



Trade Facts

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Vietnam's Accession to the World Trade Organization (WTO) Fact Sheet on Market Access for Agricultural Goods

U.S. agricultural exports to Vietnam exceeded \$192 million in 2005, almost 17 percent of total U.S. exports to Vietnam and over 20 percent more than in 2004. With a fast-growing economy and population, Vietnam represents a market of opportunity for U.S. agricultural exporters. When Vietnam joins the WTO it will significantly reduce tariffs on a number of U.S. exports. It will also adopt numerous improvements in its implementation of sanitary and phytosanitary measures, including on shelf-life requirements and other non-tariff measures that have the potential to hinder U.S. agricultural exports. For example, Vietnam now recognizes the U.S. system of approving beef, pork and poultry as 'equivalent' to its own. It has also eliminated BSE restrictions on all U.S. beef under 30 months of age.

Tariffs: Vietnam's current average applied tariff on agricultural products is 27 percent. However, when Vietnam becomes a member of the WTO tariffs on more than three-fourths of U.S. agricultural exports to Vietnam will be bound at a rate of 15 percent or less. These products include cotton, beef and pork offals, boneless beef, whey, almonds, grapes, apples, pears, raisins, cherries, and frozen fries.

Sanitary and Phytosanitary Measures: Vietnam will implement the WTO Agreement on Sanitary and Phytosanitary Measures when it becomes a member. As a result, Vietnam will apply science-based sanitary and phytosanitary standards to all agricultural goods. Vietnam has already established an SPS inquiry point, ensuring transparency and responsiveness with regard to SPS regulatory affairs. As part of its WTO bilateral agreement with the United States completed in May of this year, Vietnam took steps to immediately address key issues of importance to the U.S. farmers and ranchers such as:

- **Equivalence:** Vietnam recognizes the U.S. food safety inspection systems for beef, pork and poultry as equivalent to its inspection systems.
- **Shelf-life and Biotechnology:** Vietnam will implement its regulations governing shelf-life and biotechnology in a non-trade disruptive manner, and committed to consult with the United States before implementing any changes to its current practices.
- **BSE:** Vietnam has opened trade in bone-in beef and beef offal. This means Vietnam now accepts all U.S. beef and beef products from animals under 30 months of age.