

## EMBASSY OF VIETNAM IN THE UNITED STATES



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## NEWSLETTER

### EMBASSY HIGHLIGHTS

***\*Ambassador Extraordinary and Plenipotentiary of Vietnam to the United States Le Cong Phung presented his letter of credence to President George W. Bush on January 22, 2008.***

President Bush warmly welcomed the appointment of Ambassador Le Cong Phung to the US. He expressed satisfaction at the dramatic progress of US-Vietnam relations since the normalization, marked by high-level visits by leaders of the two countries. The President reaffirmed that the US will continue to deepen the already close and broad-based ties with Vietnam bilaterally as well as on regional and international issues in the interest of the two peoples and for the sake of peace, stability and development in the region and the world. Ambassador Le Cong Phung conveyed to the President



greetings from Vietnamese leaders and reaffirmed Vietnam's desire to promote its multi-faceted cooperation with the US in tandem with the two countries' potential, especially in economics, trade, investment, education and science and technology. Ambassador Phung pledged to do his utmost to further the bilateral relations during his tenure.

***\*Ambassador Le Cong Phung Meets the Press***



On the occasion of presenting his credentials to US President George W. Bush and Vietnamese Lunar New Year - Tet, Ambassador Le Cong Phung hosted a cordial meeting with journalists and correspondents from various American, international and Vietnamese-language media organizations, including the Washington Post, the USA Today, the Los Angeles Times, the National Public Radio, the Public Broadcasting System, AP, Reuters, AFP, Nguoi Viet...

During the 60-minute frank and open exchange held at the Embassy of Vietnam in Washington DC on January 23, the Ambassador briefed the media of recent socio-economic developments in Vietnam, the country's endeavors to promote regional and international integration and its relations with the US.

The Ambassador also informed the media of his agenda priorities which will focus on further strengthening of bilateral ties with the US in various areas, especially economics, trade and investment, educational and technical cooperation. Ambassador Phung said he would do what he could to elevate the Viet Nam-US ties to a new height and increase cooperation and dialogues between the two

countries. He also stressed the importance of more frequent and open contacts with fellow Vietnamese living in the US.

***\*Ambassador Le Cong Phung Chairs Asean Washington Committee:***

Vietnam chairs the ASEAN Washington Committee (AWC), in rotation, from January to April 2008. The first regular meeting of the ASEAN Washington Committee (AWC) under Vietnam's Chairmanship was held on January 8.

The participants included Ambassadors and Charge d'Affairs of the 10 ASEAN member countries and US Secretary of Commerce Carlos Gutierrez, as Guest Speaker.



Addressing the meeting, Secretary Gutierrez emphasized the importance of US - ASEAN relationship and U.S. efforts to further promote its ties with ASEAN. While acknowledging the remarkable growth in US - ASEAN trade, the Secretary called for stronger economic ties and more investment from ASEAN.

Secretary Gutierrez expressed satisfaction with his successful visit to Viet Nam last November and hailed the country's economic achievements. There remain opportunities for the two countries to bolster their trade and investment in the coming time, Gutierrez said.

The ASEAN diplomats express desire to boost the group's economic ties with US for the regional prosperity.

***\* Vietnamese Lunar New Year – Tet Celebration:***



With Vietnamese Lunar New Year - Tet - setting in this week (Feb. 7), Ambassador and Mrs. Le Cong Phung hosted receptions on Wednesday and Saturday at the Embassy to welcome the biggest traditional yearly event of the Vietnamese people. In a cozy atmosphere, U.S. officials, congressional staffers, business representatives and friends as well as Vietnamese living in the US were entertained with Vietnamese traditional culinary and music. Ambassador

Phung noted this year celebration itself borne a particular significance as it not only marked the beginning of his service as Vietnamese Ambassador to the United States, but would also be expected to witness some "dramatic change in our bilateral ties which are broadening and deepening." The New Year is the time to "look at the past to predict the future", said the Ambassador, recalling important steps forwards in all aspects in the relationship between the two countries since the diplomatic normalization in 1995. Mr. Phung envisioned that the US would become Vietnam's top trade partner and investor in a not-long-distant future, given the enormous potentials of Vietnam - US economic cooperation. The Ambassador expressed his gratitude to friends for their valuable supports and assistance in promoting the bilateral ties and wished them good health, happiness, harmony and prosperity in the New Year.



## VIETNAM – US RELATIONS

### \* *2007 Bilateral Relations by highlight visits and numbers:*

- President Nguyen Minh Triet's visit to the US in June 2007 was the first- ever by a President of Vietnam.
- Prime Minister Nguyen Tan Dung's visit to US to attend the UN General Assembly in September 2007 was his first trip to the US in the capacity as the Prime Minister of Vietnam.
- Secretary of Commerce Carlos Gutierrez was on the first-ever Cabinet Business Development Mission to Vietnam last November to expand bilateral trade ties and boost U.S. export opportunities.
- With Vietnam-US trade volumes reaching about \$14 billions last year compared with \$ 9.7 billions in 2006, the US has become a major trading partner of Vietnam and Vietnam's biggest export market.
- US investment totaled \$5.6 billion (direct: \$2.8 billion, indirect: \$2.8 billion) in 418 projects. US ranked sixth among Vietnam's top foreign investors.
- Vietnam ranks the 5<sup>th</sup> in Asia with about 6,000 students attending various US educational institutions.

### \* *House Majority Leader and Republican Whip Visit Vietnam*

During the first visit to Vietnam by leaders of the 110<sup>th</sup> Congress on January 2 – 4, 2008, House Majority Leader Steny Hoyer and Republican Whip Roy Blunt were received by Vietnamese President Nguyen Minh Triet, National Assembly Chairman Nguyen Phu Trong. The Vietnamese leaders attached the importance to the furtherance of the bilateral multifaceted cooperation.



Constructive dialogues will help promote mutual understanding and narrow differences between Viet Nam and the US, President Nguyen Minh Triet said.

The Congressmen appreciated Viet Nam's efforts to strengthen bilateral ties, particularly cooperation in the search of US soldiers missing in action (MIA). They congratulated Viet Nam on its undertaking of the UN Security Council non-permanent membership and believed that the country would play an active role in international issues, thus making contributions to peace, stability and development in the region and the world over.

The US congressmen also met with Deputy Prime Minister Hoang Trung Hai who briefed them on Viet Nam's international integration process, affirming the country's endeavors to diversify energy sources, especially the use of alternative sources, and implement measures for protection of intellectual property rights.

### \* *FBI Director Robert S. Muller III visits Vietnam*

On his visit to Vietnam on January 30, FBI Director Muller met with Vice Minister for Public Security of Vietnam Nguyen Van Huong to discuss issues of mutual interest and measures to enhance the bilateral cooperation. Mr. Muller is the first FBI Director to visit Vietnam.

## DOMESTIC NEWSLINE

### ***\*2007 Economic Overview: Significant achievements one year after Vietnam's entry into WTO***

- ***Economic growth in 2007:*** 8.5%, third highest in Asia after China and India, and higher than the year-on-year headline. Inflation of 12.63%, the highest in 5 years. The growth forecast for 2008 is 8.5% - 9% as planned by the government. In retrospect, GDP has increased tenfold since 1988, making Vietnam one of the fastest growing economies in the world. Per capital income has also increased in tandem.
- ***ODA*** from more than 50 donors totals of US\$42 billion since 1993. Donors committed \$5.4 billion for 2008 – a record figure, highlighting the international community's increasing confidence and support to the government socio-economic development policy and strategy.
- ***FDI:*** up 69% as against 2006, reaching over \$ 20 billion – also a record figure. As of December 2007, cumulative FDI registration valued \$100 billion, showing Vietnam has been one of the most attractive destinations for foreign investment for 20 years.
- ***Trade:*** Export reached nearly \$ 61 billion (more than 30% increase), while import was \$ 73 billion, resulting in a trade deficit of more than \$ 12 billion, mostly out of rising international energy and foodstuff prices.
- ***Poverty reduction:*** number of poor households continued to decline from 15.5% to 14.7% despite worsening consumer price index and persistent natural calamities throughout the year. Social and physical infrastructure and the people's living standards have remarkably improved accordingly.

### ***\*High flier - Vietnam Airlines completes Boeing plane order***

Vietnam Airlines and Vietnam Aircraft Leasing Co. (VALC) have finalized an order for a total of 12 Boeing 787-8s with a list value of approximately US\$ 2 billion. Vietnam Airlines will take four of the new airplanes and VALC will purchase the remaining eight Dreamliners, leasing them to Vietnam Airlines. The order was originally announced in October 2007. This is the second order for the 787 Dreamliner by the airline, following a previous order for four airplanes in 2005. The airline was the seventh carrier to select the 787, with an initial commitment in late 2004. The order is the first ever placed by VALC, which was formed earlier this year by Vietnam Airlines, the Bank for Investment and Development of Vietnam (BIDV), the Vietnam National Oil and Gas Group (PetroVietnam), the Vietnam Shipbuilding Industry Group (Vinashin) and the Phong Phu Corporation. The airline's first 787-8, from the previous order, is planned for delivery in 2009. Vietnam Airlines plans to operate a total of 20 purchased and leased 787s by 2015, and 28 Dreamliners by the year 2020, making the airplane a key element in the airline's international strategy.

### ***\* Government will spend 22% of budget on education this year, PM Nguyen Tan Dung says***

The estimated expenditure for education this year is VND 72.5 trillion (\$4.5 billion) compared with last year's VND 66.8 trillion (\$ 4.2 billion). To strengthen the country's long-term competitiveness, the government is also planning to build four international-standard universities in four major regions of the country (Hanoi, Da Nang, Ho Chi Minh City and Can Tho) with loans from the World Bank (WB) and the Asia Development Bank (ADB). Of Vietnam's population of 86 million, about 22 million are students.

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***Happy New Year***