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U.S. Coalition Begins Work On Permanent Mfn Legislation For Vietnam

Members of a new U.S. business coalition supporting Vietnam's accession to the World Trade Organization are meeting with members of Congress to try to build bipartisan support for a vote granting Vietnam permanent most-favored nation status later this summer. Members of the group expect the U.S. and Vietnam to conclude bilateral talks on Vietnam's accession as soon as next week.

One business source said coalition representatives are actively meeting with staff on the House Ways and Means and Senate Finance committees to discuss getting a permanent MFN vote before the August recess. They are also meeting with members to discuss introducing a draft version of the bill as soon as a bilateral agreement between the U.S. and Vietnam is concluded.

The U.S.-Vietnam WTO Coalition, which was formed last week, is made up of the U.S.-ASEAN [Association of Southeast Asian Nations] Business Council, the U.S.-Vietnam Trade Council, the U.S. Chamber of Commerce, National Foreign Trade Council and about 30 major US businesses including Boeing, Cargill, FedEx, Ford, General Electric, J.C. Penny, Nike, Time Warner and New York Life.

The business source said the group was confident that this week's round of negotiations between the U.S. and Vietnam would be the last. The coalition is starting to line-up possible sponsors and co-sponsors for the legislation, and is also set to work on a dear colleague letter that would be issued before the Memorial Day recess.

Identical bills will likely be introduced by Vietnam veterans in both the House and Senate, the source said. Other business sources speculated that on the Senate side, the likely choices would be Sens. John Kerry (D-MA) or Chuck Hagel (R-NE), who both serve on the Foreign Relations Committee, or Sen. John McCain (R-AZ), who serves on the Armed Services Committee.

"I would guess nothing will start proceeding until after Memorial Day, but we can begin the process before then," the business source said.

However, a Ways and Means aide this week said it was too early to discuss the possibility of permanent MFN legislation for Vietnam. "The bilateral agreement has to be concluded before we talk about timing," the aide said.

WTO rules require members to grant each other permanent MFN, but Vietnam only receives annual MFN status from the United States. Granting Vietnam permanent MFN

requires lifting Vietnam from the so-called Jackson-Vanik waiver, which allows most-favored nation trade status to be revoked on an annual basis through a vote of disapproval by Congress.

On the House side, House Speaker Dennis Hastert (R-IL) is seen as a potential supporter who might introduce legislation granting Vietnam permanent MFN. In mid-April, Hastert led a House delegation on a four-day visit to Vietnam, where he called for the quick conclusion of the bilateral discussions and signaled he would support congressional passage of permanent MFN status for Vietnam.

According to an aide, Hastert told reporters that he expected members would offer amendments on human and religious rights during the debate on permanent MFN legislation, but said "in the long run, for the greater good, it is important for us to pass this legislation."

The House approved a concurrent resolution on April 6 calling for Vietnam to protect human and religious rights. However, the version of the resolution as passed did not contain a provision found in the original resolution urging the U.S. to link this protection to Vietnam's accession to the WTO.

Other member of the Congressional delegation led by Hastert included Micheal Oxley (R-OH), Sherwood Boehlert (R-NY), Frank Lucas (R-OK), Ray LaHood (R-IL), Paul Ryan (R-WI), Randy Neugebauer (R-TX), and Dan Boren (R-OK).

The delegation from Vietnam in Washington for May 9-13 accession talks is led by Trade Minister Truong Dinh Tuyen and Vice Trade Minister and Chief Negotiator Luong Van Tu. They will meet with members of Congress on May 11.

Vietnam has said it wants to joins the WTO before the Asian Pacific Economic Cooperation Summit in Hanoi in November. ■