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Business Roundtable Expresses Strong Support for Vietnam Accession to World Trade Organization

Castellani Calls for Quick Congressional Approval of PNTR

Washington, DC – Business Roundtable today applauded the bilateral agreement in principle between the United States and Vietnam on the terms for Vietnam to become a member of the World Trade Organization (WTO). Business Roundtable, an association of chief executive officers of leading U.S. companies, recognizes the importance of expanding U.S. international trade and investment opportunities to secure future U.S. economic growth.

The agreement announced yesterday by the United States Trade Representative will substantially lower tariffs on U.S. industrial and agricultural products and remove non-tariff barriers currently inhibiting U.S. service providers. In 2005, U.S. exports to Vietnam totaled \$1.2 billion, a figure that is expected to greatly increase when Vietnam becomes a member of the WTO.

“Further integrating Vietnam into the international economy is good for Southeast Asia and good for the United States,” said John J. Castellani, President, Business Roundtable. “Vietnam is an engine of economic growth in the region, and offers significant opportunities for American business and agriculture seeking to expand operations in Asia.”

Castellani also said that the agreement has even wider potential because it will continue the process of political and economic reform in Vietnam, including increased transparency and adherence to the rule of law. This is a critically important step in ensuring continued economic growth in Vietnam and the ability of U.S. companies and workers to share in that growth.

To become a member of the WTO, Vietnam must agree to adhere to the rules of international trade as well as implement meaningful economic and regulatory reforms to allow greater market access to foreign providers, including U.S. exporters of manufactured goods, agriculture and services. Congress must now grant “permanent normal trade relations” (PNTR) to open the door for Vietnam at the WTO.

Castellani congratulated the Administration on concluding the bilateral negotiation, and urged Congress to begin work immediately to approve PNTR before the summer recess.

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Business Roundtable (www.businessroundtable.org) is an association of chief executive officers of leading U.S. companies with over \$4.5 trillion in annual revenues and more than 10 million employees. Member companies comprise nearly a third of the total value of the U.S. stock market and represent nearly a third of all corporate income taxes paid to the federal government. Collectively, they returned more than \$110 billion in dividends to shareholders and the economy in 2005.

Roundtable companies give more than \$7 billion a year in combined charitable contributions, representing nearly 60 percent of total corporate giving. They are technology innovation leaders, with \$86 billion in annual research and development spending – nearly half of the total private R&D spending in the U.S.