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Formation of the EU-Vietnam Free Trade Agreements Domestic Advisory Group: What it means for the Civil Society in Vietnam?

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Formation of the EU-Vietnam Free Trade Agreements Domestic Advisory Group: What it means for the Civil Society in Vietnam?

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Abstract

The Domestic Advisory Groups of the EU and Vietnam under the EVFTA (EU-Vietnam Free Trade Agreement) were officially established and met for the first time on November 12th, 2021 – nearly half a year later than originally planned. The formation of the Vietnam Domestic Advisory Group (DAG) was historic, as it is the first time non-governmental organisations (NGOs) in Vietnam are formally engaged in the review/monitoring process of a trade agreement. The research analysed the impacts of the DAG formation on the Vietnamese civil society and its relations with the government from a contextualised perspective. The conceptual framework is based on the combination of the imperfect reproduction model, which theorises the negotiation between rule-makers and rule-takers and the negotiating approach to the state-society relations in Vietnam, attempting to capture the nuances in the relationship between the authoritarian state and the civil society. On the one hand, the party-state imposed a tough legal framework that generally weakens and marginalises civil society from formal political processes; on the other hand, the state has shown certain concessions to civil society campaigns and contestations. The research showed that with the continuous pressure from the EU Parliament, the negative impacts of Covid-19 pandemic on Vietnam's economy, the prolonged internal political debate eventually led to the concession, though minimal, to include civil society organisations in the DAG. Upon consideration of the state-society relations in Vietnam, this can be regarded as a small but important progress.

Key words: trade agreements; domestic advisory groups, civil society; Vietnam

JEL codes: F53; F62; F65

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Abbreviations

CDI	Center for Development and Integration
CPTPP	Comprehensive and Progressive Trans-Pacific Partnership
DAG	Domestic Advisory Group
EUP	European Union Parliament
EVFTA	EU-Vietnam Free Trade Agreement
FES	Friedrich Ebert Stiftung
FTA	Free Trade Agreement
IWTU	Institute of Workers and Trade Unions
MOIT	Ministry of Industry and Trade
MOLISA	Ministry of Labour, Invalids and Social Affairs
MONRE	Ministry of Natural Resources and Environment
MPS	Ministry of Public Security
SRD	Sustainable Rural Development Center
TPP	Trans-Pacific Partnership
TSD	Trade and Sustainable Development
VCCI	Vietnam Chamber of Commerce and Industry
VCP	Vietnam Communist Party
VGCL	Vietnam General Confederation of Labour

1. Introduction

The EU-Vietnam Free Trade Agreement (EVFTA) was signed on June 30th, 2019, and took effect on August 1st, 2020. Similar to the free trade agreements (FTAs) that the EU has concluded with South-Korea, Peru, Colombia, Ecuador, Moldova, Ukraine, Singapore, and Japan, the EVFTA also includes a Trade and Sustainability Development (TSD) Chapter. Apart from both parties' commitment to the labour and environmental provisions, the TSD Chapter also laid out institutional mechanisms for the monitoring of the TSD obligations. Apart from the governmental mechanism, the TSD Chapter specifies the formation of Domestic Advisory Groups (DAGs) on both sides comprising "...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."¹ The DAGs of the two parties shall meet annually in a Joint Forum to review and monitor the implementation of the FTA.

Over one year after the EVFTA took effect, the DAGs of the EU and Vietnam were officially established and met for the first time on November 12th, 2021 – nearly half a year later than was originally planned. Still, the formation of the Vietnam DAG is historic as it is the first time non-governmental organisations (NGOs) in Vietnam are formally engaged in the review/monitoring process of a trade agreement. The process of selecting and forming the Vietnam DAG, moreover, has opened up an insight into the political considerations of the government in acknowledging the civil society organisations, which has long been a political taboo.

There have been a number of studies assessing the impacts of the DAGs in the FTAs that the EU concluded with other countries, mostly conducted by European scholars (for example: Orbie et al. 2016; Martens et al. 2020; Drieghe et al. 2021). These studies generally cast suspicion about the real impacts of civil society on the policy-making process, either in the EU or in the trade partner countries. Drieghe et al. (2021) found that civil society is largely included at the level of logistics and partly at the level of information sharing, whereas monitoring capacities remain limited and impact on policy-making is quasi-absent. In a detailed assessment of the impacts of DAGs, Martens et al. (2020) used a four-step ladder of inclusiveness to measure the influence of civil society members of DAGs with the EU trade agreements with Canada, Central America (Colombia/Peru/Ecuador), Georgia, Japan, Moldova, South Korea and Ukraine. From low to high, the levels of influence are (i) instrumental - 'can they meet?', (ii) information sharing – 'can they talk?', (iii) monitoring - 'can they oversee?' and (iv) policy impact - 'can they influence?'. The authors concluded that the surveyed DAGs generally are faced with major challenges at the second step (information sharing), because of the lack of genuine dialogue between DAG members and between DAGs and governments (Martens et al. 2021: 6). While agreeing that the DAGs have limited influence on policy-making, if not deliberately separated from the policy-making process by the trade partner governments, Orbie et al. (2016) argued that when it comes to evaluating the success of the civil society engagement in DAGs, it ultimately hinges on one's perspective on civil society, democracy and development in the context of international trade. In particular, to understand what the DAG means for a trade partner country of the EU, the evaluation should be based on the social and political context of the country.

With the objective of exploring the process of DAG formation in Vietnam and the impacts specifically on the country's civil society development, this research will make an

¹See EVFTA, Article 13.15, No. 4

evaluation using a contextualised conceptual framework. As presented in the next section, the conceptual framework captures the characteristics of state-society relations in Vietnam as well as the way changes have been made in the country.

2. Conceptual Framework

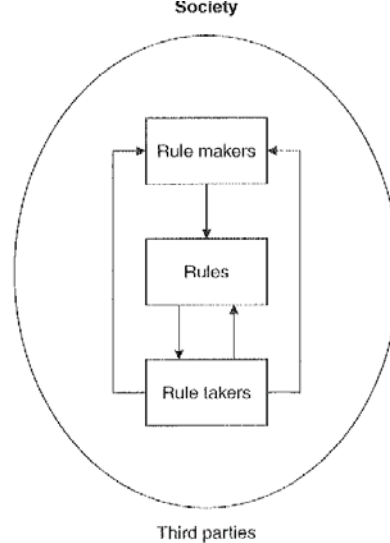
Understanding Incremental Institutional Change

The literature on institutional change emerged in the 1970s and 1980s, a period that witnessed fundamental changes, including: a strong wave of worker militancy in many advanced countries in Europe, which embodied a new level of material and social aspirations; the two oil crises that caused economic turmoil in the industrialised countries; and other social, economic and political changes in the Western world. Institutional settings of the developed economies did change, despite the absence of major disruptions such as wars and revolutions. There have been two opposing models of the conceptualisation of these political economic developments. The first model, best represented by Hall and Soskice's *Varieties of Capitalism* (2001), predicts institutional continuity instead of change. Hall and Soskice (2001) proposed a framework that was premised on the classification of market economies into 'coordinated' and 'liberal', based on the way institutions regulate interactions among actors. In contrast to the popular convergence theory, Hall and Soskice argued that employers in either the coordinated or liberal market economies, who had invested in and developed their strategies around local institutions, would build on, rather than displace these arrangements despite new market pressures. Another proponent of institutional resilience, Pierson (1994), in examining welfare state retrenchment, pointed to the enduring popularity, powerful constituencies and centrality of the existing social policy framework as the reasons for its continuity.

However, this emphasis on institutional stability was criticised for oversimplifying all feedback within a system as positive (Kume and Thelen 2002). As a result, it failed to explain the 'indisputable and important change' (Streeck and Thelen 2005: 6) observed in the advanced capitalist societies. Directly at odds with the theory of institutional continuity, other institutional economists, most notably Campbell (2004), Streeck and Thelen (2005) and Crouch (2005), argued that the institutions in the advanced capitalist countries had continuously experienced changes not in the form of 'abrupt breakdown or replacement' but 'gradual institutional transformation', which resulted from the accumulation of continuous, subtle adaptations (Streeck and Thelen 2005: 6–9). The debate on what counts as a change in the institutional economy mirrors the similar discussion on what qualifies as a transformation in industrial relations. After reviewing various definitions and empirical evidence of industrial relations transformation in a number of Western countries, Erickson and Kuruvilla (1998: 14) found that 'gradual or revolutionary change can result in major changes in structures, such as institutions, with the passage of time and the development of practice'. Both Streeck and Thelen (2005: 8) and Erickson and Kuruvilla (1998: 14) emphasised that the process driving these changes should be distinguished from the results of change that have been the focus of previous studies.

In conceptualising incremental institutional change, Streeck and Thelen (2005) proposed the 'imperfect reproduction' model (Figure 1), which regards institutions as regimes in which rule-makers and rule-takers interacted within the societal context.

Figure 1: Imperfect reproduction model



Source: Streeck and Thelen (2005)

The underpinning premise of this model is that the compliance with and enactment of rules are far from perfect. There are always future situations that rule-makers cannot anticipate. Also, when the rules are implemented in different locations, in different environmental conditions, and at different points of time, they can be interpreted in ways that rule-makers have not foreseen. Additionally, the rule-makers, the rule-takers and the society are involved in a continuous course of interaction. The society lays the context for rulemaking and rule enactment; however, at the same time, interest groups exert social and political influence on the society and rule-makers to push for new interpretations of the rules. The process where new interpretations of the rules are “discovered, invented, suggested, rejected or for the time being, adopted” (Streeck and Thelen 2005: 16) will redefine the institution without a major disruption.

In other words, the proponents of the incremental institutional change approach argue that: First, the macro-level institutions and interest groups continuously interact with each other within the social context and as such, influence and change the institutional setting in an incremental and cumulative manner. The rules not only enforce the rule-takers, but they also adjust in accordance with feedback and pressure from below. Second, the process of change deserves an equal, if not higher position than the static results of change. The process of change involves how the agents interpret and react to the institutional settings and in so doing, challenge and lobby for institutional adaptation. In this sense, the ‘imperfect reproduction’ model presents a suitable conceptual framework to understand the incremental institutional change which does not involve a major disruption like the case of Vietnam.

To apply the “imperfect reproduction” model in the specific context of Vietnam today, it is necessary to understand the evolution of the state-society relations in Vietnam over the past decades.

Approaches to Analysing the State-Society Relations in Vietnam

"State" refers to officials and institutions that make, implement, and enforce rules that are intended to apply across the entire society and its various parts. "Society" is a summary term for people in a country, including their institutions and customs, who share political and

economic circumstances and environment. "Civil society" refers to individuals and groups on their own - without the state's instigation and manipulation - speaking, writing, teaching, acting, and organising around various interests and issues and doing so in public places independent of the state (Kervkliet 2001).

After the fall of the communist bloc, Vietnam and China adopted a 'gradualism' model which combines economic reform and the unchallenged supremacy of the communist parties in both countries. Whether or not such substitution has resulted in any change to the state-society relations has been up to various interpretations. The first, often referred to as the "dominating state" interpretation (Kervkliet 2001), says that rules and programmes governing Vietnam are done by and within the state, in which the Vietnamese Communist Party (VCP) is the most powerful and pervasive institution. One such formulation argues that Vietnam is a "vast and co-ordinated party-state which pre-empts alternative and autonomous societal organisations from the national centre down to the grassroots of the village and the workplace" (Womack 1992: 180). "Vietnam's system is mono-organisational socialism", writes Carlyle Thayer, in which "there is little scope for the organisation of activity independent of the party-led command structures". Though the Communist Party relaxed its grip following reforms in the mid-1980s, Thayer says, its control was reasserted after 1988, hence "civil society [is] awaiting the erosion of mono-organisational socialism before developing further" (Thayer 1992: 111-12). Differences within the state do arise. Scholars analyse internal debates and factions within the Communist Party and other components of the state. But the only important influences outside the state that the dominating state interpretation acknowledges are international ones (Porter 1993: 96; Koike 1997: 29-30, 133-37).

A second interpretation, 'mobilisational authoritarianism', argues that forces in society can influence policy through organisations that the state itself dominates. Using the organisations established by the state such as the mass political organisations, the state can mobilise people to support its programmes and policies, maintain channels of communication between authorities and each sector of society, and manage social and economic groups that otherwise might become unruly.

The first and second interpretations focus on formal institutions of politics. Both also emphasise national-level politics, policy and policymaking; they tend to overlook the incremental changes in both the party-state apparatus and the relationship between what state leaders have decided and what people in society actually do.

First, the Political Bureau, which consists of fewer than 20 top Party officials, used to be the most influential decision-making body. The Central Party Committee, which consists of 160 members including all ministers, provincial Party leaders and chairmen of provincial people's committees, was supposed to approve all the decisions passed down from the Political Bureau. But the situation has changed since the 10th National Party Congress in 2006 when the Central Party Committee successfully imposed their own choice of candidates against the suggestions of the Political Bureau. The shift of the locus of power from the Political Bureau to the Central Party Committee implies a subtle increase of democracy within the Communist Party (Koh 2008).

The VCP is rooted in the working class and ideologically regards itself as the "pioneer" of the Vietnamese working class and revolutionary forces. Therefore, the VCP has at least tried to protect its image as a protective and responsive party towards the people and workers. This is reflected in its tolerant reaction to some people's protests, such as the peasants' demonstrations in Thai Binh and Nam Dinh in the late 1990s, and its recent

concessional response to the Tree Movement, an environmental activist movement. (Vu 2017). The Central Party Committee also set up the Institute of Public Opinion to investigate the society's informal and formal feedback on the party-state's policies (Lao Dong, 28 January 2008). Particularly, the Party has not only discreetly accepted² but also supported the workers who walked out in wildcat strikes (Clarke 2006; Do and van den Broek 2013). On the other hand, when it comes to the core of its legitimacy (which is the supremacy of the VCP), the party-state shows little concession as demonstrated in the frequent arrests of political dissidents and so-called human rights activists (Human Rights Watch 2020).

It is safe to say, then, that although the party-state retains its supremacy in rulemaking, the people's voice has been paid more attention to over the past decades. In particular, many academic works have recognised that the available space for citizens' voices and collective action emerged from either the dialogues with the state (Kerkvliet 2001), or civil society networks (Wells-Dang 2012) or concessions on the party-state's side on certain governance issues (Bui 2013). In recent years, as social media has become part of daily life, the power has also been organised around communicative structures that can give rise to social change (Castell 2009: 20). The power and counter-power reproduced during the interaction between cyberspace and the physical space has constituted the space of autonomy (Castell 2012: 222). This represents the hybrid space that facilitates political participation and enables the development of civil society (Bui 2016).

Therefore, the imperfect reproduction model can be adopted to analyse the dialogue and negotiation that underlie the formation of the DAG in Vietnam. However, as explained in the later sections of this report, the space for society to dialogue and negotiate with the state in Vietnam has fluctuated over the past decades with considerable extension in the early 1990s before shrinking, opening up and shrinking again in the later decades (Bui 2013a). The possibility for 'society' to influence the state depends on various factors including the external pressure, the political-economic context of the country, the internal debate within the party-state, and the pressure from below, among others.

Methodology

The research was based on the desk review of original documents issued by Governmental agencies, Vietnamese mainstream media and social media discussion related to the domestic advisory group between 2016 and 2021. The author also conducted in-depth interviews with 15 respondents in Vietnam and Europe, including the 3 members of Vietnam DAG and a member of EU DAG for the EVFTA (see Table 1).

² The 2012 Labour Code included a procedure for resolving collective labour disputes that do not follow the legal proceedings (or wildcat strikes).

Table 1: List of in-depth interviews

Organisations	No. of representatives interviewed
Vietnam General Confederation of Labour (VGCL) – member of DAG	01
Vietnam Chamber of Commerce and Industry (VCCI) – member of DAG	01
Sustainable Rural Development (SRD) – member of DAG	02
Ministry of Labour, Invalids and Social Affairs	02
Friedrich Ebert Stiftung (FES) Germany – member of EU DAG for the EVFTA	01
Local NGOs	01
International NGOs	05
International Labour Organisation (ILO)	02
Total	15

Due to the sensitivity of the subject matter in Vietnam, most of the Vietnamese respondents wanted to remain anonymous.

3. Political-economic Context for DAG Formation

The Landscape for the Civil Society in Vietnam

In the most general terms, ‘civil society’ is defined as consisting of “a wide array of organisations: community groups, non-governmental organisations [NGOs], labour unions, indigenous groups, charitable organisations, faith-based organisations, professional associations, and foundations.” (World Bank 2001). The term became popular in political and economic discussions in the 1980s, when it started to be identified with non-state movements that were defying authoritarian regimes, especially in Central and Eastern Europe and Latin America (WEF 2018). As a result, the term ‘civil society’ has often been treated with suspicion by the authorities in Vietnam (Dang Cong San Online 2020).

Legal framework for civil society organisations

The legal framework for the civil society in Vietnam is a complex web of government decrees and Party directives. First, the Constitution gives a declaration of the freedom of association, but without providing any meaningful constitutional protection for it. Although the law on the right to form associations, which was promulgated in 1957, is considered in force, it is almost outdated and fails to regulate a complex associational life in Vietnam. There have been numerous debates on a new law for associations, with nearly twenty drafts having been produced, and the latest draft submitted to the National Assembly in 2016 but failing to get enough votes for ratification; following which, the government decided to put aside the bill by the end of 2021 (Thanh Nien 2021). Instead, the party-state has employed a number of executive decrees issued by the government and directives by the Party Secretariat to regulate the associations and civil society organisations (CSOs) given the thriving voluntary sector in Vietnam.

The voluntary or not-for-profit sector in Vietnam is broadly defined to include party-related mass organisations, trade unions, business associations, professional associations, scientific and technological organisations, policy research groups, social service groups, social relief establishments, religious organisations, clans, charities, private and semi-private universities, social and charitable funds, volunteer groups and other institutions. The 2015 Civil Code (Art. 76) sets out five categories of non-profit organisations with legal entities, including:

1. **Political organisations:** the only political organisation in Vietnam is the Vietnam Communist Party
2. **Socio-political organisations:** commonly known as ‘mass organisations’, they include 5 organisations: namely, the Ho Chi Minh Communist Youth Union, General Confederation of Labour, Women’s Union, Peasants Association, and the War Veterans Association. These organisations are established under the Vietnam Communist Party Central Committee and report to the Party leadership via the Vietnam Fatherlands Front.³ The mass organisations have branches at provincial, district, communal and (state-owned) enterprise levels. They are primarily funded by the State budget and partially by membership fee (as in the case of the VGCL).
3. **Political social professional organisations:** refer to non-profit organisations established by the state, often under an ‘umbrella’ state agency. These organisations assist the state in handling certain social and economic issues. Examples include the Bar Association, Association of Composers, and the Association of Journalists. The Vietnam Chamber of Commerce and Industry (VCCI) and Vietnam Cooperative Alliances (VCA) fall under this category. These organisations are partly funded by the State and partly by membership contributions.
4. **Socio-professional organisations:** refer to associations that have individual and organisational members in a specific field, such as the Writers’ Association, and Artistic Photographers’ Association.
5. **Social organisations:** are associations that are open to a wide variety of individuals who come together for social activity, exchange, or humanitarian purposes. Examples include such humanitarian and charitable groups as the Vietnam Red Cross Society, Association for the Relief of Handicapped Children, and the Association for the Blind. Local non-governmental organisations (NGOs) and sectoral business associations generally fall into this category.

The political hierarchy among these types of ‘non-profit’ organisations is clear: apart from the VCP which has the political supremacy, the socio-political organisations enjoy the higher political status compared to the remaining organisations. The organisations in Type 3 report to the central government and their supervising Party committees. For instance, the charters of VCCI and VCA are approved by the Prime Minister, and both the VCCI and VCA report to

³ The **Vietnamese Fatherland Front** (Vietnamese: *Mặt Trận Tổ Quốc Việt Nam*) is an umbrella group of mass movements in Vietnam (including the Vietnam General Confederation of Labour, the Women’s Union, the Youth League, the Farmers’ Union, and the Veteran Association) aligned with the Communist Party of Vietnam forming the Vietnamese government. The Front is described by the Vietnamese government as "the political base of people's power." It is intended to have a significant role in society, promoting "national solidarity" and "unity of mind in political and spiritual matters." In practice, the members of the Front, like their counterparts in other Communist states, are largely subservient to the Communist Party, and must accept the party's "leading role" as a condition of their existence.

the head of the Government. The Party committee of VCCI also reports to the Party Committee of Central Enterprises (*Dang bo khoi DN trung uong*) while the Party Committee of VCA reports to the Party Committee of Central Agencies (*Dang bo khoi co quan trung uong*). The top leadership of VCCI and VCA must be recommended by the Central Committee of Organisation (*Ban To chuc Trung uong*) and approved by the national congresses of the two organisations. VCCI and VCA receive annual funding from the state budget, supposedly to cover costs for the tasks assigned by the Government and the Party.

Organisations in Type 4 and 5, which are not established nor funded by the State, are subject to a 'restrictive, confusing, and unpredictable' legal environment (Hayman 2014: 31). These organisations are regulated by Decree No.45/2010/ND-CP on the organisation, operation, and management of associations, issued April 21, 2010 (hereinafter referred to as Decree 45). Decree 45 was amended with Decree 33/2012/ND-CP on a small number of articles. Decree 45 requires that the establishment of associations must be allowed by the party-state, meaning that it is a formal requirement for associations/civic organisations to receive registration status with the authorities. Sidel (2010) identifies key constraints on the conditions and procedures for establishing associations, associational speech and advocacy rights and serious obstacles by the vague dual management of associations set out in these decrees. For example, Decree 45 (Article 23(7)) limits the associations' commentary, advocacy, and feedback roles to circumstances in which there is a request from relevant government agencies. For example, even the Vietnam Union of Science and Technology (VUSTA) could only provide feedback on the Government's bauxite mining plan in the Central Highlands at the request of the Government Office or Ministry of Natural Resources and Environment (MONRE). Decision 97/2009/QĐ-TTg, issued by the Prime Minister, limits the areas in which Scientific and Technological Organisations (STOs) are allowed to do science and technology research and service. In effect, it prohibits any work in the areas outside the list, particularly preventing individually formed groups to work on public policy, political issues, and a range of other sensitive issues like human rights. This decision is widely considered as 'a broader set of steps to limit the ability of associations and other groups to express commentary and criticism of party or state policies, a set of restrictions on the right to provide such view or commentary' (Sidel 2010: 54). Any STO that had been working on areas outside this list was forcibly closed, and human rights NGOs are explicitly not permitted.

Concerning foreign non-governmental aid, the legal rules also reflect the general strategy of the party-state to limit the space for domestic civil society, particularly the ability of independent groups to organise. The appraisal and approval of foreign funded projects are subject to a burdensome process with heavy and difficult reporting requirements for recipient organisations (Pham and Nguyen 2014).

Recently, Party Regulation 102, issued on 15 November 2017 on disciplinary rules for VCP members, explicitly prohibits Party members from engaging with nor supporting 'civil society' (Article 3(b)) or otherwise risk withdrawal of their Party membership.⁴

However, this somewhat gloomy picture of a restrictive legal framework fails to account for the vibrant reality of civil society in Vietnam. Albeit an accurate depiction, it represents only a piece of the puzzle. It is also important to appreciate other aspects that are usually missing in the understanding about civil society development in Vietnam. The restrictions are often re-negotiated and contested in practice under various forms.

⁴ <https://thuvienphapluat.vn/van-ban/Bo-may-hanh-chinh/Quy-dinh-102-QĐ-TW-2017-xu-ly-ky-luat-dang-vien-vi-pham-368751.aspx>

Contestation for a more enabling environment for civil society

In 2013, the amendment of the 1992 Constitution drew an unprecedented interest from civil society. The most prominent was a 7-point petition, initiated by a group of 72 well-known intellectuals, retired government officials, professors, and independent activists, later referred to as Petition 72. It made bold recommendations such as the removal of Article 4 of the 1992 Constitution, regarding Party domination, and about the separation of power, the recognition of private and community land ownership, stricter abidance to international human rights law, the neutrality of the armed forces, people's right to a referendum over the Constitution, and extension of the date for public consultation on the draft constitutional amendment. The petition attracted more than 14,000 signatures in support. Later, representatives of 35 Vietnamese non-governmental organisations (VNGOs) and disadvantaged people collectively submitted to the Central Assembly Committee a critique of some provisions of the Constitutional amendments and their own proposals. A survey conducted by the Vietnam Lawyers Association (VLA) and the United Nations Development Program (UNDP) in Vietnam revealed that 316 out of 345 professional and social organisations (PSOs), 25 out of 36 civil society organisations (CSOs), and 4 out of 9 religious organisations subscribed to a vote on the amended constitution. The diversity of collective interest outside the party-state sponsored sphere in finding voice in this process was the first of its kind in the history of the party-state. Although the party leadership later turned down the proposals from the civil society, the discourse across key themes in the process of amending the Constitution arguably enlarged the political space for plural interests and identity claims to find expression (Bui 2014).

In recent years, the NGOs have been increasingly engaged in policy debates. In the field of environment, the Climate Change Working Group including over 100 NGOs as members has been frequently invited to official consultations for new environmental legislation and programs. In the field of labour, the M-Net, a network of 8 local NGOs working on migrant workers, has been regularly invited not only to participate in consultations with the Ministry of Labour, Invalids and Social Affairs and the National Assembly Social Affairs Committee, but also to provide recommendations on the revision of labour legislation.⁵ However, according to our interviews with the local labour and environmental NGOs, the influence of the NGOs on the law-making process remains limited, and their work has been constantly under strict scrutiny.⁶

EVFTA and the Implications for Vietnam

It should be noted that prior to the EVFTA, in 2015, the Vietnamese party-state gave a nod to more radical labour reform commitments (such as allowing for independent unions at both the enterprise and higher levels, de-criminalising the act of organising, reforming the labour administration, among others) under the Trans-Pacific Partnership (TPP), and in the contingency plan signed along with the trade agreement between the United States and Vietnam. In comparison, the EVFTA, though less demanding on the depth of labour reform, requires the formation of the domestic advisory group (DAG) – a formal mechanism which

⁵ M-Net and 6 other networks of NGOs working on the revision of the 2012 Labour Code: <http://cdvietnam.org/hoi-thao-tham-van-va-chia-se-cac-khuyen-nghi-doi-voi-du-thao-bo-luat-lao-dong-sua-doi/>

Their recommendations to the Labour Code revision: <https://docs.google.com/document/d/1ziY9Yh25zZXQsQT37PLaYPgOxTOG6sMD4DZUsFWAWGY/edit>

⁶ Interviews with representatives of the local labour NGOs

opens up the opportunity for civil society organisations (CSOs) to officially raise their voices, for the first time, on issues related to the trade agreement.

There have been several analyses of the factors influencing the EVFTA, especially the Vietnam government's commitments to labour reform and the formation of the DAG. Alice Evans (2021) compared Vietnam and Bangladesh, arguing that governments which prioritise export-growth may commit to certain labour reforms and lessen repression of labour organisation movements in exchange for the pro-labour export incentives offered by their major trade partner countries. However, the concession by the party-state in negotiating trade agreements with labour conditionality was not inevitable, but rather dependent on intense internal debate between the conservatives and reformists. Party conservatives strongly resisted TPP for fear that independent unions would jeopardise regime control. But, given the potential economic gains, they did permit more open discussions on international labour conventions. On the other side, reformists within the party-state became less fearful of repression, successfully convincing their conservative colleagues that regime stability would be best secured by broadening geopolitical alliances, boosting jobs through exports, and international integration. Through this internal debate, conservatives came to see export incentives as furthering their own perceived interests.

Marslev and Staritz (2021) attributed the concessions by Vietnam in the EVFTA to the outcome of specific conjunctions of political forces and social struggles within, and around, state institutions in the EU and Vietnam. Specifically, the intensified pressure from the EU, especially the EU Parliament, the strategic manoeuvre of reform-minded officials in Vietnam and the intermediary efforts of trans-local actors created a momentum for the important commitments to labour reform (ratification of the remaining ILO core conventions) to be accepted by the party leadership.

In other words, these studies pointed to several factors influencing the Vietnam government's commitments in EVFTA: (i) the government's need to boost exports and economic growth; (ii) the strategic efforts of the party reformists in internal debate; (iii) the external pressure (from the EU actors); and (iv) the facilitating role of trans-local actors.

However, there have been suspicions raised as to whether the intention of the party-state to implement the sustainability-related requirements in the EVFTA is genuine; especially related to labour reform and the formation of the domestic advisory group (Mai and Schweisshem 2020; Buckley 2021). Judith Kirton-Darling, a former member of the European Parliament (MEP) who served as a shadow rapporteur for the EVFTA, said that she felt Vietnam's acceptance of progress in labour rights was a way of avoiding the bigger issue of human rights, while the European Commission "*didn't engage concretely to say how they will be following up this roadmap to make sure [Vietnam's] commitments were followed in the time frame they were laid out*" (DW 2021).

Although these suspicions have some validity, it should be mentioned that the four influencing factors above have not significantly changed. First, the EVFTA now has even bigger economic importance for the Vietnamese economy, which has been significantly weakened by the second year of Covid-19 pandemic. In 2021, Vietnam's GDP growth rate was 2.58%, the lowest in the past few decades (GSO 2021). The economy, therefore, desperately needs a boost to recover. In the meantime, according to a report by the Ministry of Industry and Trade (MOIT), the EVFTA is expected to increase Vietnam's export turnover to the EU by 42.7% in 2025 and 44.37% in 2030, compared to a scenario with no Agreement, contribute to an average GDP growth rate of 4.57-5.30% in the next 10 years, and create 146 thousand new jobs every year (MOIT 2021). The MOIT also expects the trade deal to help Vietnam

restructure new supply chains so as not to over-rely on the United States and China amid the trade war between the two powers. As the first FTA signed by the EU with a developing country, the EVFTA is also expected to enhance Vietnam's political and security status in the region (Diplomat 2020). Therefore, it is safe to say that the party-state will put priority in making sure the EVFTA is smoothly implemented.

Second, the recent rise of centre-left political parties in the United States (Democratic Party) and in some key European countries (Italy, Germany, Norway) means that the pressure on the EU Commission to implement the sustainability development commitments in FTAs will become even harder. EVFTA, the first FTA with a developing country, will surely be at the forefront of monitoring.

The other two factors – the internal debate between conservatives and reformists, and the facilitating actors – tend to sway in accordance with the first two, emerging and dimming away depending on changes in the local environment.

4. DAG Formation – A Minimalistic Compromising Approach?

External Pressure and Internal Political Debate

Both during and after the EVFTA negotiations, civil society was neither consulted nor engaged at all, by either the EU or the Vietnamese government (Mai and Schweishelm 2020). In the original draft of Chapter 13 of EVFTA, 'civil society monitoring of commitments on labour in line with ILO standards' was mentioned as one of the eight elements of the EU-Vietnam trade deal (Orbie et al. 2016: 31). However, in the final agreement, neither the term 'civil society' nor 'civil society monitoring' was included. In particular, the function of the DAG in the EVFTA is limited to 'advising on the implementation' of Chapter 13 only (EVFTA (2019): Article 13.15(4)).

However, since 2015, the European Parliament has been increasingly vocal on human rights issues and actively engaging civil society. The Chairman of the Commission for International Trade (INTA) in the European Parliament, Mr. Bernd Lange, travelled regularly to Vietnam before and after the EVFTA negotiation held intensive talks with both the Vietnamese Government and civil society, constantly emphasising the need for Vietnam to improve on human rights and develop a clear roadmap for the ratification of the outstanding ILO conventions (Mai and Schweishelm 2020). Further concerns about the human rights situation, especially regarding political prisoners in Vietnam, resulted in the adoption of a resolution on Vietnam by the European Parliament on 15 November 2018.⁷ As a consequence, the ratification of the EVFTA by the EU Parliament, which was supposed to take place by May 2019, was then delayed until February 2020.

The pressure of the EU Parliament urged the EU Commission to be more active in pushing the Vietnamese government to solidify their commitments. As late as May 2019, a delegation of the EU Commission's Directorate General for Trade and Directorate General for Employment paid an official visit to Vietnam concerning preparation for the implementation of the Trade and Sustainable Development (TSD) Chapter. Beside bilateral meetings with Vietnamese authorities, the delegation also had a roundtable discussion with potential DAG members from CSOs, trade unions and employers' organisations. In this discussion, the EU side stressed on the need to include 'independent' organisations whereas the Ministry of Industry and Trade (MOIT) did not provide an affirmative response whether the CSOs which are independent of the political system would be included in the DAG. Yet, the fact that the

⁷For the resolution, see here: <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52018IP0459&rid=6>

MOIT invited a number of CSOs to the meeting was a positive sign that the Vietnamese Government was more open to the idea of including the CSOs in the DAG.

Just a few days before the decisive plenary vote by the EU Parliament there were still vocal concerns by some EU Parliament members against the EVFTA due to Vietnam's human rights records and suppression of civil society.⁸ There were undoubtedly negotiations between Vietnam and the EU behind the scenes, with possible concessions on the Vietnam side, as on February 12th, 2020, the EVFTA was ratified by the EU Parliament by a majority vote of 57%. Still, the Vietnamese government delayed the start of forming a DAG until October 2020. As late as October 12th, 2020, after a call for interest to apply for the Vietnam DAG posted on MOIT's website, the International Cooperation Department of Ministry of Labour, Invalids and Social Affairs (MOLISA), the EVFTA focal point for labour in the Vietnam government, held an information-sharing meeting with local and international NGOs working on labour issues. In this meeting, MOLISA explicitly declared that local NGOs would be eligible to apply for DAG membership. Yet, until June 2021 when the first joint forum of the EU and Vietnam DAGs were supposed to occur, the Vietnam DAG was not formed. In response, the EU DAG cancelled the first joint forum (and the first TSD Committee meeting was also cancelled) and issued a public statement in which it called for the urgent formation of a Vietnam DAG composed of "independent representative organisations".

The Vietnam DAG was formed on August 17th, 2021, almost one year after the MOIT called for interests of application, by Decision 1972 by the Minister of Trade and Industry (hereinafter referred to as 'Decision 1972'). The fact that the DAG was formed by a ministerial decision is considered a degradation of the importance of the mechanism in Vietnam. Originally it was supposed to be established by a Prime Minister's decision. An NGO informant recalled: *"we applied to the DAG back in October 2020, but the final decision took nearly a year to be issued. The MOIT submitted to the Prime Minister's office for the signing of the decision [to establish the DAG] but the latter pushed it back to the MOIT. The MOIT officials said that the DAG was not in their official authority."*⁹

Prior to the formation of the DAG, there were also several inter-ministerial meetings among the MOIT, MOLISA, MONRE, MPS (Ministry of Public Security), VGCL, among others, to discuss the DAG. The MOIT, MOLISA and MONRE supported the idea of including one or two CSOs in the DAG while the MPS and VGCL were generally sceptical of civil society. However, under the pressure from the EU, the Vietnamese Government seemed to compromise to include some of the more friendly and apolitical CSOs. The invitation to the abovementioned information-sharing meeting by MOLISA was sent to a carefully selected list of supposedly friendly CSOs only.¹⁰

The formation of the DAG in Vietnam drew a lot of interest from the CSOs themselves. In November 2019, FES Vietnam organised a meeting between over 30 CSO representatives with the Chairman of EUP International Trade Committee to discuss the EVFTA as well as the DAG. Afterwards, a DAG working group was established with the FES Vietnam acting as the

⁸ See the DRAFT OPINION of the Committee on Foreign Affairs for the Committee on International Trade on the draft Council decision on the conclusion of the EVFTA: https://www.europarl.europa.eu/doceo/document/AFET-PA-641414_EN.pdf; and DRAFT OPINION of the Committee on Development for the Committee on International Trade on the draft Council decision on the conclusion of the EVFTA: https://www.europarl.europa.eu/doceo/document/DEVE-PA-641208_EN.pdf. Vietnamese human rights activists calling to postpone the ratification of the EVFTA: <https://www.rfa.org/english/news/vietnam/vietnam-pham-chi-dung-eu-parliament-12032019151213.html>

⁹ Interview by the author, November 18th, 2021

¹⁰ Interview by the author with an officer from MOLISA, September 12th, 2021

secretariat. The working group hired an international consultant to suggest models of the DAG for Vietnam and draft the rules of procedure. The reports were later presented and shared with both the MOIT and MOLISA. On the environment side, Sustainable Rural Development (SRD), a Vietnamese NGO working on environmental and rural issues also set up the Vietnam NGO-EVFTA network with 7 CSOs. Despite the interest, most of the CSOs found the DAG *'too new and risky'* for them to join.¹¹

DAG Formation

According to the MOIT, there were 8 applications to the Vietnam DAG. Based on our interviews, 7 out of these 8 applicants include VCCI, VGCL Institute of Trade Unions and Workers (ITUW), Sustainable Development Initiative (IDH) Vietnam, Centre for Development and Integration (CDI), SRD, French Chamber of Commerce, and Société Humaine. The last applicant remains unknown. Based on the eligibility criteria, the French Chamber of Commerce, Société Humaine and IDH Vietnam were obviously unqualified as they are international organisations. The VCCI is a political-social professional organisation, as provided in the 2005 Civil Code. The ITUW is the research arm of the VGCL, one of the five political-social organisations, and placed directly under the management of the VGCL leadership. As a result, CDI, a labour NGO, and SRD, an environmental NGO, are the only two (known) applicants from civil society.

The VCCI and the ITUW became the obvious choices for DAG members representing business and labour. According to Pham Thu Lan, the ITUW representative in the Vietnam DAG, she was certain as early as the time of applying that ITUW would be chosen: *"I am personally interested in the DAG so I submitted the proposal to the Institute leadership who then asked for permission from VGCL leaders. Upon their approval, I sent the application to the MOIT. At that point, I was 100 percent sure that my application would be selected. In the end, there is only one trade union organisation!"*¹² ITUW was then selected as a DAG member without a second check.

The application process was much bumpier for the two CSOs: CDI and SRD. SRD is a local NGO established in 2006 by several former government officials.¹³ The organisation has been active in sustainable agriculture, climate change, and environmental protection.¹⁴ The chairwoman of SRD served as the chairperson of the Climate Change Working Group in 2018 and SRD is also a member of a number of other CSO networks such as Network of Vietnamese NGOs on Forest Law Enforcement, Governance and Trade (VNGO-FLEGT); Gender and Community Development Network (GENCOMNET); Civil Society Inclusion for Food Security and Poverty Elimination Network (CIFPEN) and Peoples' Participation Working Group (PPWG), among others.¹⁵

In November 2020, SRD joined with 6 other CSOs to establish the VNGO-EVFTA network¹⁶ with the objective of supporting SRD in its potential participation in the DAG. However, 2 members of the managing board of VNGO-EVFTA network, Mai Phan Loi and Dang Dinh Bach, were suddenly arrested in July 2021 upon charges of tax evasion.¹⁷ Mai Phan Loi

¹¹ Interviews by the author with CSO representatives between September and November 2021

¹² Interview by the author on September 23rd, 2021

¹³ The current chairwoman of SRD used to work for the Ministry of Science and Technology and the deputy director is a retired official of Ministry of Agriculture and Rural Development.

¹⁴ <http://www.srd.org.vn/index.php/about-us>

¹⁵ <http://www.srd.org.vn/index.php/2014-06-30-10-21-35/our-networks>

¹⁶ <http://www.srd.org.vn/index.php/thu-vi-n-nh-menu/1324-h-p-bdh-1>

¹⁷ <https://tuoitre.vn/ong-mai-phan-loi-bi-bat-tam-giam-ve-toi-tron-thue-20210625150357759.htm>

was a high-profile journalist who was among the 6 CSO representatives meeting with President Obama in 2016. On SRD's website, the names of these two members were swiftly removed.

Applying to the DAG, according to SRD, was an attempt to “*enhance SRD's position in dialogues with the governmental agencies*” and was also “*an objective of an EU-funded project that SRD is implementing*”.¹⁸ Still, after SRD submitted their application, they were visited by the public security officers who checked on various aspects of the organisation's operations. SRD claimed that they would stick to ‘technical issues based on empirical research’ rather than controversial topics that can be politically sensitive.¹⁹

CDI, established in 2005 by a group of scholars, has been active in good governance, supporting the disadvantaged, and promoting labour rights.²⁰ CDI is no stranger to the labour administration or the trade union organisation. For years, CDI has cooperated with VGCL and its provincial branches in its projects to support workers, mainly in the apparel and electronic sectors. CDI has been regularly invited by different MOLISA departments (particularly the Legal Affairs department and the International Cooperation Department) to provide comments on the legislation drafting and revision process. CDI is also a member of M-Net, a network of 9 NGOs working on migrant workers.²¹

Initially, CDI was hesitant about applying for the DAG in fear of adverse impacts on their work. A senior representative of CDI admitted: “*applying to the DAG may mean that our work risks being affected, possibly facing delays in project approval or implementation of activities or even worse*”.²² This was also the sentiment of other NGOs with regards to DAG membership. The mechanism is totally new to the civil society in Vietnam, who generally have no idea about how it works, its impacts, how the authorities will treat it and especially the risks the membership may lead to.

Still, CDI applied to the MOIT for DAG; yet it was not selected for membership without a clear, official reason. According to our interviews with CDI representatives and other stakeholders, there could be two possible explanations for CDI not being selected: One is that the labour sub-group in the DAG has already been represented by the ITUW; therefore, the inclusion of CDI, a labour NGO, may break the balance of representation for the three sub-groups of business, labour, and environment. Another explanation, however, is that CDI is not a favourite choice by the authorities. An informant told us that she was warned against cooperating with CDI by the public security officers.

Despite the challenges in the selection process for the CSO applicants, the fact that SRD became a DAG member is considered by our informants to be an achievement for the civil society in Vietnam. The deputy director of SRD said: “*although the DAG was established by the Decision of the Minister of MOIT instead of the Prime Minister, I think this has been an uplift for SRD. This is the first time an NGO is included in such a formal mechanism. Together with the EU DAG, our voice will have more weight*”.²³ The government made a concession by accepting a CSO to become a DAG member; yet, between the two organisations, SRD – an environmental NGO led by former government officials – was preferred.

¹⁸ Interview by the author on November 18th, 2021

¹⁹ Ibid.

²⁰ <http://cdvietnam.org/ve-chung-toi/hoi-dong-sang-lap/#>

²¹ <http://cdvietnam.org/mang-luoi-hanh-dong-vi-lao-dong-di-cu-m-net/>

²² Interview by the author on November 10th, 2021

²³ Interview by the author on November 18th, 2021

The DAG is defined by Decision 1972 as a ‘forum’ that has the function of ‘*presenting its opinions, recommendations and advice on the implementation of the TSD Chapter*’ (Article 2). The DAG’s recommendations are “*referential and not binding*”. Also, the members of the DAG shall be ‘*associations, non-governmental and non-profit organisations*’ that are ‘*independent of the governmental agencies that the DAG advises*’, which means that the labour members should be independent of MOLISA, environmental members should be independent of MONRE and the business members supposedly should be independent of the MOIT. If so defined, the VGCL - far from an independent organisation - is eligible, as it is considered independent of MOLISA, the governmental ministry it is supposed to advise. So is the case of VCCI. The DAG membership, which at the time of writing includes only 3 organisations, can be extended up to 15 members.

The first joint forum – Diverging perspectives of the DAG members

The first joint forum of the two DAGs was organised on November 12th, 2021, five months later than originally planned. The setting of the first meeting was interesting: The officials from EU Director General for Trade and members of the EU DAG joined the forum separately. On the Vietnam side, all DAG members sat in the same room with the DAG secretariat (MOIT). An EU DAG member admitted that she found such an arrangement strange: “*the EU DAG always wants to be seen as independent of the EU Commission and DG Trade, so I was quite surprised to see the Vietnam DAG members sitting together around the table with the government ministries. I found it strange!*”.²⁴ Apparently, being seen as ‘independent from the government’ is far from the purpose of all Vietnam DAG members. As discussed earlier, even SRD, the only CSO member in the Vietnam DAG, considered collaborating closely with the government a key rule to ensure their smooth operation.

The debate in the first joint forum was dominated by the EU DAG members who posed questions towards the MOIT, MOLISA, and MONRE on challenging topics ranging from the long delay of the promulgation of the Decree on worker representative organisations (WROs), the limited representation of labour organisations in the Vietnam DAG, and environmental issues. There were only two interventions from Vietnam DAG members, including the opening statement by the VCCI representative who serves as the chairperson of the DAG, and another posed as a long comment by the ITUW representative who stressed on the responsibility of the European led firms towards the Vietnamese workers in their supply chains who suffered from unethical purchasing practices (such as cancellation of orders) during the pandemic. SRD, the only CSO in the group, did not have any intervention during the first meeting. There were no concrete responses to the questions posed by both sides. On the Vietnam side, MOLISA claimed that the pandemic has resulted in the delay in promulgating the Decree on WRO and provided no clear timeline of when the regulation would be issued. MOIT promised to continue calling for more members to the DAG, yet avoided directly addressing the question of why the labour NGO applying to the DAG might be rejected. It should be noted that this was not the first time the EU raised these questions to the Vietnamese government, both formally and informally. On the EU side, the EU commission vaguely referred to the due diligence draft regulation in response to an ITUW question on the unethical practices of European companies during the pandemic, while some other EU DAG members acknowledged the problem yet provided no concrete solution.

²⁴ Interview by the author, December 7th, 2021

According to the DAG members interviewed, apart from drafting the opening statement for the DAG chairperson, MOIT (or other governmental agencies) did not influence the DAG members on what to say during the first joint forum. The DAG members met a few times with the MOIT secretariat and discussed informally with one another before the first joint forum. However, each DAG member had different perspectives and objectives in approaching the first joint forum as well as the DAG as a whole. As the chairperson of the DAG, the VCCI representative took a more cautious approach: *“I was very worried that the EU side would pose challenging, sensitive questions. I signed with relief as the first meeting went smoothly”*.²⁵

The ITUW representative prepared the comment herself without consulting the VGCL nor other DAG members: *“I did not find it necessary to consult other DAG members about my intervention because I am in charge of the labour sub-group so I would make the comments I thought important. I did not consult the VGCL either because I thought my comment was not politically sensitive. I have been authorised to be a DAG member so I take all the responsibility on my own”*.²⁶ Also, she believed that the DAG should be a forum to handle issues related to EU-Vietnam trade relations instead of Vietnam’s domestic challenges: *“We already have other channels for the domestic issues; also we all know that it will take time to handle those challenges. The DAG should be for EU-Vietnam trade-related topics only”*.²⁷

The SRD regarded the DAG as an information-exchange forum: *“For us, the DAG is a channel to collect information from other organisations and share our research outcome with the EU DAG members. It will also be a chance to learn from the European NGOs”*.²⁸ As the only CSO in the Vietnam DAG, SRD took an extra-cautious approach to the first joint forum, making no comment at all during the meeting.

It is difficult to judge from the first joint forum how the Vietnam DAG will function in terms of coordination and influence. It takes time for the DAG members themselves to learn about this new mechanism and how they should use it. Yet, there is one thing the DAG members seemed to agree upon: the DAG is not a mechanism to make critical comments of the Vietnamese government or to influence the policy-making process at home. Probably, this is the ultimate borderline that the existing DAG members are aware of when participating in this mechanism.

After the first joint forum between the two DAGs, the MOIT claimed that it would continue to extend the Vietnam DAG membership and invite organisations to apply. According to our interviews, Vietnam Association of Seafood Exporters and Producers (VASEP) is going to apply to join the business sub-group while CDI insisted that they would submit the application once again.²⁹ In case VASEP or any other business association are selected to join the DAG, two more members must be added (to the labour and environmental sub-groups) to ensure the balance of representation. This may potentially present an opportunity for CDI or other CSOs to become members.

5. What does the DAG mean for Civil Society in Vietnam?

The formation of the Vietnam DAG showed that the Vietnamese government did make concessions by including a CSO as an official member. However, the boundary for the

²⁵ Interview by the author on November 22nd, 2021

²⁶ Interview by the author on November 19th, 2021

²⁷ Ibid.

²⁸ Interview by the author on November 18th, 2021

²⁹ Interviews by the author in November 2021

Vietnamese DAG has been discreetly set up: the participation of the CSOs has been minimised and the DAG is not a forum for the Vietnamese members to voice up about the local government's policies, especially with regards to labour/human rights issues. As one of our informants stated, the DAG formation demonstrated the usual "minimalistic compromising approach by the Vietnamese government".³⁰ However, the experience of negotiations for the TPP and EVFTA and the formation of the DAG showed that the Vietnamese government would make necessary concessions, though usually minimised, in response to pressures from major trading partner countries. Of course, such concessions must go through an internal political compromising process which might often be prolonged and tough.

Despite the existing constraints, the Vietnam DAG has important implications for the development of civil society:

First and foremost, the DAG symbolises a small yet crucial recognition of civil society in Vietnam. Although the term 'civil society' was removed from the EVFTA, the inclusion of at least one NGO in the DAG has been an important step in the process of empowerment; especially upon consideration that supporting the civil society is regarded as a serious violation of VCP rules which may lead to expulsion from Party membership.³¹

Second, the DAG provides a testing ground for the political organisations (VGCL and VCCI) to collaborate and build trust with the CSOs. Prior to the DAG formation, there were a lot of suspicions and mistrust from both the NGOs and the VGCL towards each other. Mai and Schweisshelm (2020: 30) argued that it would be difficult to get VGCL leaders to the same table as NGOs, because of distrust which does not necessarily come from conflicting missions but rather from how VGCL leadership position themselves (as high-ranking bureaucrats) and how civil society are therefore perceived in the broader context of the political system. The fact that the IWTU represented the VGCL in the DAG, acting as a vice-chair along with SRD – an environmental NGO – has been the first important step for the VGCL to develop trust and understanding with the NGOs.

Third, the DAG opens up the door for the CSOs to initiate official dialogues with the government ministries, in which the CSOs can benefit from information sharing and ask questions to government officials. Before, the organisation and design of such dialogues depended primarily on the government's willingness and control. Also, the fact that the EU DAG members do not shy from asking frank, difficult questions about sustainability challenges to the Vietnam governmental officials during the joint meetings indirectly helps widen the boundary of dialogue with the government for the Vietnamese CSOs.

It is very unlikely that the DAG will have any direct impact on policymaking in Vietnam. In fact, none of the EUFTAs' DAGs so far have ever accomplished this goal (Martens et al. 2020). Yet, for Vietnam, the most important impact of the DAG will transcend the mechanism itself. It promises a constant leverage (provided by EU – the major trading partner country) for the CSOs and the political system to build trust, share information and dialogue, which, in return, will have profound effects on the political-economic environment of the country. Of course, the level of impacts will depend very much on (i) the domestic economic situation; (ii) the extent of external pressure (the EU in this case); (iii) the internal political power relations and debate; and (iv) facilitating actors.

³⁰ Interview by the author on November 3rd, 2021

³¹ Party Regulation 102 issued on 15 November 2017, Article 3(b)

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