

## **CHAPTER V CONCLUSION**

The Socialist Republic of Vietnam is recently well-known by the emergence of new economic power in Southeast Asia. According to World Bank, Vietnam's Gross Domestic Product (GDP) per capita growth has been among the fastest in the world, averaging 6.4 percent a year in the 2000s. It is certainly affected by the direction of foreign policy where Vietnam continuously develop the investment and trade sector which has significant implication toward the economic and social welfare in globalization era. However, Vietnam currently is categorized by a new actor in the regional and global economy.

After the adoption of Doi Moi policy, Vietnam strongly emphasized that free trade is extremely important for developing the country in pursuing broader and deeper international economic cooperation to support its economic growth. As a result, Vietnam actively participates in conducting both bilateral and multilateral relationship for the Free Trade Agreements (FTAs) with other countries especially for The Trans-Pacific Partnership (TPP) which will bring the opportunities and challenges for economic growth in Vietnam.

Furthermore, the Trans-Pacific Partnership Agreement (TPP) is defined as a regional free trade agreement aimed at eliminating tariffs and lowering non-tariff barriers. In November 2010, Vietnam formally interests to participate in the TPP agreement negotiations as an official member. In this case, Vietnam would work together with other partners to turn the TPP into a new and dynamic regional economic integration for member countries. Therefore, the participation of Vietnam in the TPP will ideally have greater access to larger, dynamic and fast-growing TPP markets.

After five years of negotiations, Vietnam and 11 other Asian-Pacific countries on October 5, 2015, are finally announced the successful conclusion of the TPP members

which consist of Australia, Brunei, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, the United States, and Vietnam. However, TPP members collectively contribute almost half of global output and about 40 percent of global GDP of the world and approximately 30% of global trade turnover.

Finally, the TPP is an important landmark in Vietnam's international economic integration process. Vietnam's participation in the agreement was driven by multiple economic, political and strategic considerations. In economic terms, the agreement is expected to help the country achieve faster GDP growth, expand its exports, and attract more foreign investment. However, as the least developed member of the TPP, Vietnam needs to address challenges to improve its competitiveness and to maximize its potential gains from the agreement.