EXHIBIT 18

U.S. VIETNAM
TRADE COUNCIL

U.S. DEPARTMENT OF LABOR

Office of Public Affairs

OPA Press Release: United States And Vietnam Sign Agreement On Labor Cooperation [11/17/2000]

For more information call: (202) 693-4650

The United States and Vietnam have agreed to establish a program of cooperation and dialogue on labor matters, and the Unit will provide technical assistance to help Vietnam in several areas.

The memorandum of understanding which was signed today in Hanoi in the presence of President Clinton and Vietnamese Pr Tran Duc Luong provides for cooperation and dialogue between the U.S. Department of Labor and Vietnam's Ministry of Lab Invalids, and Social Affairs.

"This is a significant step in establishing labor issues as an important component of our overall relationship with Vietnam," U. Secretary of Labor Alexis M. Herman said.

The United States will provide $3 million in technical assistance, in collaboration with the International Labor Organization, i areas as:

Establishing skills training and employment services, including placement services; development of unemployment insurance pension systems; improving access to employment for workers with disabilities, eliminating child labor and child trafficking; launching workplace education to prevent HIV/AIDS.

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE DEPARTMENT OF LABOR OF THE UNITED STATES OF AMERICA

AND

THE MINISTRY OF LABOR, INVALIDS, AND SOCIAL AFFAIRS

OF THE SOCIALIST REPUBLIC OF VIETNAM

The United States and Vietnam have reached an understanding to establish a program of cooperation and dialogue on labor mutual interest. The two countries share common commitments and challenges to ensure economic growth, create employn living standards, and support widely-shared prosperity. In addition, both countries share the common goal to effectively i core labor standards and to provide social safety net protections.

Areas for Cooperation
The topics for potential cooperation and dialogue include the following: skills training and employment services; social insura safety net programs; industrial relations and labor law; labor market information systems; effective prevention and eliminatior exploitative child labor and trafficking; promotion of employment for women; promotion of employment of the disabled; wor based HIV/AIDS programs; international labor standards; labor statistics; occupational health and safety; labor inspection; cre loan programs for small and medium enterprises; and migrant labor issues.

In furtherance of the objectives of this Memorandum, it was decided that a program of technical assistance should be initiated in Vietnam. The Department of Labor of the United States (USDOL) and the Ministry of Labor, Invalids, and Social Affairs (MOLISA) of Vietnam intend to undertake this program, in collaboration with the International Labor Organization (ILO). Tl areas for such technical assistance are contained in Annex 1 to this Memorandum.

Coordination
Overall coordination for the program of cooperation and dialogue rests with the Bureau of International Labor Affairs of the U and the International Relations Department of MOLISA. MOLISA intends to support any program of technical assistance mu decided upon by the participants by providing staff support and the information needed for the effective design, implementatic evaluation of the programs.

A Working Group of senior representatives of USDOL and MOLISA should be established and meet as necessary, but no less once a year, to discuss the areas of cooperation and dialogue as outlined above, the progress of related activities, and to consid activities to realize the objectives of this Memorandum.

Where considered appropriate and necessary to achieve the objectives of this Memorandum, the participants may invite the co and involvement of representatives of workers and employers through the appropriate mechanisms.

In addition to a program of technical assistance decided upon by the participants, the cooperative activities and dialogue estab under this Memorandum may be implemented through the following:

a) Exchange of delegations, professionals and specialists
b) Exchange of information, laws, standards, regulations, and procedures to include publications and monographs
c) Organization of joint conferences, seminars, workshops, and meetings
d) Formulation and implementation of collaborative projects or demonstrations
e) Joint research projects
f) Other forms of cooperation that may be decided upon.

The activities undertaken pursuant to this Memorandum should be subject to the availability of duly authorized and appropriat and each side bears the cost for its participation unless decided otherwise. Nothing in this Memorandum creates or implies an financial or binding commitment on the part of either side.

Activities under this Memorandum should commence upon the date of signature below and continue for a period of five years Memorandum may be amended or extended by written consent of the participants. Either participant may terminate this Mem one hundred and twenty days after written notification to the other participant of its intention to do so.

Signed in Hanoi in duplicate, November 17, 2000, in English and Vietnamese, each text being equally authentic.

FOR THE DEPARTMENT OF LABOR OF THE UNITED STATES OF AMERICA:

Alexis M. Herman
Secretary of Labor

By Douglas B. Peterson
Ambassador Extraordinary and Plenipotentiary

FOR THE MINISTRY OF LABOR, INVALIDS, AND SOCIAL AFFAIRS OF THE SOCIALIST REPUBLIC OF VIETNA

Nguyen Thi Hang
Minister of Labor, Invalids, and Social Affairs

Annex 1

Development of Technical Assistance Programs

November 2000

In Phase I to commence November 2000, the participants decided that programs should be initiated in the following areas. It anticipated that 3 million US dollars may be allocated for Phase I.

1) Skills Training and Employment Services
A program on skills training and job placement services to be initiated bilaterally with the USDOL.

2) Social Insurance and Safety Net
A program to assist in the design and development of systems with regard to unemployment insurance and pensions to be initi bilaterally with the USDOL.

3) Employment of the Disabled
A program on providing improvised access to employment for workers with disabilities to be initiated bilaterally with the USI

4) Industrial Relations and Labor Law
A program through the ILO on labor law reform, training, awareness raising, and improvements for the industrial relations sys

5) Program on Child Labor
A program through the ILO's International Program for the Elimination of Child Labor (IPEC) focused on street children and trafficking.

6) HIV/AIDS Workplace-Based Programs
A program through the ILO to use workplace-based practices to support prevention through education and training and to redu discrimination with regard to HIV/AIDS.

EXHIBIT 19

U.S. VIETNAM TRADE COUNCIL

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The Honorable Charlene Barshefsky

United States Trade Representative

Executive Office of the President

Room 209

600 17th Street, N.W.

Washington, D.C. 20506

Dear Ambassador Barshefsky:

I have the honor to refer to the Agreement between the Socialist Republic of Vietnam and the United States of America on Trade Relations, signed on July 13, 2000. In this regard, I confirm the agreement between the Parties on investment licensing regimes as follows:

1. Vietnam may maintain the evaluation regime for investment licensing in the following sectors:

(a) Broadcasting and television; production, publishing and distribution of cultural products; construction and operation of sea port, river port, airport, cultural complex and tourist resorts; cargo and passenger transportation by road , air, rail, sea, inland-waterway; fishing and fish catching; banking; insurance; construction, installation and maintenance of telecommunication facility; brokerage, dealership in securities and currency values, and other related services; real estates business; infrastructure development projects for industrial parks, export processing zones and high tech zones;

(b) Projects in power, mineral exploitation and processing, metallurgy, cement, chemicals, agriculture sector with investment capital of over USD $40 million. Vietnam shall consider raising this threshold amount as these sectors develop; and

(c) Projects using rice-growing land, urban land of 5 ha upward or other kinds of land of 50 ha upward, whether or not listed in this Paragraph.

2. Vietnam shall implement a registration regime for investment licensing, in place of the regime identified in paragraph 1, in the following sectors:

(a) within 2 years of entry into force of this Agreement, apply a registration regime for investment licensing in respect of projects investing in industrial zones and export-processing zones; projects with export rate of at least 50% of products; projects having investment capital of up to USD 5 million.

(b) within 6 years of the entry into force of this Agreement, apply a registration regime for investment licensing in respect of projects in manufacturing with investment capital of up to USD 20 million.

(c) within 9 years of the entry into force of this Agreement, apply a registration regime for investment licensing in respect to other projects, except those provided for in paragraph 1.

3. In cases in which nationals or companies of the United States apply for an investment license ("license") for a covered investment, including in the sectors set forth in paragraph 1, the following provisions shall be applied:

(a) Nationals and companies of the United States shall be accorded most-favored nation treatment in respect of any requirements for, and in the administration of, licenses.

(b) The criteria for the granting or denial of a license, and for the imposition of any conditions for such license, shall be published, readily understandable, and no more burdensome than necessary to serve a legitimate regulatory interest.

(c) The decision to grant or deny a license shall be made in conformity with all of the provisions of this Agreement, including those relating to the maintenance and elimination of TRIMs and the provisions of Annex H and this letter.

(d) A decision denying an investment license to nationals or companies of the United States shall be in writing and set forth the reason for the denial. A national or company of the United States, if denied a license, shall have the right to seek reconsideration of such decision with the investment licensing agencies of Vietnam which shall issue a decision within thirty (30) days.

(e) Except as otherwise provided in paragraph 1(a) of this letter, a license shall not be denied or subjected to conditions for the purpose of (a) compelling a national or company of the United States to select a particular local partner or to locate production or other facilities in a particular location; or (b) discouraging or prohibiting investment in any particular sector.

- Within 6 years of the entry into force of the Agreement, the licensing requirements and procedures for investment in the sectors not set forth in paragraph 1 and which are not yet subject to the registration regime, shall:

(a) be applied on the basis of treatment no less favorable than that accorded to nationals and companies of Vietnam; and

(b) in any case be consistent with the provisions of the paragraph 3.

5. The registration regime for investment licensing in the sectors set forth in paragraph 2 shall be provided for as follows:

- The registration procedure shall require only the provision of basic information concerning the investor and proposed investment.

- Such registration shall be promptly approved and issued without the attachment of any conditions except as otherwise provided in Annex H and this letter.

(c) The national or company of the United States shall, except as otherwise provided in Annex H and this letter, be allowed to choose its local partner (if any), the location of its investment, the form of investment, the apportionment of their investment and to decide all matters relating to the operation of such investment, consistent with generally applicable Vietnamese laws and regulations.

(d) In no case shall the registration regime be applied on a basis less favorable than that accorded to nationals and companies of Vietnam or of any third country.

6. The above provisions shall not preclude Vietnam from:

(a) prescribing special formalities which require a covered investment to be legally constituted and operated in compliance with the Vietnamese laws and regulations, provided that such formalities shall not impair the substance of any of the rights set forth in this Agreement, Annex H or this letter; or

(b) maintaining requirements on a covered investment in accordance with Annex H, this letter, and Article 11 of Chapter IV on TRIMs.

I have the honor to confirm that this letter shall form an integral part of the Agreement.

Respectfully yours,

Vu Khoan

Minister of Trade

EXHIBIT 20

IMF Statements at Donor Meetings
2002 2001 2000

Vietnam and the IMF

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Mid-Year Consultative Group Meeting for Vietnam

Statement by Susan J. Adams
Senior Resident Representative, IMF Hanoi Office

Ho Chi Minh City, May 23-24, 2002

1. The IMF is pleased to report on the status of Vietnam's progress in implementing its reform program, with the support of a three-year arrangement under the Poverty Reduction and Growth Facility (PRGF). In November 2001, the IMF Executive Board completed the first semi-annual review under this arrangement, and disbursed the second tranche of the program in December. Two missions have visited Hanoi, in March and May, to assess progress for a second PRGF review, and discussions are continuing. Against this background, this statement summarizes the current situation under the PRGF-supported program, the macroeconomic outlook, and the upcoming challenges.

Achievements under the PRGF

2. Under the first year PRGF, Vietnam's economic performance was relatively strong and in line with program expectations, despite weak external demand.

- **Real GDP** growth slowed in 2001 only slightly to 5 percent, due to robust domestic demand, particularly private investment, as business sentiment picked up.
- **Inflation** was very low, with nonfood prices virtually unchanged during the year.
- **Export growth** (in U.S. dollar terms) fell sharply to 4 percent (from an average of 24 percent the previous two years), owing to weak manufactured exports and depressed non-oil commodity prices. Nonetheless, the external current account remained in surplus, at 2¼ percent of GDP, as imports also slowed.

3. The Fiscal stance was more expansionary than envisaged, with the overall budget deficit (excluding onlending) estimated at 3.5 percent of GDP, compared with the target of 2.9 percent. Revenue performance was nearly as expected, but expenditure overruns were due to higher-than-programmed spending on the civil service wage

bill and war veterans' pensions. Social and infrastructure spending increased in line with program expectations, with annual outlays for education and health increasing by about one-half percent of GDP.

4. Credit policy remained broadly restrained as expected; nevertheless, several performance criteria related to monetary policy targets were missed at end-December. Owing to a further moderation in credit growth as programmed in 2002, the March monetary aggregates were closer to program benchmarks.

5. Exchange rate management was flexible during most of 2001.However, the exchange rate was largely unchanged in December when exports were falling, and the program criterion on net international reserves was missed.

6. On the structural front, progress has been better than programmed in liberalizing the trade regime and promoting private sector development. Banking reform has stayed broadly on course, but delays have been experienced in state-owned enterprise (SOE) reform. The recent approval of guidelines for SOE labor redundancies and issuance of a new equitization decree are hopeful signs that SOE reform can regain its momentum.

Macroeconomic Outlook and Upcoming Risks/Challenges

7. The strategy for putting Vietnam on a higher growth path remains centered on **improving competitiveness and spurring investment.** The cornerstones to a high growth strategy are accelerated structural reforms, focusing on trade reform, improving the business environment, and decisive banking and SOE reforms. Such high growth is also a key element of the Government's CPRGS.

8. Barring exogenous shocks, the macroeconomic outlook for 2002 is slightly more favorable than in 2001, with GDP growth projected to rise to 5¼ percent. Despite poor export performance, falling by an estimated9 percent in the first four months of 2002, there should be a gradual pick-up in light of recent signs of a global recovery. Inflation, which spiked in early 2002 due to a sharp increase in rice prices, is targeted at 3-4 percent for the year. Gross official reserves should remain at about 9 weeks of import cover.

9. To preserve macroeconomic stability and fiscal sustainability, the following policy elements will be important:

- The fiscal stance in 2002 will need to be cautiously accommodative, limiting the overall fiscal deficit to 4 percent of GDP. This is consistent with increasing resources for poverty reduction and covering the costs of structural reforms, but at the same time stabilizing public debt over the medium term.

- While taking into account the possibility of slightly lower oil prices, the authorities will need to take measures to strengthen tax revenue performance, particularly VAT policy and administration. Besides reducing the number of VAT rates and exemptions effective in the 2003 budget, the Government is availing itself of IMF technical assistance to set up pilot self-assessment programs for large taxpayers in Ho Chi Minh City and Quang Ninh province by end-2002.

- On the expenditure side, the authorities will need to exercise greater restraint in 2002, by containing the wage bill to the budgeted level. They will need to work to increase budget transparency and improve expenditure management, in order to strengthen the pro-poor focus of the budget. Fund technical assistance will be provided in the context of the World Bank's Public Sector Financial Management Project to develop a medium-term expenditure framework, moving Treasury reporting standards to GFS, bringing extrabudgetary items into the budget, and better classifying and monitoring poverty-reducing spending.

10. Medium-term fiscal soundness also requires concomitant **monetary policy and banking and SOEs reforms.**

- Monetary policy in 2002 will need to be geared towards moderate credit restraint, to keep inflation low and to stem new non-performing loans (NPLs), while ensuring sufficient credit to the productive sectors of the economy. The SBV is expected to continue to rely on indirect instruments to manage liquidity, and the base lending rate, which remained unchanged in the first five months of 2002, will be adjusted as necessary.

- In banking reform, the focus will need to remain on strengthening credit risk management and resolving existing NPLs at the state-owned commercial banks (SOCBs), in order to reduce fiscal risks. Stronger efforts by SOCBs and closer monitoring by the SBV will be critical to meeting financial and operational targets as milestones for a phased recapitalization. An ongoing process of external audits for the SOCBs is also planned.

- The authorities will need to revitalize and deepen SOE reform as a critical complement to SOCB reform and also to contain medium-term fiscal risks. The pace of equitizations needs to step up to make up for slippages under the first year of the SOE reform framework. In this context, the government is expected to publish soon a revised three-year roadmap. Budgetary resources will be used only for restructured SOEs and government monitoring of the SOE reform process will be strengthened.

11. **External sector policies** are also a crucial accompaniment to structural policies to improve competitiveness and reduce external vulnerability. More flexible management of the exchange system is an important step in this direction, including recently the reduction in the foreign exchange surrender requirement to 30 percent. With respect to the trade regime and private sector development to enable foreign competition, further advances are envisaged during 2002, which should be aided by timely issuance of implementation guidelines on the USBTA and active preparation for earliest possible accession to the WTO. Aside from this, the authorities will need to adhere to prudent external debt management, focusing financing primarily on concessional sources.

12. To successfully advance this policy agenda, the Government will need the active support and fruitful collaboration of all its development partners. The CPRGS represents a credible strategy, centered on growth for poverty reduction, and has been prepared in a commendable participatory process. To facilitate implementation of this strategy, the IMF staff stands ready to assist, inter alia, in improving the quality of the statistical base in order to better monitor economic trends and to determine policy adjustments. This in turn should serve to better inform donors and investors. More generally, the IMF staff will maintain a close dialogue with the authorities with a view to completing the second PRGF review.

IMF EXTERNAL RELATIONS DEPARTMENT
Public Affairs: 202-623-7300 - Fax: 202-623-6278
Media Relations: 202-623-7100 - Fax: 202-623-6772