

Vietnam UPDATE

October – December 2007

Vietnam Elected as non-permanent member of UN Security Council



Vietnam Prime Minister Nguyen Tan Dung and UN Secretary General Ban Ki-Moon at the United Nations in New York (VNGOP)

On October 16, 2007 the United Nations General Assembly (UNGA) elected Vietnam as a non-permanent member of the UN Security Council (UNSC) for the 2008-2009 term.

U.S. Commerce Secretary Gutierrez Leads Trade Mission

U.S. Commerce Secretary Carlos Gutierrez paid a three-day visit to Vietnam November 4 - 8, 2007 to expand economic ties between the two countries. Secretary Gutierrez was accompanied by representatives from 23 U.S. companies.

UPCOMING HIGHLIGHTS

- January 24-25, 2008: Education Conference in Hanoi hosted by the U.S. Embassy.
- March 11-12, 2008: Euromoney Conference, Hanoi
- Mid March 2008: Introductory Seminars of U.S.-Vietnam Business Leadership & Development Exchange Program in Hanoi, Da Nang, Can Tho and Ho Chi Minh City.

The visit was the first by Secretary Gutierrez. A follow-up mission is expected to travel to Vietnam in June, headed by a senior official from the Department of Commerce.



Vietnam President Nguyen Minh Triet and U.S. Commerce Secretary Carlos Gutierrez, November, 2007 (VNA)

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Vietnam's 2007 Key Statistics

2007 as compared with 2006:

Increase rate of GDP	8.48%
Increase rate of government revenue	16.4%
Increase rate of FDI	69.3%
Increase rate of agriculture, forestry and fishery	4.6%
Increase rate of industrial production value	17.1%
Increase rate of total export turnover	21.5%
Increase rate of total import turnover	35.5%
Increase rate of foreign visitors to Vietnam	18.0%
Increase rate of CPI	8.3%
Increase rate of university/college attendance	7.5%

Eight leading export items in 2007

1. Crude oil (USD 8.5 billion)
2. Textiles (USD 7.8 billion)
3. Footwear (USD 4.0 billion)
4. Seafood (USD 3.8 billion)
5. Wood products (USD 2.4 billion)
6. Electronics/computers (USD 2.2 billion)
7. Coffee (USD 1.8 billion)
8. Rice (USD 1.4 billion)

Five leading exports markets in 2007

1. USA (USD 10.0 billion)
2. EU (USD 8.7 billion)
3. ASEAN (USD 8.0 billion)
4. Japan (USD 5.5 billion)
5. China (USD 3.2 billion)

Five leading tourist arrivals in 2007

1. China (574.6 thousand)

2. South Korea (475.4 thousand)
3. USA (408.3 thousand)
4. Japan (418.3 thousand)
5. Taiwan (319.3 thousand)

Source: General Statistics Office of Vietnam

German Marshall Fund of the U.S. sponsored Journalism Trip

The U.S.-Vietnam Trade Council – Education Forum in cooperation with the German Marshall Fund of the United States (GMF) organized a journalism trip to Vietnam on November 11 – 15, 2007.

Since 2004, the GMF has led journalism trips to India, Brazil, and South Africa. The goal of these trips is to both expand the network for high-level journalists in the United States and Europe on important issues. This year the GMF chose Vietnam and Cambodia, as countries going through significant economic transition. Participants of the trip are journalists from leading U.S. and European newspapers and magazines including the Washington Post, the USA Today, Newsweek and Les Echos.

Over the course of the five days in Hanoi and Ho Chi Minh City, the journalists met with government officials, business leaders, NGOs, local journalists, and other citizens.

For further information visit our website.

Administrative Reform Study Mission and TIFA

On December 12-17, 2007, a delegation on Administrative Reform from Office of the Government led by Minister, Chairman of the Office of the Government Nguyen Xuan

Phuc spent five days in Washington, DC to share experience on Administrative/Regulatory Reform and identified effective coordination strategies and the focus for future technical assistance programs to facilitate BTA and WTO commitments and economic reform efforts in Vietnam. The delegation also participated in the TIFA talks held with USTR the week of December 17.

Over the past five years, the USAID-funded STAR I technical assistance program has supported legal reform in Vietnam, focusing on the redrafting of laws and implementing regulations that develop the necessary framework for Vietnam's transition to a market economy and compliance with commitments in the BTA and preparation for WTO. For STAR II, the focus will shift to technical assistance on capacity building to ensure the implementations of the rules and international trade commitments under the BTA and WTO.

In the context of the Prime Minister's declared priority for administrative reform and Vietnam Office of the Government's leadership in this area, the USVTC-EF in cooperation with the USAID, STAR, Vietnam Competitiveness Initiative (VNCI) organized this Administrative Reform Study Mission on The mission gave the participants a chance to see the value of such reforms in increasing national competitiveness and freeing-up the vast resources previously tied-up in inefficient procedures.

For further information visit our website.

**U.S.-Vietnam Responsible
Governance Exchange Program**

The USVTC-EF organized a three week program on October 3 -22, 2007 for 13 Vietnamese professionals. The program was the second part of a program on governance pursuant to a grant from U.S. Department of State Bureau of Educational and Culture Affairs (BECA). The U.S.-Vietnam: Responsible Government Exchange Program was designed to promote shared expertise, open dialogue and understanding among leaders of government, business, non-governmental organizations and civic associations in the U.S. and in Vietnam.

The program was conducted in partnership with the Young Businesspeople Associations Hanoi and Ho Chi Minh City, the Public Affairs Section of the U.S. Embassy and Consulate General and the State of Oklahoma. The three-week program in the United States is for twelve participants selected from among the 200 participants attending the introductory seminars held during the first phase of the program in Vietnam.



The delegation with Ms. Kathy Taylor, the Mayor of the City of Tulsa

During the three weeks in the U.S., the participants met with Government agencies; companies and non government

organizations and participate in a training and internship program in Oklahoma. Special thanks to the State of Oklahoma and the Tate Foundation for their support.

For further information visit our website.

Trading and Distribution Rights Study Mission and TIFA

The USVTC-EF and STAR organized a study mission on Trading and Distribution Rights on December 5 – 14. The mission was chaired by Mdm. Hoang Thi Tuyet Hoa from the Ministry of Trade and Investment and included ten Vietnamese professionals from Ministry of Industry and Trade, Ministry of Finance, and Office of Government to Los Angeles and Washington, DC. The delegation also held official TIFA talks with USTR during their visit.



The Roundtable with the T&D delegation hosted by the American Chamber of Commerce, the U.S.-ASEAN Business Council and the U.S.-Vietnam Trade Council at the VTC-EF office.

The program was pursuant to a grant from the U.S. Agency for International Development (USAID). The objective of this study mission was to support Vietnam's efforts to create a favorable legal framework

for practicing trading and distribution rights, ensuring the effectiveness of tax management, and facilitating imports and exports. During the study mission in LA and DC, the ten participants met with U.S. Government and State Departments; over 15 companies, in addition to major business associations.

For further information visit our website.

TIFA

United States Trade Representative Susan C. Schwab met on December 17, 2007 in Washington, DC with Minister Nguyen Xuan Phuc, the Chairman of Vietnam's Office of Government for the first ministerial meeting under the U.S.-Vietnam Trade and Investment Framework Agreement (TIFA). The meeting was focused on Vietnam's implementation of its WTO commitments as well as ways to further deepen trade and investment relations between the two countries.

During the discussion, Ambassador Schwab underscored U.S. interest in ensuring that Vietnam's commitments are implemented in a transparent and timely manner. She also urged Vietnam to take additional steps to improve its enforcement of intellectual property protection. In addition, the two ministers discussed agriculture, telecommunications, textiles, trading and distribution rights, and other trade and investment issues, as well as Vietnam's requests for further technical assistance to support its reform efforts.

For further information visit our website.