therefore best understood as a process in which states only rarely face the clear-cut decision to “comply or not comply”, but the degree of compliance is influenced by decisions on various governmental levels. Compliance also needs to be understood differently depending on the type of obligations required, which can be divided into substantive and procedural obligations, leading to two main aspects of compliance: substantive compliance and procedural compliance.

With the profound knowledge of compliance theory, in combination with the background of labour commitments in EU FTAs generally and particularly in the EVFTA, the theoretical framework of Vietnamese Labour Law compliance evaluation under the EVFTA is proposed in Chapter II (Figure 2). Following this, the dissertation focuses on clarifying the fulfilment of obligations arising from the labour commitments outlined in the TSD Chapter of the EVFTA, examining various implementation measures at the domestic level in Vietnam from both legal and practical perspectives. Therefore, we would employ the process-tracing method, focusing on the state's behaviour at various levels as the central point of assessment. And in most areas, the causal linkage (causality) between the EVFTA labour commitments and state behaviour would probably not be carefully considered, but in some areas, this linkage would have to be examined thoroughly because it is necessary to answer the hypotheses of the dissertation related to the role of the EVFTA in revolutionising Vietnamese legislation (labour law) as well as the impact of the EVFTA labour commitments on labour conditions of workers in this country.

Therefore, when discussing Chapter III, it is essential to thoroughly explore the nature and content of labour commitments in the EVFTA and ultimately determine what requirements the EU expects Vietnam to comply with regarding these commitments. The author has traced

back the historical lines of the EVFTA and further clarified and explained why the EU has regarded the EVFTA as the most comprehensive and promising FTA between the EU and a developing nation. To find the answer, the historical background and content of the EVFTA would be examined, and the policies of the EU related to Asia and Vietnam would also be carefully considered to understand the implications from the EU. According to this, the EVFTA creates a free trade area between the Union and Vietnam, with attention given to the high level of environmental protection, compliance with labour laws, and relevant standards, agreements, practices, and guidelines accepted on an international level.

To truly understand the labour commitments in the EVFTA, the author zooms in to get a closer look at these commitments by a brief comparison study, including the EVFTA and other EU FTAs between the EU and developing nations. Chapter III concludes that the EVFTA has not only similar labour commitments to others but also a "wider and deeper" approach in some aspects. It should also be highlighted that the way the EU has integrated these commitments (between not-totally-brand-new and new aspects), including CLS, CSR, and DWA, into the EVFTA makes them more detailed, coherent, and potentially legally binding, focusing on the two main remarkable obligations of *non-lowering domestic labour law and improving the protection levels of domestic labour law*. Especially, the relationship between these three key elements in labour commitments under the EVFTA has been revealed. Accordingly, to achieve the ultimate goal – DWA – the EU has employed both CLS as state actors and CSR as non-state actors, and as a consequence, DWA would also be paid more and more attention and become strategic objectives in the long run for the EU.

Besides that, being consistent with the FTA policy based on dialogue and cooperation, the EU has exported the EU model—*civil society mechanisms (civil society participation) in FTAs in the EVFTA*—with a detailed explanation, including the institutional, monitoring, and dispute settlement mechanisms in Chapter III. In this chapter, the significant labour dispute resolution between the EU and Korea has been revisited, further providing valuable implications for Vietnam and other trading partners of the EU to assess and enhance the level of compliance with EVFTA labour commitments in this country. Highlighting several key points is crucial.

Firstly, regarding upholding ILO CLS, Vietnam should pay attention to key priorities, including the ratification of ILO fundamental conventions, timing domestic legal internalisation, and, last but not least, the obligation to guarantee that the implementation of CLS and other labour standards will be effective. Especially, Vietnam should have strategies

in place to establish domestic levels of labour protection that it deems appropriate beyond, but not below, its commitments to ILO standards.

Secondly, regarding promoting CSR, as discussed, both the EU and Vietnam should focus on enhancing cooperation to develop legislation related to CSR in their own countries, in accordance with their international commitments. In addition, the EU mandates that partner nations must guarantee alignment with EU activities, so in the upcoming period, Vietnam has to pay more attention to mandatory due diligence legislation, the Gender Pay Equity Act and responsible value chain management and therefore amend and supplement the domestic legislation to keep up with the legal trend among the EU members.

Thirdly, regarding promoting ILO DWA, Vietnam should regard CLS as an essential platform to realise the TSD Chapter's ultimate goal, namely, the attainment of decent work. This results in both current and future action plans for implementing the EVFTA clearly stating the goal of promoting decent work within the trade relationship between the two countries, which includes policies and practices to support decent work cooperation, such as conducting research with surveys to evaluate how well the decent work rules of the EVFTA are being followed.

Following the process-tracing method, Chapter IV illustrates historical developments in Vietnamese labour law in two main phases, including before and after the signing of the EVFTA. As discussed, the role of the EU and its representatives in revolutionising Vietnamese labour law has been remarkable in the early phase before the signing of the EVFTA, but in the latter one, it seems like the EU has slowly diminished in influence regarding the revolution of labour law in Vietnam.

The goal of Chapter IV is to assess the level of compliance with Vietnamese labour law regarding the *de jure* perspective by looking more closely at the amendments and supplements to the domestic legislation in the three key pillars of labour commitments within the EVFTA. There are two main features that should be highlighted.

Firstly, regarding substantive and other standards. It is undoubted that, in general, with the traditional obligations derived from the ILO membership, Vietnam has proven that it has relatively accomplished legislation to fulfil those obligations. For more detail, with the new LC 2019 and outstanding amendments and supplements, especially related to C087 and C098, they would play a significant role in supporting Vietnam to approach the ILO fundamental rights and principles at work better than all the previous LCs. But the inherent limitations here are legal gaps between the new LC 2019 and these fundamental rights and principles. As a consequence, these legal gaps would negatively affect the level of compliance with Vietnamese

labour laws in practice (*de facto*). In addition, it has been demonstrated that Vietnam has intentionally prepared careful plans for the ILO DWA, even though it happened before the signing of the EVFTA and is now being continuously implemented as the requirements under the relevant commitments in this agreement. But in contrast, in emerging legal fields like CSR, it is likely ambiguous in the domestic legislation of Vietnam, and absolutely, due to a significant legislative vacuum in terms of regulating CSR on labour, this would also have an adverse impact on the level of compliance of Vietnamese labour law in reality.

Secondly, concerning procedural commitments and institutional mechanisms, Vietnam has meticulously developed domestic legislation supported by dedicated legal guiding documents, particularly for the period from 2020 to 2025, at various levels ranging from national to local. The government and state agencies have timely synchronised their strategies and plans, as demonstrated in Chapter IV's positive results. That would further set the firm foundation to achieve the high level of compliance in practice (Chapter V).

With the analytical framework derived from Chapter III, in Chapter V, the level of compliance of Vietnamese labour law within the EVFTA would be assessed from the *de facto* perspective in three key pillars of labour commitments within the EVFTA. There are also two main features that should be highlighted.

Firstly, the focus is on the substantive and other standards. Vietnam has carefully adhered to obligations derived from the ILO membership, including CLS and DWA areas, and as a result, the level of compliance of Vietnamese labour law in these regards is relatively high in general, despite inherent limitations, especially for the delayed C087 ratification. And as predicted, the level of compliance regarding these commitments related to non-state actors (CSR) is relatively low.

Secondly, concerning procedural commitments and institutional mechanisms, there is overall a high level of compliance with Vietnamese labour law, supported by a consistent and comprehensive legal framework from national to local levels in relation to the labour commitments outlined in the EVFTA.

Although Vietnamese labour law appears to be fairly compliant in theory, empirical research has shown that there is not a clear and strong connection between this compliance and actual changes in state behaviours, strategies, and policies regarding workers' rights and conditions in the country. In addition, there have been concerns raised by the EU regarding the implementation of the DAG mechanism in Vietnam. All of this raises the question of whether Vietnam has genuinely and completely complied with its labour commitments under the EVFTA. Or Vietnam has just pretended to deal with these commitments and pursue higher

economic advantages. And whether these labour commitments have a really meaningful impact on Vietnam, as the expectation from the EU has at the early stage. This requests that we carefully reconsider many aspects but focus on several key points as follows:

Speaking about the level of compliance of Vietnamese labour law in terms of a legal perspective (in law), it cannot be denied that compared to procedural commitments and institutional mechanisms, it is more complicated to comply with substantive and other standards. However, we should openly admit some notable intrinsic constraints "behind the scenes":

Firstly, Vietnam released the new LC in 2019 following the signing of the EVFTA, and there have been no further significant changes since then. But why is compliance with labour commitments still relatively high? The answer is based on the compliance theory in Chapter II. Accordingly, compliance with international treaty commitments is often inadvertent, coincidental, or an artifact of the legal rule or standard chosen. The sheer fact of compliance with a given commitment tells us little about the utility and impact of that commitment⁷⁷¹, and when it comes to the case of Vietnam, regarding many categories related to CLS, Vietnam had already relatively fulfilled obligations derived from fundamental ILO conventions before the EVFTA signing, so without any more significant changes, this country has guaranteed that the compliance level is still good.

Secondly, it is not difficult to realise that Vietnam has seemingly just focused on the traditional obligations derived from the ILO membership; other obligations, especially in new areas, untraditional ones-like non-state actors (CSR)-have been taken for granted. There are explanations for this assertion; by tracing back to the Proposal on Draft LC (amended) in 2019, Vietnam has regarded the EVFTA labour commitments as obligations related to ILO CLS and ILO member states.

Vietnam has ratified the CPTPP and is preparing to sign the EVFTA. Labour commitments in these agreements require member countries to have obligations to implement the fundamental principles and rights at work of workers according to the 1998 Declaration of the ILO. The commitments in the above FTAs are also Vietnam's commitments within the framework of the United Nations and are obligations of ILO member states.

Minister of MOLISA

In this vein, even with the very important and ultimate goal of the TSD Chapter or labour commitments from the EU side – DWA, according to the two key legal documents from Vietnam to implement the EVFTA in the labour area, including Decision No. 1201/QĐ-TTg,

⁷⁷¹ Ibid., 391-392

on Sep 9, 2020, by the Prime Minister, and Decision to implement the EVFTA (Decision No. 1061/QĐ-LĐTBXH) by the Minister of the Ministry of Labour – Invalids and Social Affairs, the direct strategies and policies related to DWA are likely ignored⁷⁷².

As a consequence, the EU has treated the ILO as a partner in trade negotiations⁷⁷³ and has reinforced the parties' principles and obligations under ILO membership at a more comprehensive and higher level⁷⁷⁴. However, from the perspective of Vietnam, the approach of policymakers in terms of these commitments has been narrowed almost within the scope of ILO membership, and this would further lead to a decrease in the compliance level of Vietnamese labour law in the EVFTA. Further details explaining this statement are provided below.

Speaking about the level of compliance of Vietnamese labour law in terms of practical perspective (in practice), one key factor that should be reconsidered in the compliance theory is effectiveness. As discussed in Chapter II, effectiveness could be understood as a concept that can be defined in varying ways: as the degree to which a given rule induces changes in behaviour that further the goals of the rule, the degree to which a rule improves the state of the underlying problem, or the degree to which a rule achieves its inherent policy objectives⁷⁷⁵. Even though compliance and effectiveness are not the same, it cannot be denied that the EU has increasingly paid attention to the latter factor and also requested Vietnam to fulfil the obligations derived from the EVFTA truly and comprehensively to achieve a higher level of compliance in this country⁷⁷⁶. It should be noted, especially, that there is an obligation to guarantee that the implementation of ILO CLS and other labour standards will be effective. So in this regard, effectiveness would become mandatory to assess, and Vietnam has to be intentionally held accountable for the implementation report of these CLS and other labour standards to make sure that they are highly respected both in law and in practice.

The question here is, what is the rationale underlying this circumstance of compliance level in Vietnam? It could be seen from the two sides that there have been conclusions based on empirical research.

Firstly, regarding the side of Vietnam, from understanding to implementation, as discussed in this chapter, the approach of policymakers in terms of these labour commitments has been likely incomplete, which would lead to the circumstance that Vietnamese state

⁷⁷² Ibid., 82-92

⁷⁷³ Sicurelli, *op. cit.*, pp. 461-473.

⁷⁷⁴ See Chapter III, Section 3.2.3

⁷⁷⁵ Ibid., 3-6.

⁷⁷⁶ See Chapter V, Section 5.3.2, and evidence from the DAG meetings between the EU and Vietnam; it is undoubted that the EU has been exerting more pressure on Vietnam to truly and seriously implement the DAG mechanism within the EVFTA.

officials who oversee the implementation of labour commitments in this country also have an incomplete view and knowledge about these commitments⁷⁷⁷. This is contradictory to the synchronised guiding documents that each province (local level) has promulgated to implement the EVFTA labour commitments referring to the national strategies of the government, and as a result, it makes us more strongly believe that these local guiding documents are not really meaningful in practice, just on paper⁷⁷⁸!

Secondly, regarding the side of the EU, from the early discussion in Chapter III with the expectation for the most promising and comprehensive FTA and higher compliance level in Vietnam to the relentless pressure on this country through the DAG mechanism about inherent limitations, or in other words, Vietnam's reluctance to change in the implementation of the EVFTA labour commitments when it comes to C087 ratification or the function and activities of Vietnam DAG, and so on, all leads to worries about the effectiveness of the partnership model between the EU and ILO governing labour commitments in new-generation FTAs. Additionally, significant changes in recent EU FTAs, especially the FTA between the EU and New Zealand with the sanctioning capacity⁷⁷⁹-that is not available in the EVFTA-once again raise concerns regarding the effectiveness of that EU-ILO cooperation, as well as the limitation of the contemporary "naming and shaming" approach of the EU dealing with the violations in the TSD Chapter from trading partners, including Vietnam.

So what are the lessons and recommendations for Vietnam to achieve a higher level of compliance regarding the labour commitments within the EVFTA in the future? As previously mentioned, the approach from understanding to implementation should concentrate on several key points:

Firstly, raising the awareness of compliance theory in the international legal system and a better understanding of labour commitments in the TSD Chapter within the EVFTA are the highest priorities. Throughout the dissertation, especially when conducting the empirical research, it is not difficult to find out that there is a significant lack of awareness of the two key areas mentioned by policymakers and state officials in Vietnam. That would lead to a lower level of compliance and, furthermore, insincere, pretentious conduct when trying to comply with these commitments. In this context, it is essential for the representative agents of Vietnam,

⁷⁷⁷ The survey found that only 10% of state officials in the labour sector fully understand the EVFTA labour commitments, while nearly 70% have partial or no knowledge of them.

⁷⁷⁸ As a thorough examination, we have realised that many provinces in Vietnam have shared similar content regarding the strategy implementation, without detailed information or characteristics in each province. That leads to the doubt about the role of these documents in reality. See more at: <https://trungtamwto.vn/chuyen-de/15905-ke-hoach-thuc-hien-hiep-dinh-evfta-cua-chinh-phu>

⁷⁷⁹ Villani, S (2025), EU Trade Agreements and Dispute Settlement Mechanisms on Sustainable Development: Remarks on the EU-New Zealand FTA. Bologna : AMS Acta Alma DL - Università di Bologna.

such as the Ministry of Industry and Trade and the Ministry of Labour, Invalids and Social Affairs, to stay updated on the guidelines and explanations regarding labour commitments in EU FTAs and compliance theory from both the EU and the ILO, which is an important partner of the EU. In addition, Vietnam should have an *implementation strategy* for these labour commitments, and of course, it is mandatory to comply with this strategy⁷⁸⁰ and continuously keep up with trends in legislative development in the EU recently, for instance, CSR, ESG and further DWA⁷⁸¹. That is meaningful for Vietnam to actively comply with these related commitments and then to effectively support the domestic enterprises to join the common market of the EU and foster international trade⁷⁸².

Secondly, Vietnam also needs to persistently and continuously fulfil obligations derived from its ILO membership. Frankly speaking, from the requests of CEACR, to guarantee the effectiveness of the ILO fundamental conventions, this country has been holding accountability, including annual reports for implementation of these conventions or other requests from the CEACR⁷⁸³. Additionally, reforming domestic regulations, particularly in labour law, should also be considered the top priority. Nowadays, the ratification of C087 and internalisation in Vietnamese domestic legislation, alongside an adoption of the decree on workers' representative organisations and the effective reform of the trade union law, should be regarded as a serious problem with meeting labour commitments in the EVFTA⁷⁸⁴. Following that, the advice from the CEACR, EU DAG, or independent experts should not be taken for granted⁷⁸⁵, because it cannot be denied that the level of compliance in law would have a great impact on the compliance level in practice⁷⁸⁶.

Thirdly, Vietnam should prepare carefully for the upcoming strategies and policies from the EU, deliberately adjust to the *exporting EU model* with sincere and thorough manners. It must be mentioned here that the *civil society mechanisms* include the DAG, Panel of Experts,

⁷⁸⁰ European Commission, *Better regulation: guidelines and toolbox*, at https://commission.europa.eu/law/law-making-process/planning-and-proposing-law/better-regulation/better-regulation-guidelines-and-toolbox_en, p.11

⁷⁸¹ As discussed in Chapters IV and V

⁷⁸² For instance, more experience from European countries in the elimination of forced labour, including Hungary, Italy, and so on. See more at: Rab Henriett et al., "The elimination of forced or compulsory labour in Vietnam within the context of the EVFTA and lessons from European countries", *Lex ET Scientia International Journal*, no. XXX, vol. 2/2023: 93-96.

⁷⁸³ There is a lack of national reports on the implementation of several conventions that would make it more difficult to assess the effectiveness or further the compliance level. Unfortunately, Vietnam has not released any official reports on the implementation of these conventions from the time before the signing of the EVFTA. Or even that the results from the empirical research indicate limitations in the implementation of C100 and C111 in the province of Thanh Hoa, Vietnam (Chapter V); also at:

[https://normlex.ilo.org/dyn/nrmlx_en/f?p=1000:11110:::~](https://normlex.ilo.org/dyn/nrmlx_en/f?p=1000:11110:::)

⁷⁸⁴ These issues have been alerted to relentlessly by the EU DAG, with more and more assertiveness.

See the latest statement of the EU DAG at: https://www.eesc.europa.eu/sites/default/files/2024-12/eu_vn_dag_statement_after_joint_forum_20241209_final.pdf

⁷⁸⁵ See more in Chapters III, IV and V

⁷⁸⁶ As discussed, the reforms in domestic legislation occur with hesitation in Vietnam, specifically after the signing of the EVFTA, and unfortunately, up to now, there have not been significant changes in national laws in this country.

Joint Forum, and Committee on TSD. It is highly recommended that Vietnam guarantee the ability of these mechanisms, first and foremost, the Vietnam DAG, to play its role effectively, and further the participation of civil society in terms of the implementation of labour commitments in the EVFTA is very important⁷⁸⁷; it has exercised great caution because of both recent warnings from the EU DAG about the restrictions on the DAG function in Vietnam and empirical research.

We are just able to answer or provide official documents that have been already published with permission⁷⁸⁸.

Representative of MoIT

It is strongly believed that suggestions and recommendations from the EU DAG have played a significant role in helping Vietnam truly and fully comply with labour commitments that the EVFTA sets out.

And finally, compliance has to be acknowledged as the continuous process alongside the EVFTA's duration. So keeping up with trends and developments in the modern age is necessary for Vietnam to join the common market among EU Member States as well as engage in global trade. Accordingly, specifically as the first period of the EVFTA labour commitments implementation 2020-2025 is coming to a close soon⁷⁸⁹, it is time for Vietnam to revisit things that have been done, assess the impact of the EVFTA on labour and predict the impact of new circumstances on the implementation of EVFTA labour commitments and the working conditions of employees, including but not limited to the digital age and artificial intelligence (AI).

Back to the two hypotheses set out from the early time of conducting the dissertation, we firmly answer that: Firstly, *the signing of the EVFTA has played a significant role in revolutionising Vietnamese labour law* - the answer is no. Secondly, *labour commitments under the EVFTA have a great impact on improving labour rights in Vietnam* - the answer is no.

The problem here is, would these two negative answers pose a problem for Vietnamese labour law and the labour market? And what are the further consequences for the implementation of the EVFTA⁷⁹⁰?

⁷⁸⁷ According to the empirical research, civil society participation has not been an important factor regarding labour commitments in the EVFTA. Just under 40% of the experts and state officials who participated in the research agreed that civil society participation is one of the obligations included in the labour commitments of the EVFTA.

⁷⁸⁸ The answer was delivered when we asked the officials for the meeting documents and statements of the Vietnam DAG under the DAG meeting between the EU and Vietnam. However, no documents or information have been made available, and the officials declined to provide us with any reasons. (Interview taken on 16 April 2024). Besides, over 70% of experts and over 90% of state officials in labour request the representative agent of the Vietnamese government to publish the information regarding the DAG meeting between the EU and Vietnam.

⁷⁸⁹ The first manuscript of the dissertation was submitted in Aug 2025.

⁷⁹⁰ In other word, what is the next step from the EU to achieve more impact in the future FTAs? It should be considered in its varied dimensions. In the latest publication, the author has revealed the relationship between CLS, CSR, and DWA, focusing on the contemporary "naming and shaming" approach of the EU in addressing the implementation or violations of the TSD

It should be traced back to the ultimate purposes of labour provisions in trade agreements nowadays of *protecting and advancing workers' rights through trade agreements*⁷⁹¹ besides the EU commercial policy "Trade for all" as mentioned, and in collaboration with those answers to the hypotheses, these purposes may be hardly satisfied in Vietnam. In other words, the EU's level of expectation for labour provisions is high, but in reality, Vietnam has not been willing to revolutionise the legislation; almost all things have remained or have been very slowly changed, or, even until now, they are just "dream cakes"⁷⁹². That leads to the undeniable result that workers' rights in this country have still been guaranteed based on the existing legislative foundation, and then this would probably become outdated⁷⁹³ compared to the EU's fast-growing level of legislative perfection in critical areas such as CSR and ESG. And these workers would possibly be negatively affected by the EVFTA in particular or international trade agreements in general, especially in terms of health and safety, where gaps between worker protections in law and practice still exist⁷⁹⁴.

As a consequence, Vietnam is currently facing two scenarios regarding the implementation of its labour commitments in the upcoming phase of the EVFTA: Firstly, Vietnam continuously relies on its existing practices, disregarding increasingly serious warnings from the EU until this block initiates the other official actions. (This scenario is *not genuine compliance*). Secondly, pursuing the way of *true compliance* (genuine and sincere), accordingly, with the highest temptations, Vietnam must carefully consider simultaneous changes in both law and practice aforementioned to better utilise its new-generation FTAs, ensuring that no one is left behind in the world of work./.

Chapter by trading partners, including Vietnam. Following that, CLS, as state actors, and CSR, as non-state actors, help the EU fulfil the DWA dream in partner countries like Vietnam. With state actors – CLS, the EU would increase the pressure via the ILO role (through official meetings and reporting obligations from Vietnam and other countries), especially the CEACR-specialist agency of the ILO and the DAG mechanism in joint forums between the EU and Vietnam, to relentlessly request the Vietnamese government and other countries to take urgent actions. The author believes that the EU will gradually place Vietnam at a crossroads, where it must choose between (1) making sincere changes that lead to economic benefits and (2) opting for no changes or slow changes, which would result in losing economic benefits. For instance, as indicated, with the fast-growing level of legislative perfection in critical areas such as CSR and ESG, if Vietnam does not change, many exported products from this country will be banned from the EU market in the very near future. And beside that, with the new wave of EU FTAs like EU-New Zealand, it is believed that the panel of experts would be highly employed to deliver a warning for Vietnam and other countries when violations are found.

⁷⁹¹ https://www.ilo.org/sites/default/files/2025-04/Labour%20provisions%20in%20trade%20agreements_FINAL.pdf

⁷⁹² See Chapter V regarding the C087 and C098 commitment.

⁷⁹³ See Chapter V regarding the CSR commitment.

⁷⁹⁴ Fuller, T.P. (Ed.). (2021), *Improving Global Worker Health and Safety Through Collaborative Capacity Building Initiatives* (1st ed.), CRC Press.

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