

BTA Congressional Procedures and overall terms

★ When did the U.S.-Vietnam Trade Agreement come into Force?

The BTA came into force on December 10, 2001 , with the granting of reciprocal normal trade relation status. NTR tariff status is renewable by the U.S. every year through the annual Jackson-Vanik waiver procedures each summer.

★ How does NTR status from the U.S. get renewed for Vietnam each year?

Under the Trade Act of 1974, NTR status for Vietnam is subject to the Presidential renewal each summer through the continuation of the Jackson-Vanik waiver.

★ What are the U.S. Congressional procedures for the Jackson Vanik waiver and the renewal of NTR for Vietnam ?

Under Title IV of the 1974 Trade Act, the President is to submit its annual request to waive Jackson-Vanik for listed countries by June 3, thirty days before the expiration of the previous year's waiver. The President first requested the waiver for Vietnam in 1998 and has continued to annually. Congress has the opportunity to disapprove the overall authority, or to withhold it for Vietnam through a joint resolution of disapproval, which must pass both chambers before September 1st. If Congress does not vote to disapprove, the waiver is automatically renewed and NTR continues for another year.

★ What have the U.S. Congressional votes been since 1998?

In 2002, the House of Representative voted 338-91 in favor of extending a Jackson-Vanik waiver for Vietnam.

The House approved the Bilateral Trade Agreement by unanimous consent on July 26, 2001 .

In 2001, the House of Representatives voted last year 324-91 in favor of extending a Jackson-Vanik waiver for Vietnam .

In 2000, the House of Representatives voted last year 332-91 in favor of extending a Jackson-Vanik waiver for Vietnam

In 1999, the House of Representatives voted last year 297-130 in favor of extending a Jackson-Vanik waiver for Vietnam

In 1998, the House of Representatives voted last year 260-163 in favor of extending a Jackson-Vanik waiver for Vietnam .

★ **When does Vietnam need to implement the BTA?**

Upon entry into force of the BTA, some Vietnamese obligations are effective immediately. Other obligations are subject to phase-in periods and will be implemented over time. The Council's *The Summary of the U.S.-Vietnam Trade Agreement* outlining key provisions is available on our website. The full BTA agreement is available on USTR's website. Vietnam has been actively making legal changes to address issues in the BTA since it was signed in July 2000 and is currently close to completing a comprehensive review of all laws and legal instruments related to matters in the BTA. For more details on legal changes already adopted by Vietnam relating to the BTA, please see our *Catalog of Legal Updates* which is updated monthly on our website.

★ **What if one side does not comply?**

The Joint Committee on Development of Economic and Trade Relations - a bilateral committee - has been set up as a government-to-government instrument and a forum for the discussion of compliance issues. USTR will chair the interagency Committee on the U.S. side and Vietnam has formally established its Joint Committee headed by the Ministry of Trade including representation by the Office of the Government, and Ministries of Planning & Investment, Foreign Affairs and Finance.

★ **What happens after three years of the entry into force of the BTA?**

The agreement, with a 3-year initial term, itself provides for automatic 3-year extensions, subject to termination by either party upon notice at least 30 days before the expiration of any 3-year term. The continuation in force of the agreement is also subject to the requirement in Section 405(b)(1)(B) of the Trade Act of 1974 (19 U.S.C. 2435(b)(1)(B)), which applies to any trade agreement concluded under Title IV with a Non-Market Economy (NME). Under that provision, the agreement is renewed triennially if a satisfactory balance of concessions has been maintained during the life of the agreement and the President determines "that actual and foreseeable reductions in United States tariff and non-tariff barriers... are satisfactorily reciprocated by [Vietnam]."

Last updated Sept. 9, 02. This document is compiled and updated regularly by the U.S. Vietnam Trade Council