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The Lord Boswell of Aynho
Chair of the EU Select Committee
EU Select Committee
House of Lords
London SW1A 0PW

Our ref:

7th December 2018

Dear Lord Boswell

13314/18 and 13315/18 Proposals for Council Decisions on the signing and conclusion, on behalf of the European Union, of the Investment Protection Agreement between the European Union and its Member States, of the one part, and the Socialist Republic of Viet Nam, of the other part (accompanied by two Annexes ADD 1 and 2)

Thank you for your letter of 23 November 2018 seeking additional information on the EU-Vietnam Investment Protection Agreement (EUVIPA). As you will, no doubt, have noted from paragraph 6 of the Explanatory Memorandum (EM) of 5 November, upon the EUVIPA's entry into force, existing investment agreements between Vietnam and individual EU Member States shall be terminated, or, upon its provisional application, suspended. Annex 6 of the EUVIPA lists the investment agreements which could be impacted and includes the UK-Vietnam bilateral investment treaty.

The European Commission has confirmed that it does not intend to seek provisional application of the agreement. As detailed in the EM, individual EU Member States and Vietnam will have to ratify the agreement. The European Parliament will also need to give its approval. The time necessary to complete these requirements, based on recent precedent, makes it unlikely that the EUVIPA will enter into force before the UK leaves the EU, or indeed before the end of the proposed implementation period (IP).

Article 129 of the Withdrawal Agreement, and the notification proposed in the footnote to that article, will serve as the basis for the continued application of the EU's International Agreements to the UK during the IP. Our future approach to investment with Vietnam will be a matter for discussion in the context of our future bilateral relationship.

I am copying this letter to Sir William Cash MP, Chair, European Scrutiny Committee, House of Commons, and to the clerks of both EU Parliamentary Committees, Les Saunders (DExEU) and Edwina Osborne (DIT EU Parliamentary Scrutiny).

15



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