

U.S. Statement on the Accession of Vietnam
Before the WTO General Council

November 7, 2006

On behalf of the United States, I gladly join the consensus for General Council approval of Vietnam's terms of accession to the WTO.

Vietnam's accession to the WTO represents a tremendous accomplishment for the country, and marks an important milestone in an impressive evolution of economic reform that we are quite certain has only just begun.

Vietnam, today, is well along in its ambitious program of liberalization, based on the basic rules of the WTO. Progress to date is truly impressive. Vietnam's gross domestic product has close to doubled in the past five years, from \$31 to \$52 billion.

Through greater trade liberalization, a more open investment environment, deregulation and expanded transparency, Vietnam has unleashed the potential of its people and natural resources and has emerged as a competitive force in the region and the global economy.

International investors have responded to these positive changes, and as a result Vietnam is attracting more and more foreign investment, which is essential to sustaining economic growth.

Vietnam has chosen to place itself firmly on the path of the rules-based, international trade system.

Vietnam has worked hard to prepare for WTO membership and to make the changes needed in its domestic legal and regulatory system. As part of the accession process, Vietnam has enacted over 80 new laws and regulations to bring its trade regime into consistency with WTO rules. In the past two years alone, major new legislation was enacted to allow greater economic freedoms for both Vietnamese and foreign enterprises and investors, through the Enterprise Law, Commercial Law, Common Investment Law and the comprehensive Law on Intellectual Property, among many others. Vietnam has also

adopted an important notice and comment process to engage stakeholders in the development of its regulations and legislation, supporting the development of the growing private sector.

Members of Vietnam's National Assembly deserve a great deal of credit for today's accomplishments, for their work in drafting and enacting these many new laws. The National Assembly now too has an important stake in the WTO process, and will likely play an increasingly important role in maintaining the current momentum and continuing to advance the domestic economic reform process.

WTO accession has ushered in momentous changes for Vietnam's economy and society which will continue to support reform, openness, and good governance in the country.

As a member of the WTO, Vietnam will enjoy both the responsibilities and benefits conferred by full participation in the international trading system. Those benefits – which include access to the markets of 149 other WTO members and a place at the table for the trade talks that seek greater multilateral liberalization – bring with them the responsibility to abide by the rules that the WTO establishes, to enact and enforce fair and transparent trade laws, and to treat Vietnamese and WTO member companies alike.

For the United States, the opportunity to welcome Vietnam into the WTO is a particularly important and long-awaited privilege. Over the past 30 years the relationship between our two countries has undergone metamorphosis. There is no one prouder to welcome Vietnam today to the family of trading nations than the United States.

Our two countries have enjoyed a strong and steady growth in our trade relationship since our bilateral trade agreement went into effect in 2001. Vietnam's accession will mean even greater opportunities. Our exports to Vietnam have increased 150% in the last five years. Our overall trade with Vietnam has expanded to \$7.8 billion, an increase of 400% over the last five years. It is clear that American companies recognize the potential of this new market, and are moving aggressively not only to offer their goods and services, but to invest in Vietnam as well.

The United States is confident that implementation of Vietnam's WTO commitments will lead to a further expansion in two way trade and closer economic and investment linkages between our two countries.

As our bilateral relationship grows, we also look forward to working with Vietnam in the WTO to advance our common goals of greater trade liberalization and more open markets.

Vietnam's joining the WTO, and the hard work that went into making this a reality today, is a vote of confidence in the WTO, and Vietnam is an important addition to this organization.

The United States offers its congratulations to Deputy Prime Minister Pham Gia Khiem, Minister Truong Dinh Tuyen, Vice Minister Luong Van Tu, Director General Khanh, the extremely skilled negotiating team, and the National Assembly on this occasion. We also extend our compliments to you, Mr. Chairman, for your leadership and to the Secretariat -- and particularly Arif Hussain, Cato Adrian, and Emmanuelle Ganne -- for all your hard work to keep us all moving towards this conclusion.