

Technical Assistance Update November 2001

- **Ambassador Pete Peterson -- New Chairman of the Board**

We are very pleased to announce that Ambassador Pete Peterson has assumed Chairmanship of the Trade Council. Ambassador Peterson served as the first post-war ambassador to Vietnam, serving in Hanoi from 1997 until July 2001. Peterson assumes the Chairmanship at the retirement of Ambassador William Sullivan who, with Vietnamese Foreign Minister Nguyen Co Thach, provided the initiative to founding the Trade Council in 1989. The Council also welcomes to its Board BTA chief negotiator Joe Damond (now Director for International Government Relations, PhRMA); and former Senior Advisor to the Ambassador, Robert Schiffer. They will join other distinguished members of our board to continue working on the Forum's technical assistance programs and on the overall mission of strengthening relations between our two countries.

- **Deputy Prime Minister Nguyen Tan Dung leads high-level delegation to the U.S.**

Permanent Deputy Prime Minister Dung will lead a high-level delegation to the U.S. in December. The delegation will include Mr. Vu Khoan, Minister of Trade, Mr. Tran Xuan Gia, Minister of Planning of Investment, Mr. Le Huy Ngo, Minister of Agriculture and Rural Development, and Deputy Ministers from the Ministries of Fisheries, Industry, Science Technology & Environment, and Finance, and former Ambassador Le Van Bang, now Assistant Minister of Foreign Affairs. Over 40 representatives from the Vietnamese business community will join the delegation. The Trade Council will organize a forum in Washington, followed by a banquet to honor the delegation and celebrate final passage of the BTA. Please contact our Washington offices for additional information.

- **Transparency Delegation**

The U.S.-Vietnam Trade Forum was pleased to host a delegation from Vietnam on a study tour in the U.S. on transparency issues late last month. The mission allowed the delegation to have in-depth conversations about transparency commitments in the BTA while facilitating the exploration of different procedures and formats for implementation. We continue to provide follow up work for this trip including the assembly of a bibliography and some additional materials for the team on WTO procedures particularly China's transparency commitments. In addition, the Forum is looking forward to hosting another smaller team in Washington for follow-up work.

- **Ray Burghardt Briefing**

The Council will host Ambassador designate Ray Burghardt for a briefing with companies to discuss BTA implementation and the development of U.S. Vietnam relations, both economic and political. His confirmation hearing was held on

November 6, 2001. The hearing transcript is available from the Trade Council offices.

- **Harvard University Kennedy School Trade Policy Program**

With funding from the Bureau of Educational and Cultural Affairs at the U.S. Department of State, the Forum will bring two Vietnamese officials from the Ministry of Foreign Affairs to participate in a two week Trade Policy Program at Harvard University's John F. Kennedy School of Government followed by a program in Washington, DC. The Forum is pleased host Mr. Pham Quoc Tru, Chief of General Section, Multilateral Department and Ms. Hoang Thi Hoa Binh, Senior Officer, Economic Department, Ministry of Foreign Affairs.

- **BTA Road Map and Catalogue of Legal Updates**

Early this year, the Forum completed a comprehensive Road Map for BTA implementation, matching BTA commitments with laws and regulations that could be affected, for use by our Vietnamese counterparts. Since completing this Road Map, the Forum has been keeping a catalogue of laws and regulations that have been updated with a view towards BTA implementation and overall commercial reform. The Catalogue is updated monthly. Please contact our office for further information.

- **Business Survey**

With the Road Map and Catalogue of Legal Updates as the framework, the Forum will begin a business survey mechanism to help provide additional private sector input into the process of BTA implementation and commercial reform overall.

- **ICSID Accession**

With the expertise of Stanimir Alexandrov and Alex Koff of PGFM, the Forum has provided the Ministry of Planning & Investment a technical memo on issues relating to Vietnam's accession to the International Convention for the Settlement of Investment Disputes (ICSID). These issues include accession, membership, legal, and arbitration requirements and implications for Vietnam.

- **TRIMs Analysis and International Investment Norms**

With the Ministry of Planning & Investment, the Forum is working on conducting a comprehensive analysis of Vietnam's trade and investment laws as they relate to Trade Related Investment Measures (TRIMs) as outlined in the BTA and WTO, and more broadly bilateral investment treaties and developing international investment norms. These assessments are being produced with legal support of local law firm Russin & Vecchi, Phillips Fox, and Powell, Goldstein, Frazer & Murphy LLP.

- **Dan Price, Bob Schiffer and Virginia Foote trip to Vietnam**

Dan Price with PGFM, Trade Council President Virginia Foote, and former Senior Advisor to Ambassador Peterson, Robert Schiffer will visit Vietnam November 28 – December 2 as follow up on Vietnam's needs relating to overall

economic integration. They will meet with the business community, the US Embassy, Ministry of Trade, Ministry of Justice, Ministry of Finance and Ministry of Planning & Investment. Mr. Price will conduct small discussions with Ministry representatives on BTA Implementation with regard to Trade in Investment and Services.

- **Competition Law**

The Forum has recently forwarded a technical memo offering comments to the Ministry of Trade on Vietnam's second draft of its new Competition Law. This law is expected to be submitted to the National Assembly for ratification by yearend. Special thanks to competition policy specialist Larry Fullerton at PGFM for his continuing work on this law.

- **Customs Law**

Dick Belanger from PGFM is currently reviewing the new customs law and will provide comments to the General Department for their regulatory process.

- **Insurance Law**

The Forum will continue to work with the Department of Commerce and the Ministry of Finance on providing assistance for the process of drafting implementing decrees to the new insurance law. Another program is expected early next year.

- **Alex Koff trip to Vietnam**

Former Resident Legal Advisor Alex Koff, now back with the law offices of Powell, Goldstein, Frazer & Murphy LLP will work in Vietnam for two weeks in December to provide on the ground follow up on issues raised by Dan Price. Mr. Koff will conduct workshops with the Ministries of Justice, Planning & Investment, and Finance.

- **WTO Accession**

In preparation of Vietnam's upcoming Working Party meeting and its initial WTO offer, the Forum is providing expertise and research materials to Vietnam's interagency technical team as requested.

Related News Updates:

- **BTA Ratification**

Vietnam is expected to ratify the Bilateral Trade Agreement during its upcoming National Assembly session. The National Assembly is expected to convene on November 17.

- **Vietnamese catfish no longer catfish?**

The U.S. Congress has passed legislation declaring the term "catfish" may not be considered to be a common name or usual name for any fish not in the Ictalariidae family. This prohibition means the Food and Drug Administration and the U.S. Department of Customs could be required to change their classifications so as to exclude all 2500 other types of catfish – allowing the term catfish to be used only for the type of catfish farmed in the United States, not the type farmed in

Vietnam.

- **BTA Implementation: Investment Registration System**

The Ministry of Planning & Investment and the General Department of Statistics have issued a joint circular on granting trade register certificates for firms in new sectors. Licensing offices will hereafter grant such certificates for sectors that are not banned and are not on a list that require licensing.

- **Amended Land Law and Extension of Land Lease Rights**

Under the amended Land Law effective October 1, 2001, Overseas Vietnamese (*Viet Kieu*) will be allowed to own apartments, houses and land. Beginning November 20, 2001, Vietnam will also permit through a new Government Decree land lease rights, including the right to sell or mortgage land. Such rights will be extended to foreign investors and Overseas Vietnamese.

- **Textile Negotiator Appointed**

The Bush Administration has appointed Kevin Koonce as USTR's Special Textile Negotiator. For the past four years Mr. Koonce has been chief textile trade advisor to U.S. Senator Jesse Helms (R-NC). As an advisor to Senator Helms, Mr. Koonce worked closely with the textile industry on numerous trade measures, including the Trade and Development Act of 2000, and Permanent Normal Trade Relations (PNTR) with China. Mr. Koonce will be assisted by Caroyl Miller.