

WTO and Viet Nam

Viet Nam becomes a member of WTO in January 2007 after a long negotiations

Accession to WTO is an important step in a comprehensive program of economic reforms in Viet Nam: transition to a market-based economy (reforms of SOE, promoting the private sector development and opening up to the world economy)



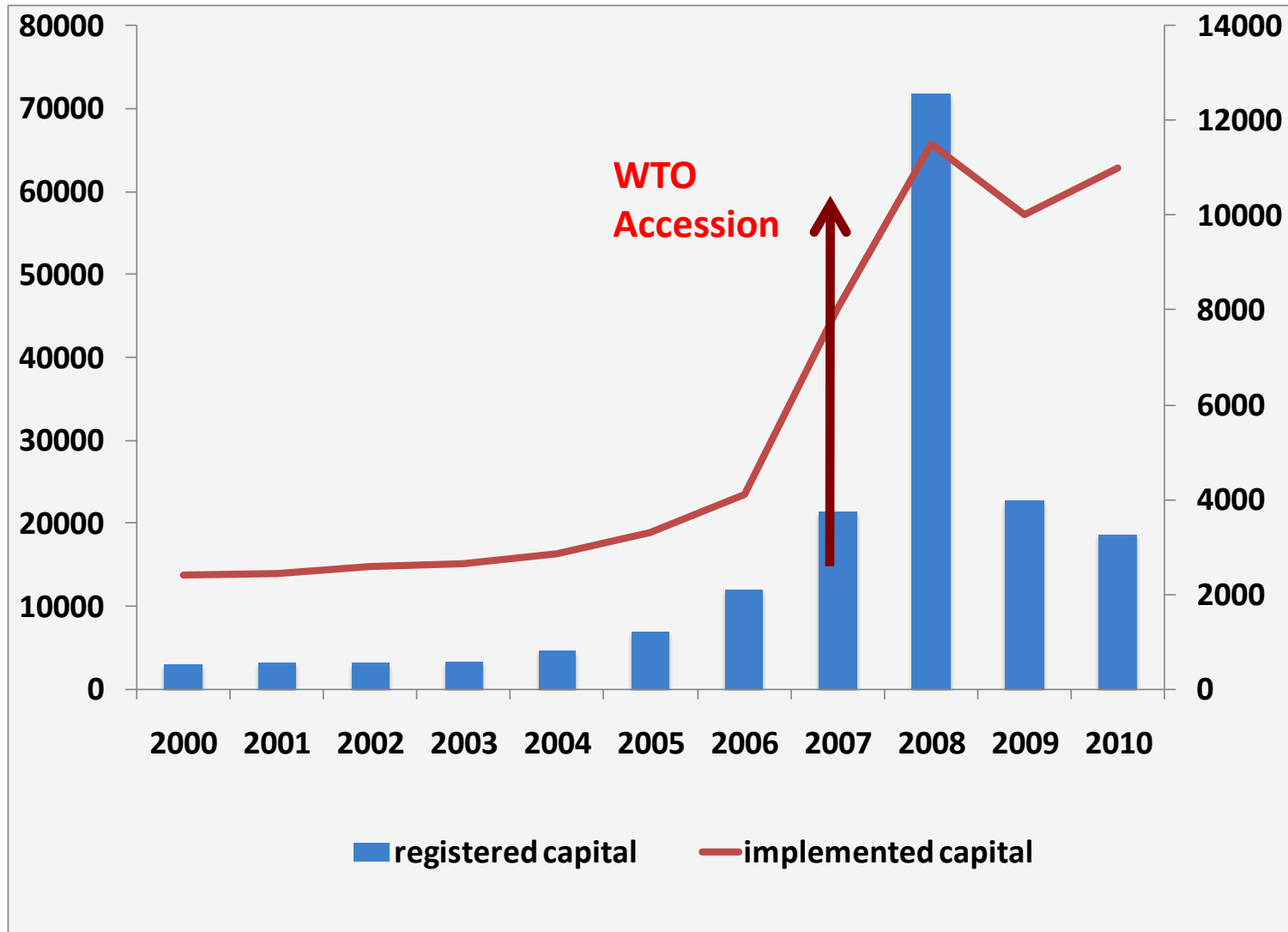
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Becoming a WTO member benefits Viet Nam's development because

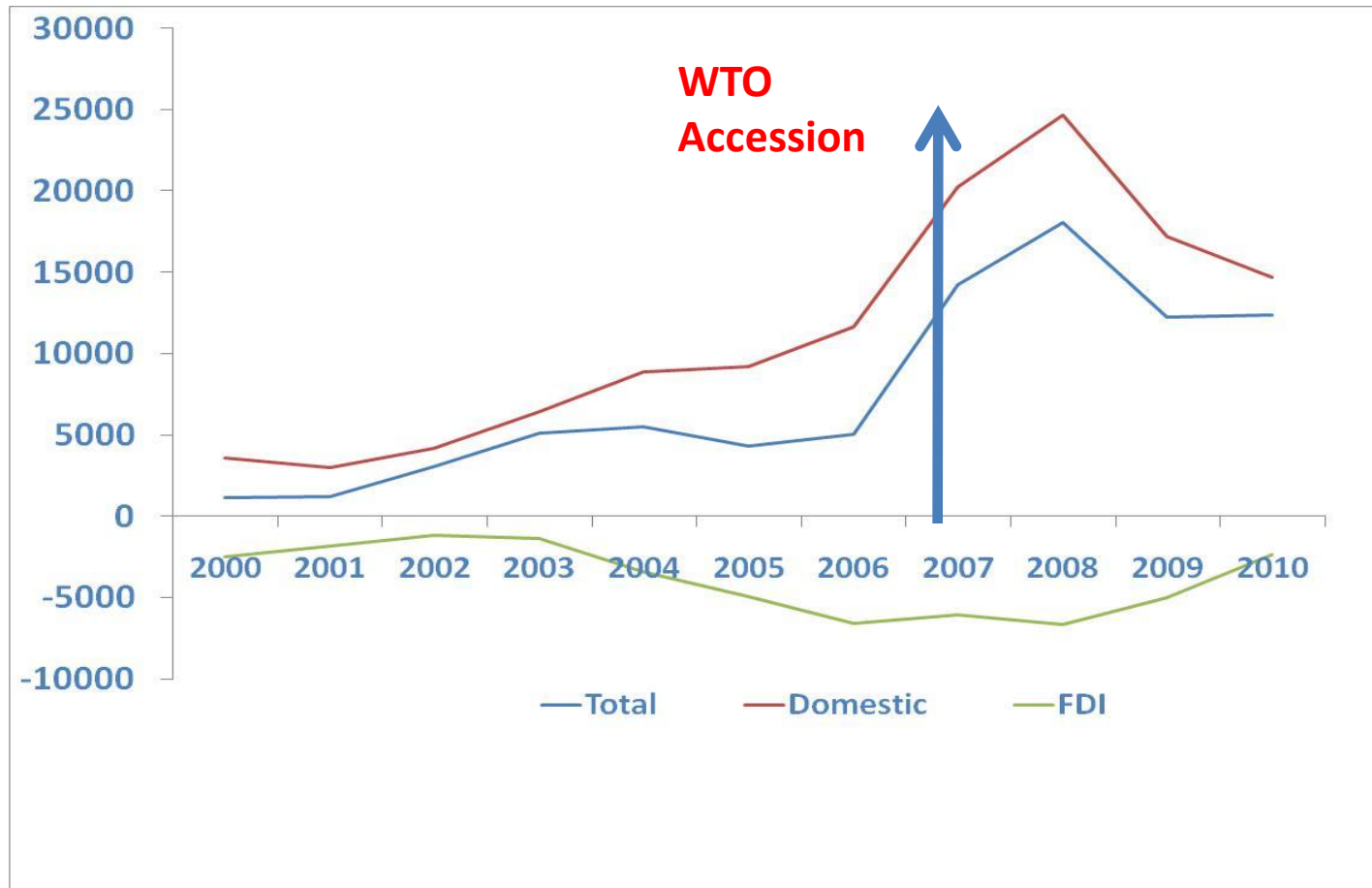
- **Market access to Viet Nam: promoting exports and employment creation**
- **Attracting FDI: technological transfer; links to the global markets and supply-chains**
- **Exposure to competition and innovation**
- **Leverage for domestic reforms**



FDI, 2000-2010 (million \$US)



Viet Nam Trade Deficit, 2000-2010 (million \$US)

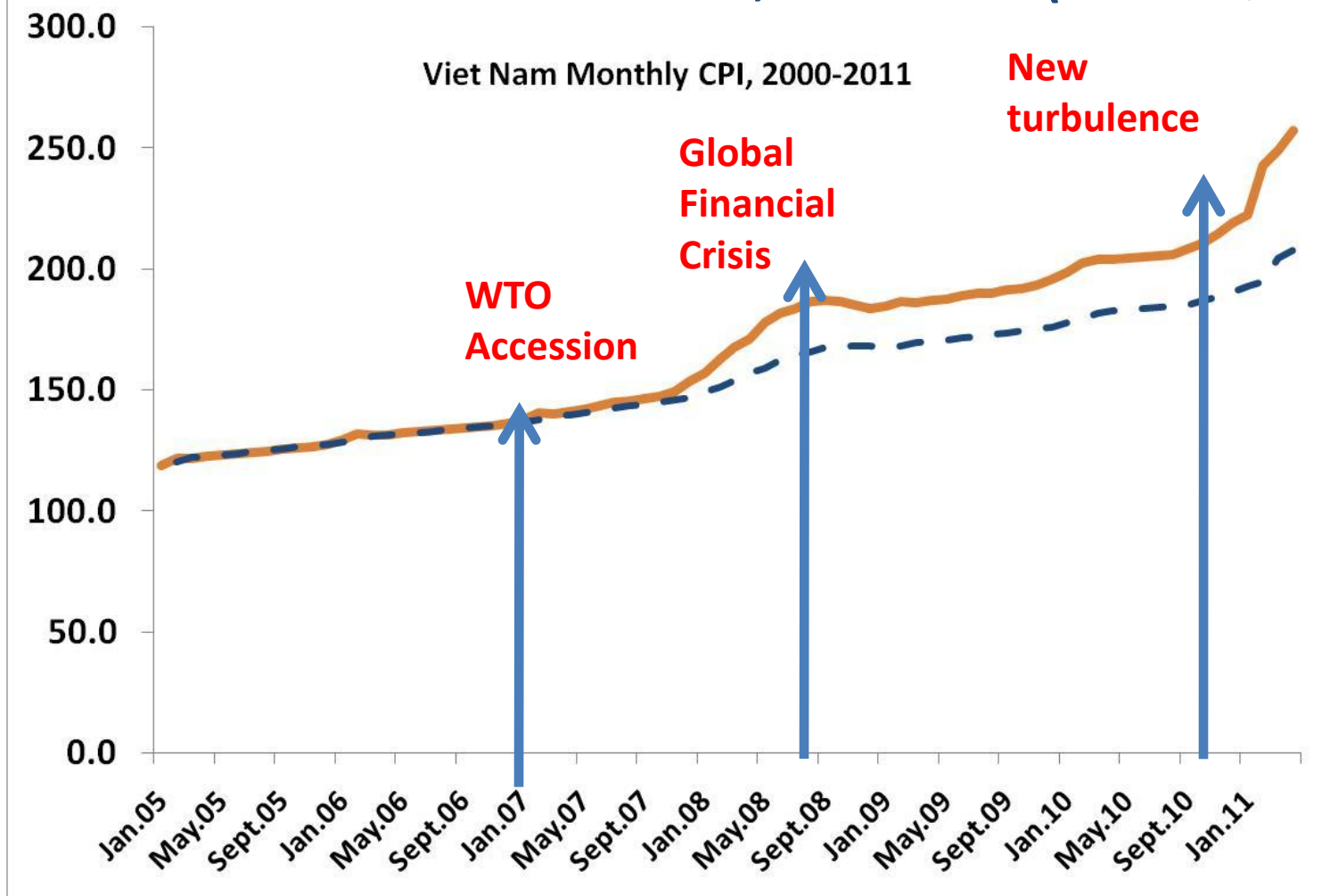




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Viet Nam Trade Deficit, 2000-2010 (million \$US)



WTO and Viet Nam: Challenges and Way Ahead

- **Skeptical about Globalization: protection, moving to the domestic market**
- **Negative views on FDI**
- **Skeptical about export-led and FDI-led growth path**
- **Dealing with emerging issues of economic management: capital inflows, external shocks**



What WTO Chair in Viet Nam is working on

• Inform stakeholders with credible evidence and analysis

- Accelerating Research and Training Activities
- Regional cooperation: with WTO Chairs partners and other networks
- Research remains the priority of the Program, given the country's need for better policy debate and quality research on trade issues.
 - Non-market status paper completion
 - TradeUpdate Publication
 - Other technical papers on emerging policy issues in Viet Nam: FTA, Global Production Network, Dealing with Capital Flows, FDI Effectiveness, Globalization and Informal Sector



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Thank you