

Statement on the visit of EU trade commissioner Šefčovič to Vietnam

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EU trade commissioner Maroš Šefčovič must demand that Vietnam ratify international conventions on labor rights—a condition of the EU-Vietnam Free Trade Agreement (EVFTA)—and call for a public accounting of the fate of government labor reformers during his visit to the country this week, said Project88.

When Vietnam signed the EVFTA, it committed to allowing independent oversight of the trade agreement and ratifying international conventions on labor rights. Instead of fulfilling this commitment, Hanoi imprisoned civil society representatives who attempted to monitor implementation of the trade deal and the leading government officials who were working to ratify the conventions, Nguyen Van Binh and Vu Minh <u>Tien</u>.

Making matters worse, Vietnam's top leaders have framed the ratification of human rights agreements as a national security threat that needs to be addressed through increased repression. As Project88 revealed, <u>Directive 24</u> mandates that state control be maintained over any newly formed trade unions. The directive is proof that, despite official statements to the contrary, the Vietnamese government has no intention of allowing truly independent trade unions. In 2024, the EU Domestic Advisory group expressed <u>concerns</u> about Directive 24, but it remains unclear whether any action was taken in response.

"It makes no sense for the EU to include human rights conditions in its trade agreements if they are not serious about enforcing those conditions," said Ben Swanton, Co-director of Project88.

Beyond these outright attacks on labor rights and civil society, Vietnam has failed to meet several other key obligations under the EVFTA. Below, we outline five specific provisions of the agreement that Vietnam has violated:

1. EVFTA Article 13.4 (2)(A)

Each Party reaffirms its commitments . . . to respect, promote and effectively implement the principles concerning the fundamental rights at work, namely the freedom of association and the effective recognition of the right to collective bargaining.

Vietnam has long restricted the right of its citizens to form and operate associations. And, in recent years, Hanoi has imposed even stricter limitations. On October 8, 2024, the Vietnamese government enacted <u>Decree 126</u>, which has made it more difficult to establish an association and has granted the government new powers to control and monitor the activities and funding sources these groups. Most alarmingly, the decree allows the government to suspend and dissolve associations—an authority it did not previously possess. Decree 126 is part of a broader pattern of policy measures that have made it nearly impossible for civil society organizations to operate.

2. EVFTA Article 13.4 (2)(B)

Each Party reaffirms its commitments . . . to respect, promote and effectively implement the principles concerning the fundamental rights at work, namely the elimination of all forms of forced or compulsory labour.

In June 2024, Project88 published a <u>report</u> revealing Vietnam's failure to address human trafficking effectively. The report found that:

- Government officials implicated in human trafficking have not been held accountable.
- Vietnam politicized its human trafficking ranking with the U.S. by using its diplomatic leverage.
- The Vietnamese government deliberately deceived the U.S. about its efforts to combat human trafficking.

Project88 uncovered compelling evidence that Vietnam has failed to investigate thousands of human trafficking cases and misrepresented its efforts to address the problem to the international community.

3. EVFTA Article 13.4 (3)(A)

Each Party shall make continued and sustained efforts towards ratifying, to the extent it has not yet done so, the fundamental ILO conventions.

As mentioned earlier, Directive 24 <u>articulates</u> a plan to feign compliance with ILO Convention 87 by establishing trade unions that, while apparently independent, remain under state control. The government has also failed to issue a decree implementing provisions of the new labor law that protects the right of workers to form independent unions. Finally, the arrest of <u>Nguyen Van Binh</u>, who was leading efforts to ratify ILO Convention 87, further underscores Vietnam's disregard for the convention's provisions.

4. EVFTA Article 13.15 (4)

Each Party shall convene a new or consult an existing domestic advisory group or groups on sustainable development with the task of advising on the implementation of this Chapter.

In 2021, a coalition of NGOs sought to form a network to monitor Vietnam's adherence to its labor and sustainability commitments in the EVFTA. However, two key members of the network were <u>arrested</u> on false charges of tax evasion, and the network was subsequently stacked with government-friendly organizations to avoid independent scrutiny. This crackdown has made civil society groups reluctant to participate in the implementation of the trade deal out of fear of arbitrary criminal prosecution.

5. EVFTA Article 13.6

In order to address the urgent threat of climate change, the Parties . . . shall, as appropriate, cooperate and promote the . . . capacities of the Parties in the transition to low greenhouse gas emissions and climate-resilient economies, in accordance with the Paris Agreement.

Vietnam's rapid economic growth, which is heavily reliant on coal, is worsening its vulnerability to climate change. Despite its commitments under the Just Energy Transition Partnership (JETP) with the EU, Vietnam has not made significant progress in phasing out coal. Exacerbating the problem, the public has been excluded from crucial decision-making processes related to the energy transition.

In 2023, Project88 <u>exposed</u> that Vietnam had imprisoned the leadership of the domestic climate change movement on false charges of tax evasion, effectively criminalizing climate action.

Following up on that report, Project88 <u>reported</u> in 2024 that the government had shut out the public from key decisions regarding Vietnam's energy transition, a fact that has been acknowledged by both Vietnam and the EU.

Taken together, the violations outlined above constitute a breach of the EVFTA's human rights obligations and contradict the spirit of the EU-Vietnam Partnership and Cooperation Agreement (PCA), on which the EVFTA depends. For this reason, the EU Domestic Advisory Group, a coalition of organizations that monitors the trade deal, <u>expressed concern</u> in November 2023 about Vietnam's failure to live up to its commitments to the EU.

RECOMMENDATIONS

Project88 calls on Commissioner Sefcovic to issue a public statement demanding that Vietnam fulfill its EVFTA commitments, specifically:

- Implement freedom of association and recognize the right to collective bargaining (Article 13.4).
- Take immediate action to protect victims of human trafficking and hold to account those responsible (Article 13.4).
- Ratify ILO conventions, including ILO Convention 87 (Article 13.4).
- Ensure civil society organizations can oversee Vietnam's implementation of the EVFTA (Article 13.15).
- Stop targeting and mistreating human rights defenders, ensure freedom of expression and association, and take concrete steps toward transitioning to renewable energy (Article 13.6).

The commissioner should also call for Vietnam to release <u>Dang Dinh Bach</u>, who was imprisoned after he attempted to monitor implementation of the EVFTA, and demand the government publish details of the criminal prosecutions of labor reformers who were working with the EU on ratification of ILO conventions.

The EU should pursue enhanced engagement with Vietnam, including consultations, mediation, or arbitration to address labor rights and sustainable development issues. If these efforts fail, the EU should consider terminating the agreement. Throughout the process, the EU must ensure transparency and civil society participation. Finally, the EU should demand proof that independent trade unions exist in Vietnam, as promised under the EVFTA.

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