



THE UNITED STATES AND VIETNAM

A Watershed Year

This is a watershed year for U.S.-Vietnamese relations that will set the stage for greater cooperation over the next decade. Vietnam's interests are growing increasingly aligned with those of the United States and there is broad support in Vietnam for continued improvement in relations with the United States. The country is assuming a prominent regional leadership role and, for the first time since becoming a member of the Asian-Pacific Economic Cooperation (APEC), Vietnam will host the APEC Leaders' Meeting in November 2006.

ECONOMIC AND OTHER GOALS

Vietnam's new leaders are expected to continue economic reforms and global integration. Their biggest challenges will be maintaining economic growth and addressing corruption — on which the public and the National Assembly are increasingly demanding action. The Vietnamese leadership is also focusing on a favorable Permanent Normal Trade Relations (PNTR) vote in the U.S. Congress, accession to the World Trade Organization (WTO), Vietnam's removal from the U.S. list of Countries of Particular Concern (CPC) over religious freedom issues, and a visit by President Bush in November 2006.

In May of 2006, we concluded a bilateral agreement on Vietnam's WTO accession, and bills to grant Vietnam PNTR status are now before Congress. PNTR will create commercial opportunities for U.S. companies and broaden our growing trade relationship that has quadrupled to \$7.8 billion since the Bilateral Trade Agreement took effect in 2001.

HUMAN RIGHTS IMPROVEMENT

Vietnam continues to take steps to improve its record on human rights and religious freedom. In February, the



United States and Vietnam resumed constructively a Bilateral Human Rights Dialogue. The United States is urging Vietnam to release immediately our highest priority prisoner of concern, Dr. Pham Hong Son, a prisoner of conscience, and make additional improvements on religious freedom in the Northwest Highlands.

OTHER ISSUES

The United States and Vietnam have maintained excellent cooperation on longstanding demining and POW/MIA issues. We also continue to broaden our bilateral relationship in such areas as law enforcement, counter-narcotics, military relations, and health assistance.

This year, for the first time, the United States is providing International Military Education and Training to Vietnam and using Economic Support Funds to help ethnic minorities in the Central Highlands. We hope to reach a Peace Corps agreement this year as Vietnam is eager to receive volunteers. The United States also has begun to engage the Vietnamese constructively on regional and global issues, and see Vietnam becoming an increasingly positive and important force in the region.