



Vietnam–EFTA FTA 2026

Tariff Elimination, Market Access, and
Strategic Benefits



After approximately 14 years of negotiations, Viet Nam and the European Free Trade Association (EFTA), comprising **Switzerland, Norway, Iceland and Liechtenstein**, signed the Free Trade Agreement in Hanoi on 18 October 2026.

Negotiations concluded on 2 July 2026. The Agreement will enter into force once the Parties complete their domestic ratification procedures, in accordance with Chapter 14 (Final Provisions).

According to the official EFTA factsheet, the EFTA States will apply **zero duties on industrial products** and on **fish and other marine products** originating in Viet Nam from entry into force, while Viet Nam will eliminate duties on the vast majority of **industrial and seafood products from the EFTA States** within a maximum of 11 years.

Official Norwegian materials¹ describe tariff elimination on approximately half of Norway's exports to Viet Nam at entry into force, rising to more than 98% within seven years.

Note: the four EFTA States are not members of the European Union. The Agreement is separate from, and operates alongside, the EU-Vietnam Free Trade Agreement (EVFTA), in force since 1 August 2020.

I. STRUCTURE AND KEY TREATY COMPONENTS

Key components:

- i. **Tariff Access:** Elimination or reduction of customs duties under Article 2.2 and Annexes 2A–2D. The EFTA States apply zero duties on Vietnamese industrial and fish and marine products from entry into force; Viet Nam phases out duties on most EFTA industrial and seafood products within up to 11 years, and on key agricultural products within up to 16 years.
- ii. **Rules of Origin:** Set out in Annex 2F (Article 2.4). Originating materials from any Party may be cumulated, and non-agricultural materials from ASEAN Member States or the European Union may count as originating, subject to conditions (Article 6 of Annex 2F). The main alternative product-specific rule is mostly a 70% value criterion (Appendix 2F-a). Vietnamese exporters use a Certificate of Origin VN-EFTA; EFTA exporters use origin declarations, which approved exporters may complete without signature (Articles 15, 16, 19 and 21 of Annex 2F). Proofs of origin are valid for 12 months.
- iii. **Non-Tariff Barriers:** Commitments on TBT (Article 2.10), SPS (Chapter 3) and Trade Facilitation (Annex 2H), including binding advance rulings. On trade remedies, the Parties will endeavour to refrain from initiating anti-dumping procedures against each other (Article 2.14). A bilateral safeguard may be applied during a five-year transition period for up to two years, extendable to three years in very exceptional circumstances (Article 2.16).
- iv. **Investment & Services:** Chapter 4 (Trade in Services) and Chapter 5 (Investment) provide market access and national treatment in scheduled sectors (Annexes 4E and 5A). Chapter 5 covers commercial presence in non-services sectors such as manufacturing, agriculture, fishing and mining, but expressly does not include investment protection (Article 5.1). Chapter 7 (Government Procurement) focuses on transparency and cooperation, with negotiations on market access commitments to begin within three years of entry into force (Article 7.11).

¹ Ministry of Foreign Affairs of Norway, *Free trade agreement with Viet Nam signed, opening up new opportunities for Norwegian businesses* (press release, 18 October 2026), stating that around half of all Norwegian exports to Viet Nam will be tariff-free when the Agreement enters into force and more than 98% within seven years, available at <https://www.regjeringen.no/en/whats-new/undertegnet-frihandelsavtale-med-vietnam-apner-nye-muligheter-for-norske-bedrifter/id3178346/>.



- v. **Sustainability & SMEs:** Chapter 10 (Trade and Sustainable Development) reaffirms the ILO fundamental principles and rights at work and the effective implementation of ratified ILO Conventions (Article 10.5), as well as the implementation of the UNFCCC and the Paris Agreement (Article 10.10). Chapter 6 provides for SME information sharing and contact points, and Chapter 11 sets out cooperation and capacity building.
- vi. **Institutions & Dispute Settlement:** An EFTA–Viet Nam Joint Committee supervises the Agreement (Article 12.1). Disputes go first to consultations and may then be referred to a three-member arbitration panel (Chapter 13); disputes under the TSD chapter go to a panel of experts (Article 10.16).

II. STRATEGIC BENEFITS FOR VIET NAM

For Viet Nam, official Vietnamese reporting² highlights that the Agreement will help diversify export and import markets, enhance the competitiveness of Vietnamese enterprises and enable deeper participation in global value chains.

1. Market access for exporters

Viet Nam's main exports to EFTA include seafood, footwear, textiles and garments, machinery and equipment, and electronics and components. The Agreement opens preferential access to markets with high purchasing power.

Bilateral trade has averaged approximately USD 2 billion per year, according to Viet Nam's Ministry of Industry and Trade. EFTA reports two-way trade of EUR 4.8 billion in 2025, with a Vietnamese trade surplus of EUR 2.5 billion.

2. Lower input costs for manufacturers

Viet Nam imports industrial machinery and equipment, chemicals, pharmaceuticals and raw materials for production from EFTA. Tariff reductions on these inputs may lower costs across domestic supply chains.

3. Investment opportunities

The Agreement is expected to attract high-quality capital, advanced technology and management expertise from EFTA economies (see Section IV).

SMEs: The Agreement includes dedicated provisions on information sharing and capacity building for small and medium-sized enterprises.

² See, e.g., *Tạp chí Công Thương (Industry and Trade Magazine, Ministry of Industry and Trade)*, *Chính thức ký kết Hiệp định Thương mại Tự do Việt Nam – EFTA [Official signing of the Viet Nam–EFTA Free Trade Agreement]*, 18 October 2026, available at <https://tapchicongthuong.vn/chinh-thuc-ky-ket-hiep-dinh-thuong-mai-tu-do-viet-nam-efta-558954.htm>; *Vietnam News Agency (VietnamPlus)*, *Chính thức ký kết Hiệp định Thương mại Tự do Việt Nam–EFTA*, 18 October 2026, available at <https://www.vietnamplus.vn/chinh-thuc-ky-ket-hiep-dinh-thuong-mai-tu-do-viet-nam-efta-post1142663.amp>; *WTO and Integration Center, Vietnam Chamber of Commerce and Industry (VCCI)*, *Chính thức ký kết Hiệp định Thương mại tự do Việt Nam - EFTA*, 18 October 2026 (reproducing the Government Electronic Newspaper), available at <https://trungtamwto.vn/tin-tuc/33679-chinh-thuc-ky-ket-hiep-dinh-thuong-mai-tu-do-viet-nam--efta>.



III. COMPLIANCE AND PRACTICAL EXECUTION FOR BUSINESSES

Vietnamese exporters and importers should use the period before entry into force to prepare, so that they can claim preferences from day one and avoid falling back on higher MFN rates.

1. Tariff Classification and Market Access

Review the Schedules of Tariff Commitments in Annexes 2A–2D to verify preferential rates and phase-out periods for specific HS codes. Where goods are sold to both EU and EFTA markets, compare treatment under this Agreement and the EVFTA.

2. Rules of Origin and Certification

Assess whether current sourcing and production meet the product-specific rules in Appendix 2F-a, including cumulation options under Article 6 of Annex 2F. Prepare the required proof of origin (Certificate of Origin VN-EFTA for Vietnamese exporters; origin declaration for EFTA exporters) and keep supporting records, as importing authorities may request verification within 36 months of issuance (Article 27 of Annex 2F).

IV. HOW THE FTA BENEFITS EFTA COMPANIES DOING BUSINESS IN VIET NAM

- **Tariff access:** Key EFTA exports, including machinery, fish and seafood, pharmaceutical products, cheese, coffee and chocolate, may gain duty-free access to Viet Nam under phased schedules (Annex 2A). Norway reports duty-free treatment for around half of its exports to Viet Nam at entry into force, and more than 98% within seven years.
- **Gateway into ASEAN:** Viet Nam is a major manufacturing hub with deep integration into regional supply chains. The Agreement offers EFTA companies a more predictable framework for sourcing, producing and selling in Viet Nam and the wider region.
- **Beyond goods:** the Agreement includes chapters on Trade in Services and Investment, with dedicated annexes on financial services, telecommunications and maritime transport, creating a structured platform for EFTA suppliers and investors in line with the scheduled commitments (Annexes 4E and 5A). Government procurement market access is subject to future negotiations (Article 7.11). Swiss and Norwegian companies already operate in industry, food, pharmaceuticals, energy and technology.
- **Predictability and cooperation mechanisms:** Chapters on Intellectual Property Rights, Competition and Dispute Settlement are intended to improve transparency and support smoother trade and investment operations.

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