EU/Vietnam Framework Agreement on Comprehensive Partnership and Cooperation

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PURPOSE: to conclude the Framework Agreement on Comprehensive Partnership and Cooperation between the European Union and its Member States, of the one part, and Viet Nam, of the other part.

PROPOSED ACT: Council Decision.

ROLE OF THE EUROPEAN PARLIAMENT: Council may adopt the act only if Parliament has given its consent to the act.

BACKGROUND: in 2007, the Council authorised the Commission to negotiate a Framework Agreement on Partnership and Cooperation (PCA) with Vietnam, based on the November 2004 authorisation for negotiations with Thailand, Indonesia, Singapore, the Philippines, Malaysia and Brunei. Negotiations with Vietnam were launched in Hanoi in November 2007. The PCA was signed in Brussels on 27 June 2012.

The PCA with Vietnam will supersede the current legal framework of the 1995 Agreement between the European Community and Vietnam and the 1980 Cooperation Agreement between the European Economic Community and member countries of the Association of South-East Asian Nations (ASEAN), which was extended in 1999 to include Vietnam.

It is now necessary to approve the PCA on behalf of the European Union.

LEGAL BASIS: the Commission notes that Council Decision No 2012/272/EU on the signature of the PCA Philippines is the subject of **Court Case** C-377/12: the Commission asked the Court to annul this Decision insofar as the Council had added legal bases relating to transport (Articles 91 and 100 TFEU), readmission (Article 79(3) TFEU) and the environment (Article 191(4) TFEU).

Council Decision No 2012/279/EU on the signature of the PCA Vietnam raises, *mutatis mutandis*, the same legal issues as Council Decision No 2012/272/EU on the signature of the PCA Philippines. Court Case C-377/12 is therefore of relevance to the proposal for a Council Decision on the conclusion of the PCA with Vietnam too.

Subject to the Court ruling in Case-377/12, this proposal for a Council Decision on the conclusion of the PCA Vietnam is based on Articles 207, 209 and 218(6).

The PCA draws the attention of the Council to the recital in the Agreement relating to the specific position of the UK, Ireland and Denmark based on Protocols 21 and 22 of the Treaties. The addition of this recital is due to the genesis of this text only. Depending on the outcome of case C-377/12, currently pending before the Court of Justice, this recital may have to be dropped or reworded at a later stage.

The Commission takes the view that, as long as this case is pending, the procedure for conclusion of this Agreement cannot be finalised.

CONTENT: under this proposal, the Council is called upon to approve, on behalf of the European Union, the Framework Agreement on Comprehensive Partnership and Cooperation between the European Union and its Member States, of the one part, and Viet Nam, of the other part.

General principles and political dialogue: the PCA with Vietnam constitutes an important step towards enhanced political and economic involvement of the EU in South-East Asia.

Foreign policy: the draft PCA covers the EU's standard political clauses on:

- human rights,
- International Criminal Court,
- weapons of mass destruction,
- small arms and light weapons and counter-terrorism.

It also addresses legal cooperation, money laundering and terrorist financing, organised crime and corruption, and covers areas of particular interest to Vietnam such as cooperation on human rights and the rule of law, remnants of war and **natural disaster prevention**.

Economic and trade cooperation: the draft PCA provides the basis for more effective engagement by the EU and its Member States with Vietnam in the development, trade and economic fields and will facilitate the **conclusion of a Free Trade Agreement with Vietnam**.

The conclusion of the PCA is in line with the EU's objective of creating a comprehensive and coherent economic and political framework for relations between the EU and ASEAN countries.

Sectoral cooperation: the PCA strengthens the sectoral cooperation across a wide range of policy fields, such as:

- taxation,
- migration,
- health,
- environment,
- climate change,
- energy,
- education and culture,
- labour,
- employment and social affairs,
- science and technology,
- transport.

Institutional framework: the draft Agreement also includes institutional provisions to put in place a joint committee composed of representatives of the two Parties with the aim of ensuring the correct application of the Agreement and resolving conflicts.