

Trade Policy

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Financial Services

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- **Article 11.3: National Treatment**⁵
- 1. Each Party shall accord to investors of another Party treatment no less favourable than that it accords to its own investors, in like circumstances, with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of financial institutions and investments in financial institutions in its territory.
- 2. Each Party shall accord to financial institutions of another Party, and to investments of investors of another Party in financial institutions, treatment no less favourable than that it accords to its own financial institutions, and to investments of its own investors in financial institutions, in like circumstances, with respect to the establishment, acquisition, expansion, management, conduct, operation, and sale or other disposition of financial institutions and investments.

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- **Article 11.5: Market Access for Financial Institutions**
- No Party shall adopt or maintain with respect to financial institutions of another Party or investors of another Party seeking to establish those institutions, either on the basis of a regional subdivision or on the basis of its entire territory, measures that:
 - (a) impose limitations on:
 - (i) the number of financial institutions whether in the form of numerical quotas, monopolies, exclusive service suppliers or the requirement of an economic needs test;
 - (ii) the total value of financial service transactions or assets in the form of numerical quotas or the requirement of an economic needs test

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- **Article 11.5: Market Access for Financial Institutions**
 - (iii) the total number of financial service operations or the total quantity of financial services output expressed in terms of designated numerical units in the form of quotas or the requirement of an economic needs test;⁶ or
 - (iv) the total number of natural persons that may be employed in a particular financial service sector or that a financial institution may employ and who are necessary for, and directly related to, the supply of a specific financial service in the form of numerical quotas or the requirement of an economic needs test; or
- (b) restrict or require specific types of legal entity or joint venture through which a financial institution may supply a service.

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- **Article 11.9: Senior Management and Boards of Directors**
- 1. No Party shall require financial institutions of another Party to engage natural persons of any particular nationality as senior managerial or other essential personnel.
- 2. No Party shall require that more than a minority of the board of directors of a financial institution of another Party be composed of nationals of the Party, persons residing in the territory of the Party, or a combination thereof.

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- **Article 11.12: Recognition**

- 1. A Party may recognise prudential measures of another Party or a non-Party in the application of measures covered by this Chapter.¹² That recognition may be:
 - (a) accorded autonomously;
 - (b) achieved through harmonisation or other means; or
 - (c) based upon an agreement or arrangement with another Party or a non-Party.
- 2. A Party that accords recognition of prudential measures under paragraph 1 shall provide adequate opportunity to another Party to demonstrate that circumstances exist in which there are or would be equivalent regulation, oversight, implementation of regulation and, if appropriate, procedures concerning the sharing of information between the relevant Parties.

Domestic Regulations and Liberalization of Trade in Services

Trade in services, far more than trade in goods, is affected by a variety of domestic regulations....trade, however, can be inhibited even by regulations that do not discriminate such as certain standards and licensing requirements and by the absence of procompetitive regulations.

Liberalization in locational services could imply two types of changes. First, the monopoly itself needs to be delineated as narrowly as possible so that competition is introduced where possible.....Second, competition could be introduced for the right to provide the remaining monopoly services.

The development of multilateral disciplines is in no way a substitute for strengthening domestic regulatory mechanisms and institutions...in professional services, low standards and domestic training and examinations can become major impediment to obtaining foreign recognition.

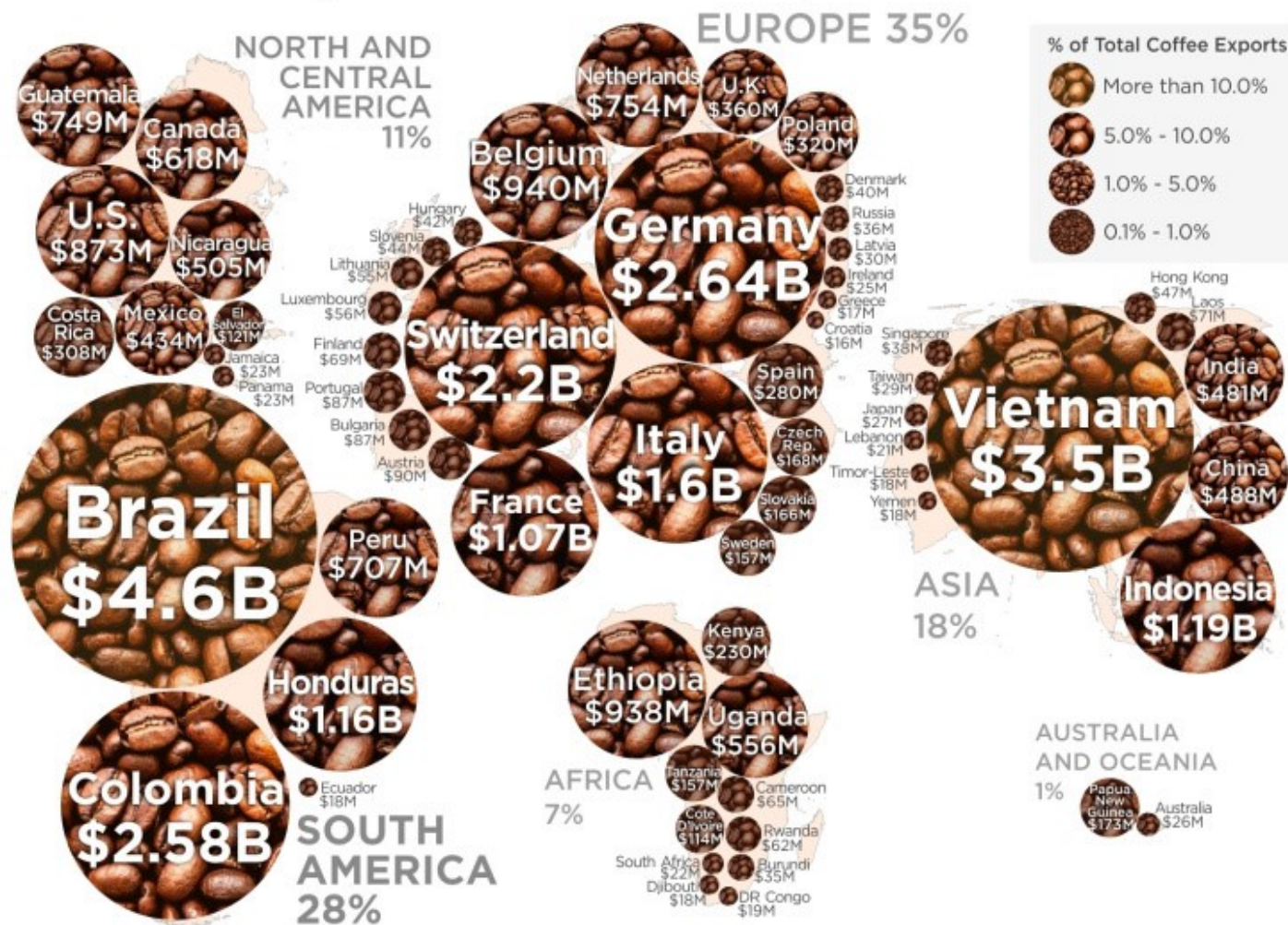
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The Global Coffee Trade

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World Map of Coffee Exports



* For visualization purposes we are only showing top 65 countries that exported the highest dollar value worth of coffee during 2017.

Article & Sources:

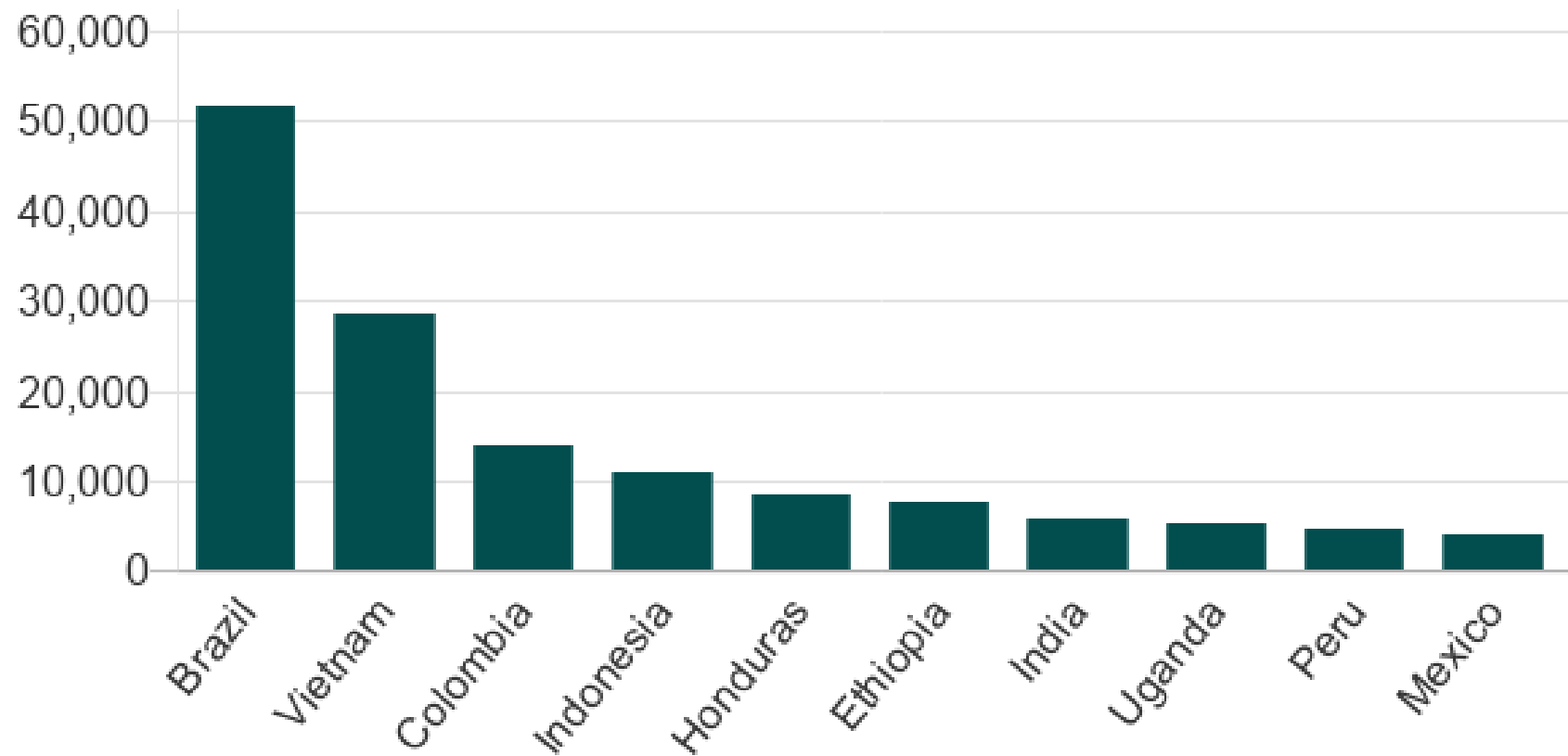
<https://howmuch.net/articles/world-map-of-coffee-exports>

<https://www.cia.gov/index.html>

howmuch net

Top 10 coffee producers

By thousand 60kg bags, crop year 2017-18



Source: International Coffee Organization

BBC

Vietnam's entry into the global coffee market resulted from a policy decision to start producing coffee. At that time, Vietnam was transitioning away from communist central planning, and trying to grow its way out of poverty. Brazil's output expansion resulted from changes in its production methods, improvements in mechanical harvesting, increased irrigation, and a revamping of the supply chain

Vietnamese entry into the coffee market, drove down coffee prices globally. What options exist for coffee dependent farms and countries?

If you are a Vietnamese coffee grower or public policy maker looking to support the growth of the domestic coffee industry, given the existence of a broad and deep global market what options exist to support the domestic coffee industry?

Given global supply and demand dynamics, what trade steps can Vietnam take to help domestic coffee industry?