

18 leading US groups to visit Vietnam

21:44' 01/05/2007 (GMT+7)

VietNamNet Bridge - A delegation of 18 leading groups in the US will come to Vietnam to seek investment opportunities on May 3-4, 2007.

US titans seek investment opportunities in Vietnam

Around 35 senior managers of 18 leading groups including Boeing, Chevron, Exxon Mobil, IBM, Time Warner, Abbott, Ford Motor, and General Electric will come to Hanoi to take part in the "Vietnam - a bright future for US businesses" forum, which is being co-organised by the US-ASEAN Trade Council and the Vietnamese Foreign Ministry.



This is the biggest delegation of US businesses to come to Vietnam since Permanent Normal Trade Relations (PNTR) was approved and Vietnam's accession to the World Trade Organisation (WTO) in January 2007.

Frances A. Zwenig, High Commissioner of the US-ASEAN Trade Council, said that the council had been operating for many years in Vietnam, focusing on promoting the investment of American firms in Vietnam and gathering US companies that were investing in Vietnam or planned to invest in the country.

According to Ms Zwenig, Vietnam's position and prestige has been heightened since it joined the WTO and successfully organised the APEC Summit and American companies feel highly enthusiastic about investing in Vietnam.

"We want to be a bridge between US businesses and Vietnam. Last month we supported the US visit by Deputy Prime Minister Pham Gia Khiem. During that visit, we organised a round-table meeting to learn about trade between the two countries. And that meeting is the premise for this visit of 18 American groups," she said.

High-quality sources of capital

American companies are very interested in Vietnam, but Ms Zwenig said that Vietnam should correctly evaluate the significance of this opportunity. Leading US groups will bring high-quality sources of investment to Vietnam and they are interested in important fields in Vietnam like infrastructure, financial services, information technology, and education.

The list of 18 US groups

Abbott International
Agilent
Alcoa
Apco Worldwide
Boeing Company
Chevron
Conoco Phillips
Exxon Mobil
Ford Motor
General Electric
Hewlett-Packard
IBM
JHPIEGO
Raytheon International Inc
Time Warner
UPS
Vietnam Partners
Universal Telecom Services, Inc

The upcoming forum will see the attendance of the Ministers and Deputy Ministers of Trade, Finance, Post and Telematics, Transport of Vietnam.

Responding to VietNamNet's question about the expectation of US groups this time, Ms Zwenig said that some of them had been operating in Vietnam already and they wanted to find ways to develop more strongly. Others want to seek new investment opportunities. The issue that they care about most is how will Vietnam carry out its WTO commitments. For example, DELL, a famous computer producer, which has a factory in Malaysia, met with some State agencies of Vietnam and Intel Vietnam two weeks ago to determine whether Vietnam was a potential candidate for its investment.

Meanwhile, IBM and Hai Phong are interested in some recently issued decrees of the Vietnamese government on bidding and supply. For example the decree on purchasing IT products, which requires foreign IT products to participate in tenders, must have a certain

percentage of components that are manufactured by Vietnamese companies. US companies want to learn about and cooperate with Vietnamese partners to improve the software production ability of Vietnamese companies.

"President Nguyen Minh Triet plans to visit the US this June. We want to know which contracts will be signed during President Triet's visit. As for US companies, we know at least six contracts are ready for signing," said Ms Zwenig.

One of the issues that American companies will pay special attention to is intellectual property. Vietnam has recently sent a strong signal to American IT firms via Deputy Prime Minister Pham Gia Khiem. Deputy Minister of Post and Telematics Vu Duc Dam signed a principle agreement with Microsoft in which Vietnamese State agencies will only use authentic software products. According to Ms Zwenig, American companies consider this a strong and encouraging signal from Vietnam.

PNTR - new aspect in upcoming visit

Last year the US-ASEAN Trade Council organised a visit to Vietnam for a delegation of US companies. Many of them will return to Vietnam this time and the difference in the upcoming trip is PNTR, said Ms Zwenig.

"We want to emphasise the difference in the two trips to Vietnam by US companies: the PNTR signed last year. We want to come to Vietnam to understand more clearly about the specific directions and actions of Vietnam after WTO and PNTR. What will Vietnam do after removing trade barriers and to protect local companies. At this moment, Vietnam is a promising land to foreign investors but how long will this position be maintained? And how will Vietnam take advantage of those opportunities to continue being a promising land for investors," she said.

"I think Vietnam has gaps in education. What does the Vietnamese government need to do to fill up those gaps?" she added.

"The interests of ASEAN countries are closely attached to each other. Investing in a member will certainly benefit other members in the block. This is also an important opportunity for Vietnam to take the leading role in ASEAN," Ms Zwenig said.

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