USTDA IN VIETNAM

Since USTDA’s Vietnam program was launched in 1996, the agency has funded more than 40 activities and 20 orientation visits designed to support priority development projects and procurement opportunities in Vietnam. To date, those activities and visits have been associated with more than $238.8 million in U.S. exports in the transportation, energy, services, water and human resources sectors. In fiscal years 2006 and 2007, the agency provided $3.7 million in funding for priority projects, demonstrating the importance of Vietnam as a growing market for U.S. industry. This year, USTDA obligations will be approximately $1.4 million and focus on disaster management, water treatment sludge disposal, and intelligent highway system design. These and other recent highlights are featured below.

Recognizing Vietnam’s commitment to its development goals and emergence as a regional player, USTDA’s former Director, Thelma Askey, presented the agency’s 2006 Country of the Year honor to Honorable Doan Manh Giao, Chairman of the Office of Government on November 16, 2006 during the APEC Summit meetings in Hanoi and Ambassador Nguyen Tam Chien on January 11, 2007 in Washington D.C. on the day Vietnam officially acceded to the World Trade Organization. The honor recognizes that a country actively identifies development priorities, implements projects that support public-private partnerships to maximize success, and offers growing potential for the U.S. business community in a broad range of sectors.

Energy

Civil Nuclear Power Development Best Practices Orientation Visit (2008) - USTDA has approved funding to bring a group of high ranking delegates, led by Electricity of Vietnam (EVN) Chairman Dao Van Hung, to the United States to meet with U.S. public and private sector officials to discuss best practices concerning nuclear power development. The key objectives of the visit would be to highlight U.S. technology services and operational issues related to the development of civil nuclear power, as well as to increase the level of collaboration between the U.S. government and Vietnam. The delegation is expected to include senior representatives from the Office of Government, National Assembly, Ministry of Industry and Trade, Ministry of Planning and Investment, Ninh Thuan Province People Committee, and Electricity of Vietnam. The itinerary is expected to include visits to Washington D.C., Maryland and Tennessee and will be organized by Energetics Inc.

Mong-Duong Coal Fired Power Plant Project Phase II Legal Advisory Services (2006) – USTDA provided $332,900 for legal advisory services for the Ministry of Industry. This assistance facilitated decisions by the Government of Vietnam in developing and negotiating template legal, technical and financial agreements associated with the Mong Duong Phase 2 Coal-Fired Independent Power project. DLA Piper U.S. LLP was the Contractor for this project.
Vietnam Blocks B and 52 Gas Pipeline Project (2003) - USTDA approved a $591,000 grant to PetroVietnam to partially fund a feasibility study to investigate the financial, technical and environmental options for developing a gas pipeline from the Gulf of Thailand to Vietnam's Mekong Delta region. Fluor Transworld Services, Inc. was selected to conduct the study.

Nghi Son Refinery and Petrochemical Orientation Visit (2005) – USTDA approved $69,000 to partially fund an orientation visit to the United States for officials from PetroVietnam to meet with U.S. firms on the development of the Nghi Son Refinery and Petrochemical Project in Vietnam. Global Marketing & Communications organized the visit.

Transportation

National Intelligent Highway System Orientation Visit (2009) - This $247,680, 10 day orientation visit will bring officials from the Vietnam Ministry of Transport and the Vietnam Expressway Corporation (VEC) to the U.S. to meet with U.S. public and private sector officials with expertise in intelligent highway design. Vietnam is pursuing a national highway network linking the north to the south as well as connecting major economic regions, cities and transportation nodes. The OV, scheduled for August 9-19, 2009 will provide opportunities for the delegation to learn about U.S. standards and best practices as well as technology and system solutions for application during their project implementation.

Aviation Safety Project – Phases 2 and 3 (2006) - USTDA approved $740,413 to partially fund a critical aviation safety technical assistance project for the Civil Aviation Administration of Vietnam (CAAV). This will help complete the approximate $1.4 million multi-year safety effort that USTDA launched in 2006 together with Boeing and the Federal Aviation Administration (FAA), to help Vietnam meet international aviation safety standards. The overall program will provide U.S. expertise to enable CAAV to obtain Category I (CAT I) status under the FAA International Aviation Safety Assessment Program (IASA). Achieving this ranking would permit direct access by Vietnam airline companies to the United States and promote greater U.S.-Vietnam air services trade and investments. The technical assistance Phases 2 and 3 will be provided by Robinson Aviation Inc. and will focus on strengthening CAAV record keeping, licensing, and certification procedures in line with international standards.

Transportation Logistics System Feasibility Study (2008) - USTDA approved $148,170 to partially fund the cost of a logistics system feasibility study for Vietnam National Shipping Lines (Vinalines). The study recommended appropriate telecommunication, information technology (IT) and software systems needed to improve cargo movement in and around ports and container terminals in growing greater Ho Chi Minh City (HCMC). Once completed, the system will help reduce trade costs and improve trade security for Vinalines operations. As a U.S. investor and joint partner with
Vinalines, SSA Marine Inc. conducted the study and contributed towards the cost of the effort.

**Customs Cooperation and Trade Facilitation Orientation Visit (2007)** – USTDA provided $185,000 to bring officials from the General Department of Vietnam Customs to the United States to showcase U.S. expertise, services, and Customs and Border Protection Agency procedures using modern technology. This visit helped to familiarize Vietnam Customs with international customs standards as practiced in the United States, and aided Vietnam as they prepare to upgrade their customs operations through a $77.7 million World Bank loan. This visit was organized by Decision/Analysis Partners.

**APEC Demonstration Project E-Manifest Pilot Project (2006)** – USTDA approved $601,893 to partially fund technical assistance to implement an eManifest Pilot Project for the General Department of Vietnam Customs. This project was designed to demonstrate implementation of the new World Customs Organization Framework to Secure and Facilitate Global Trade, which has been endorsed by APEC for implementation in all APEC economies. The National Center for APEC was the Contractor for this study, with Unisys and FedEx acting as subcontractors.

**Vietnam Airlines Core System Upgrade (2006)** – USTDA provided $523,000 in technical assistance funding to help Vietnam Airlines (VNA) meet the International Air Traffic Association (IATA) program Simplifying the Business (StB) Program requirements. This assistance helped VNA determine which of its systems needed to be upgraded and replaced, as well as identify and outline new system solutions to be implemented. Unisys World Trade, Inc. was the Contractor for this assistance.

**CAAV Aviation Safety Oversight Phase I Assistance (2006)** - This $351,372 technical assistance helped the Civil Aviation Authority of Vietnam (CAAV) improve Vietnam's air safety regulatory system, with the goal of gaining Category I (CAT I) status under the FAA's International Aviation Safety Assessment Program and meeting International Civil Aviation Organization standards. Obtaining CAT I status permits direct access by Vietnam air carriers to the U.S. and promotes greater investments by U.S. airlines and other aviation organizations in Vietnam's growing air services market. It also creates ongoing partnerships that could lead to continual air safety improvement initiatives. Robinson Aviation, Inc. was the Contractor for this assistance.

**Environment**

**Flood Forecasting and Early Warning Capacity Pilot Project (2009)** – USTDA has offered a $582,853 grant to the Ministry of Agricultural and Rural development (MARD), to develop a pilot emergency communications forecasting and notifications system to inform the public of flooding disasters. MARD has partnered with the Pacific Disaster Center (PDC) who will perform the work under USTDA’s funding and identify necessary collection, Geographic Information Systems (GIS) mapping, and scenario modeling systems.
**Water Treatment Plant Sludge Disposal Facility (2009)** - This $501,377 feasibility study will support the Saigon Water Supply Corporation (SAWACO) in implementing the most efficient, cost-effective and environmentally safe sludge treatment and disposal facilities in Ho Chi Minh City, Vietnam. The new facilities will significantly reduce the discharge of residual solids from all SAWACO water treatment plants into the Saigon River and nearby lakes. The study recommendations will help SAWACO comply with new environmental control legislation and lead to significant business opportunities for U.S. manufacturers and service providers. Camp, Dresser & McKee (CDM) has been identified as the contractor to complete the study.

**Telecommunications/Information Technology**

**Hanoi Securities Trading Center Expansion Project (2005)** – USTDA provided a $422,000 grant to the State Securities Commission (SSC) to aid in the development of an information technology system roadmap for expanding the Hanoi Securities Trading Center (HASTC) trading capacity. This grant also funded a technical visit by members of the HASTC and SSC to New York to meet with Nasdaq, Lehman Brothers, the New York Stock Exchange, NASD, and other relevant U.S. representatives. Link Development, LLC was the Contractor for this project and the Asian Development Bank has recently offered a $20 million loan to HASTC to purchase the equipment identified in this study.

**State Capital Investment Corporation Information Technology System Project (2007)** – USTDA agreed to provide $453,400 for a feasibility study to identify the information technology (IT) requirements needed for the State Capital Investment Corporation’s (SCIC) financial management systems. SCIC is responsible for managing the state-owned enterprises and associated capital resources, and overseeing reforms in these organizations. The USTDA funded study provided assistance in assessing SCIC’s business needs, identifying the corresponding functional and technical specifications to support these requirements, and preparing the bidding documents for the procurement of the recommended IT systems and services. Glocoms Inc. was competitively selected to perform this work and SCIC was recently given a $15 million Asian Development Bank loan to purchase the equipment identified by this study.

**Treasury and Budget Management Information System (TAMBIS) Orientation Visit (2004)** - USTDA approved $100,000 for an orientation visit to the United States for Vietnamese officials responsible for implementing the $45 million World Bank-funded TAMBIS project. The visit included numerous meetings with municipal, state and Federal entities that utilize U.S. technologies for their accounting and budget management activities. This visit helped to promote information technology as a means of disseminating financial and market information and promote financial sector development and good governance. Computer Frontiers, Inc. was the Contractor for this project.

**National Finance Statistics Information Systems Project (2006)** – USTDA is providing $272,000 in technical assistance to help the Ministry of Finance (MOF) design
a National Finance Statistics Information System. The assistance covered the building of the indicator system, a methodology for collecting and calculating national aggregate data, the design of the computer system for assimilating data from sources throughout the country at various administrative levels (national, regional, district), and strengthening of the MOF staff capacity. Fortune IT Services, LLC was selected as the Contractor for this activity.

Sub-Sovereign Urban and Infrastructure Financing Project (2004) - This $350,000 technical assistance project, for the Ho Chi Minh City Investment Fund for Urban Development, examined Vietnam's legal, regulatory and institutional framework for sub-sovereign financing, performed a case study of Ho Chi Minh City's municipal bond issuance, and reviewed the possibility of revenue-backed infrastructure financing for other cities in Vietnam. This assistance was conducted by The Centennial Group.

Standards and Conformity Assessment

Standards Initiative Orientation Visit (2006) – USTDA provided $72,448 for a Standards Development Initiative that brought eight senior standards officials and one U.S. Commercial Officer from Vietnam to the United States to discuss the U.S. government role and policy in the standards process, the U.S. private sector-led standards development, and conformity assessment activities. This visit was organized by Millennium Science and Engineering.

U.S. - Vietnam Standards Development Program (2007) – USTDA provided $465,526 to fund a strategic standards development and training initiative focused on assisting the Directorate for Standards and Quality (STAMEQ) in implementing a transparent, open and consensus-based standards system that incorporates good regulatory practices. USTDA assistance will provide training that focuses directly on the country’s compliance with World Trade Organization commitments for standards, conformity assessment procedures, and technical regulations, as well as Vietnam’s commitments in the U.S.-Vietnam Bilateral Trade Agreement. ANSI was competitively selected to deliver the training which took place in March 2008 at STAMEQ headquarters in Hanoi.