

## **VIETNAM:**

### **Vietnam is among the group of countries temporarily suspending reciprocal tariffs, with the tariff rate remaining at 10%**

In early April, U.S. President Donald Trump announced a sharp 125% tariff increase on China, as shared through Truth Social. Following this, he revealed that over 75 countries, including Vietnam, had proactively engaged with the U.S. to discuss trade concerns. As a result, the U.S. has decided to temporarily suspend the tariff imposition for 90 days, during which a significantly lower reciprocal tariff rate of 10% will apply to these countries.

#### **Vietnam Secures a break from U.S. tariffs**

Vietnam is among the countries granted a temporary suspension of reciprocal tariffs, with the tariff rate reduced to just 10%. This comes after U.S. President Donald Trump's announcement in early April, where he shared that over 75 countries, including Vietnam, had reached out to the U.S. to engage in negotiations on trade issues. In a statement on Truth Social, he noted, "I have authorized a 90-day suspension of reciprocal tariffs and the application of a significantly lower reciprocal tariff rate of 10% during this period, effective immediately."

Deputy Minister of Industry and Trade, Nguyễn Sinh Nhật Tân, confirmed that Vietnam is among the countries benefiting from the tariff deferral. As part of the delegation led by Deputy Prime Minister Hồ Đức Phớc, Tân further emphasized that the suspension applies uniformly to all eligible countries, ensuring that Vietnam continues to enjoy advantages in exporting goods to the U.S. during the 90-day period. "Vietnam will also benefit from the 10% tariff rate during the tariff suspension period," Tân stated.

#### **Vietnam is Ready to Negotiate a Tax Agreement**

Experts have assessed that the suspension of reciprocal tariffs represents a positive initial outcome, marking the first result of the ongoing negotiation efforts led by General Secretary Tô Lâm, in collaboration with the Government and relevant ministries. This development offers Vietnam an important opportunity to make strategic adjustments in negotiating reciprocal tax agreements, as well as to restructure production and business activities.

On the morning of April 10, Deputy Prime Minister Hồ Đức Phớc, acting as Special Envoy of General Secretary Tô Lâm, met with U.S. Trade Representative Jamieson Greer. During the meeting, Phớc emphasized Vietnam's commitment to deepening the Comprehensive Strategic Partnership with the United States. "We are dedicated to continuing the discussions initiated by General Secretary Tô Lâm and U.S. President Donald Trump on April 4, ensuring stable and sustainable economic and trade relations for the mutual benefit of both countries," he stated.

Both sides agreed to start negotiations on a reciprocal trade agreement, which will include discussions on tax arrangements. It was also decided that technical teams from both nations would begin their work immediately. In addition, both parties reiterated their commitment to promoting a favorable business environment, reviewing and minimizing non-tariff barriers, encouraging increased U.S. business investments in Vietnam, and strengthening cooperation to combat trade fraud.

### **Future Developments to Watch**

As negotiations continue, further developments in the reciprocal trade agreement between the U.S. and Vietnam will be crucial in shaping future economic ties. Continued collaboration and proactive adjustments will likely play a key role in strengthening trade relations and fostering sustainable growth for both nations.