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## **Booming US-Vietnam ties set to accelerate**

*President Triet's US visit to include trade accord and big business deals*

By Roger Mitton

HANOI - During his visit to the United States later this month, Vietnam's President Nguyen Minh Triet will sign several major business deals that will cement booming economic ties between the two former enemies.

They will likely include a US\$1 billion (S\$1.5 billion) Boeing airplane order, a plan for an American-built power station and a landmark nuclear energy cooperation agreement.

President Triet's business-centred trip will start in New York on June 18.

He is expected to visit the New York Stock Exchange and also meet executives from Citibank and Morgan Stanley, the giant American finance house which is helping to set up Vietnam's first investment bank.

He will then travel to Washington for a two-day stay which will take in a lunch hosted by the US- Asean Business Council and the American Chamber of Commerce.

Mr Triet and US President George W. Bush are then scheduled to oversee the signing of a US-Vietnam Trade and Investment Framework Agreement at the White House.

The accord will consolidate bilateral trade, which is already surging at around US\$10 billion annually.

Dr Vo Tri Thanh, director of international economic integration at Hanoi's Central Institute for Economic Management, said: 'President Triet's visit is a significant milestone that confirms the growing trade ties between Vietnam and the US.'

A Boeing sales team has been holding talks with Vietnam Airlines about boosting its current fleet of 777 jets and introducing new 787 planes as the carrier aims to expand its network with direct flights to the US.

The giant American computer chipmaker Intel Corp has already started developing a US\$1 billion facility near Vietnam's southern business centre of Ho Chi Minh City.

Mr Triet will also be feted by other top American companies scrambling for a piece of the action, including Chevron, General Electric and the power company AES Corp.

Also, US energy suppliers will reveal plans to develop a high-capacity power plant near Ho Chi Minh City to help satisfy Vietnam's burgeoning electricity needs.

In addition, global oil companies such as Chevron and Exxon-Mobil hope to seal deals to develop Vietnam's lucrative offshore oil and gas fields.

But the business will not be all one-way.

Mr Triet will be accompanied by 200 businessmen, who will be seeking to boost growing Vietnamese exports to the US.

Dr Thanh said: 'The giant American market is becoming the biggest one for Vietnamese goods. So of course, we want to make friends with the US.'

Helping Vietnam in its quest to be flavour-of-the- decade for American investors is a perception that other nations in the region are looking slightly less attractive.

For example, the head of a major US business group told The Straits Times that American investors are jittery about the deteriorating security situation and political volatility in Thailand.

They also fear that Malaysia and Indonesia are drifting under their respective lacklustre leadership, and few of them contemplate investments in the Philippines with any great enthusiasm.

So that leaves Vietnam. And it is reaping the benefit.

Dr Thanh pointed out: 'Vietnam is stable, its people are hard-working and it is in a development phase. So there are scores of opportunities which American investors naturally want to exploit