International Market Access

An Opportunity for the Swiss Economy: ***Free Trade Agreement with Vietnam on the Horizon***

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At a glance

- The EFTA states and Vietnam have successfully concluded their negotiations on a comprehensive free trade agreement.
- The agreement strengthens economic ties with one of Asia's most dynamic economies and improves the competitiveness of Swiss companies.
- economiesuisse will advocate for swift parliamentary approval so that the Swiss economy can benefit from improved market access conditions as soon as possible.

The EFTA states (Switzerland, Iceland, Liechtenstein, and Norway) have announced the successful conclusion of negotiations on a comprehensive free trade agreement with Vietnam announced. This marks the end of a negotiation process that began over 14 years ago and resumed in Geneva on September 8, 2025, following a lengthy hiatus.

Vietnam: An Increasingly Important Partner for the Swiss Economy

Vietnam is now one of Asia's most dynamic economies and has developed into a major regional hub for manufacturing, trade, and investment. With average annual growth rates of over six percent, the country has been among the world's fastest-growing economies for years. At the same time, Vietnam is steadily gaining importance as a manufacturing hub and as an integral part of global value chains.

Vietnam is also an important partner for Switzerland. Bilateral trade volume already stands at around 2.5 billion Swiss francs. This makes Vietnam Switzerland's third-largest trading partner within the ASEAN region. More than 100 Swiss companies operate in Vietnam and together employ more than 17,000 people.

The country offers Swiss companies attractive opportunities both as a sales market and as a location for production and investment. Switzerland currently ranks 22nd among foreign direct investors in Vietnam. There remains significant potential for growth, particularly in the infrastructure and cleantech sectors, and this is expected to increase further as a result of the free trade agreement.

Free Trade Agreement Creates a Level Playing Field

For Swiss companies, the free trade agreement is also of central importance from a competitive standpoint. It eliminates existing competitive disadvantages compared to competitors from the European Union or the United Kingdom—both of which are partners that already have their own free trade agreements with Vietnam.

The agreement will strengthen bilateral trade, promote investment, and further deepen economic cooperation. Especially in light of growing trade tensions and global protectionist trends, a stable and reliable framework is more important than ever for Swiss companies.

Comprehensive chapter on sustainable development

Closer economic cooperation between the EFTA states and Vietnam offers more than just economic opportunities. The agreement also makes an important contribution to sustainable, environmental, and social progress. The contracting parties commit to implementing international environmental and labor standards, including the International Labor Organization’s (ILO) core labor standards and the Paris Agreement on climate change. At the same time, the agreement promotes the sustainable management of forests, fish stocks, and other natural resources. Regular dialogue ensures that these commitments are pursued and further developed over the long term.

Now that the agreement has been signed, it's up to Parliament

The next step is to sign the agreement. The Federal Council will then submit the agreement to Parliament. economiesuisse will work to ensure that companies can benefit from the agreement as quickly as possible.

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