New Members’ Welcome

March 13, 2013

Herb Cochran
Executive Director
AmCham Vietnam
Key Points

- About AmCham …
  - … background, legal status, membership
- What we do …
  - networking, information-sharing, problem-solving
  - promote trade & investment, improve business environment
  - help make Vietnam the best ASEAN business environment
- Regions – “out of the box thinking”
  - Southern Key Economic Region (SKER)
  - Greater Mekong Subregion (GMS)
  - ASEAN and the Trans-Pacific Partnership
Key Points

- About AmCham …
  - … background, legal status, membership
About AmCham

- Informally re-established in Mar 1994
- Formally licensed Sep 19, 1998
  - Decree No. 08/1998/ND-CP, Regulations on Foreign Business Associations
- Two chapters, HCM City and Hanoi
  - HCM City: 497 companies
  - Hanoi: 214 companies
AmCham Companies 2005-2012

Companies by Type, 2005 - 2012

- Non-Resident
- Assoc Firms (VN)
- Assoc Firms (Intl)
- Member Firms (U.S.)
U.S. (related) FDI in Vietnam

- **Phase 1:** 1994 - 2001 (FMCG)
  - Coca-Cola, Pepsico, P&G, 3M, Kimberly-Clark …

- **Phase 2:** 2001 - 2006 (“Partner Factories”)
  - Apparel, Footwear, Furniture …

- **Phase 3:** 2007 - … (“Third Wave”)
  - Modern Manufacturing (Intel, Digital Logic, … )
  - 20+ Fortune 1,000 firms visited Jan-Jun 2010
Vietnam - U.S. Trade, 2000 - 2020e ($bil)
Key Points

- What we do …
  - networking, information-sharing, problem-solving
  - promote trade & investment between U.S. and Vietnam
    - … and ASEAN
  - improve business environment
  - help make Vietnam the best ASEAN business environment
What we do …

- Apparel Trade 2002 – 2008
- Labour Relations 2008 – 2012
- “Project 30” 2009 – 2010
- “Third Wave” of US FDI 2007 –
- ASEAN Blueprint 2015 – TransPacific Partnership
Members Nights

Meet the Consulate

June 3rd, 2010

www.amchamvietnam.com
Lunches, Events, Meetings ...
Information Sessions

HR Committee Information Session: Revised Labour Code
Wednesday, April 21, 2010

NEW WORLD HOTEL SAIGON
HO CHI MINH CITY
Information Sessions
Congressional Delegations
Palooza Parties
Independence Day - July 4th
Governors Ball • December
AmCham CSR: NGO Grants
AmCham Scholarships: 2001 - 2013
Higher Engineering Education Alliance

- Vietnamese Academic Partners
- Engineering University Partners
  - DaNang University of Technology
  - HCM City University of Technology
  - HCM City University of Technical Education
  - Can Tho University
  - Hanoi University of Technology

- Vocational University Partners
  - HCM City University of Industry
  - HCM City Vocational College of Technology
  - Cao Thang Technical College

www.amchamvietnam.com/download/1553
Higher Education Engineering Alliance

- AmCham Scholarship Program Support
  - 25 Women Engineering Student Scholarships
  - 80 English Language Study Scholarships

- Alliance Members – New Prospects
  - Honeywell, First Solar, Dow Chemical, Dupont, ExxonMobile, Digital Logic, etc.

www.amchamvietnam.com
- Industry Focused Trade Shows in the U.S.
  - National Housewares Association, etc.

- Compliance – Testing & Certification
  - Product quality and safety
  - Labour conditions in the factory, environment

- Company Background Information
  - Financial information and creditworthiness

- B2B & B2G Electronic Data Interchange
  - Transaction and Information via internet SaaS, EDI
  - eCustoms, ePorts, eBanking

- Security – Customs & Border Patrol
  - Importers Security Filing • ISF/10+2
  - Customs – Trade Partnership Against Terrorism C-TPAT

- Insurance
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● Insurance
Attending the Show
- Register for badges
- Reserve discount hotels
- Reserve discount travel

Show logistics
- View show times + dates
- Find show services
- View show expos
- View exhibitors + floorplans
- View marketing opportunities
- Upload to product showcase

Show info
- View events calendar
- Innovation + design displays
- Find info on Chicago
- Find show photos, logos + video
- FAQ's

international home + housewares show 2013
march 2-5
chicago, usa

New Show Hours!

Saturday 10:00 am - 5:30 pm
Sunday 8:30 am - 6:30 pm
Monday 8:30 am - 6:30 pm
Tuesday 8:30 am - 2:00 pm

The International Home + Housewares Show offers you the opportunity to see first-hand consumer lifestyle and product trends for all areas of the home, both inside and out, under one roof.

Housewares products are categorized into four show-within-a-show expos:

- Clean, contain + sustain
  - bath, cleaning, organization, seasonal products and more

- Dine + design
  - cookware, tabletop, gourmet food, home decor products and more

- Tableware, flatware, cutlery kitchen

- 2012 Show Videos

  Facing and Embracing Change:
  Barbara Turf, CEO and President of Crate and Barrel
VIETNAM TRADE SOLUTIONS
PROVIDING SUPPLY CHAIN MANAGEMENT SOLUTIONS SPECIALIZING IN VIETNAM SOURCING, MANUFACTURING, IMPORTING AND EXPORTING

CONTACT

Please contact us by phone or email, or enter your information into the contact form below.

New business opportunities, please call Mr. Bill Gadd (billgadd@VietnamB2BDirect.com) at the number below.

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2 Ngo Duc Ke Street, District 1, Ho Chi Minh City, Vietnam
Tel: +84-8-3520-2808
Fax: +84-8-3520-2800

January 2012
World News Release ... Jan 4, 2012
“Vietnam B2B Direct” Announces Country Representative

PowerPoint Presentation
“Vietnam B2B Direct”- International Trade Solutions Company Profile ...
Click here

Register for our e-Newsletter:
Let us update you on important trading information on Vietnam.
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The 4 Generations of Factories

**Generation 1**
- No QA policies
- Variable standards
- No budget for QA, OHS, EMS, CSR
- Cost driven culture
- No visibility

**Very Low Performance**
Score: 0-50%

**Generation 2**
- Policies exist, not 'owned' at board level
- Some auditing
- Budget exists but QA seen as a cost
- Systems/standards seen as impractical
- Little visibility

**Low Performance**
Score: 51%-70%

**Generation 3**
- QA policies exist and reviewed
- Some board commitment
- Good communication
- Positive attitude from management
- Visibility to stakeholders

**Medium Performance**
Score: 71%-84%

**Generation 4**
- Full board commitment
- Leading policies beyond legal minimum
- Excellent communication and commitment
- Internal & external auditing
- QA a competitive advantage

**High Performance**
Score: 85%-100%

**90% Supply Chain**

**Achievement Award**

**Continuous Improvement Journey**

www.intertek.com
Supplier Sustainability Assessment: 15 Questions for Suppliers

**Energy and Climate: Reducing Energy Costs and Greenhouse Gas Emissions**
1. Have you measured your corporate greenhouse gas emissions?
2. Have you opted to report your greenhouse gas emissions to the Carbon Disclosure Project (CDP)?
3. What is your total annual greenhouse gas emissions reported in the most recent year measured?
4. Have you set publicly available greenhouse gas reduction targets? If yes, what are those targets?

**Material Efficiency: Reducing Waste and Enhancing Quality**
1. If measured, please report the total amount of solid waste generated from the facilities that produce your product(s) for Walmart for the most recent year measured.
2. Have you set publicly available solid waste reduction targets? If yes, what are those targets?
3. If measured, please report total water use from facilities that produce your product(s) for Walmart for the most recent year measured.
4. Have you set publicly available water use reduction targets? If yes, what are those targets?
• **Bureau Veritas / Consumer Product Services**

• **Intertek**

• **QUATEST 3**

• **SGS Vietnam**

• **Total Quality Certification Services Int’l Vietnam**

• **TUV**
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- Insurance
How can Dun & Bradstreet support companies in Vietnam in growing their business and manage related risks?

- Provide access to the D&B database of over 170 million businesses worldwide to find new customers or better suppliers;
- Use the information at D&B to better understand who you are doing business with;
- Use the internationally established D&B process and network to get better recognition and awareness of your company;
- Obtain an internationally recognized and accepted business identity number – the D&B D-U-N-S® Number.
Why you should have a D&B D-U-N-S® Number

- Regardless of which country a business entity was registered, the entity can be assigned the **unique 9 digit** D&B D-U-N-S® Number
- Universally recognized and accepted in all worldwide transactions, it increases trust and facilitates global recognition for businesses, neutral to country of origin
- Assigned to every business in D&B's Global Database, it enables easy access to information and facilitate global trading
- Unique and global nature allows it to be used as customer account ID number in CRM, ERP etc solutions
- The D&B D-U-N-S® Number is the global standard for authenticating businesses for online and offline transactions
- It is extensively used for vendor pre-qualification by Fortune 500 Companies such as GE, GM, Dell, Microsoft, Seagate etc

Recognized, recommended, and/or required by 50 Global, Industry and Trade Associations including:

- The United Nations
- European Commission
- US Government
- International Standards Organization
- Australian Government
Industry Focused Trade Shows in the U.S.
- National Housewares Association, etc.

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Insurance
The Business-to-Business Electronic Value Chain
4,000 Plus Trading Partners

AAFE
Affiliate & Advisory Exchange Services

SAFEWAY
Ingredients for life...

WALGREENS
The Pharmacy of choice

blåmingdales

Dillard's

HIBBETT SPORTS

SAKS FIFTH AVENUE

Gottschalks

STAGE STORES

LINENS-N-THINGS

Federated Department Stores, Inc.

KROGER

Sears

CVS/pharmacy

Expect something great

RITE AID

BED BATH & BEYOND

IT'S ALL INSIDE

JC Penney

RITE AID

THE FAMILY WAY
MAP OF SOUTHERN FOCAL ECONOMIC AREA

Binh Duong Province

Ho Chi Minh City

Dong Nai Province

Long An Province

Ba Ria - Vung Tau Province

Tan Cang - Cai Mep TMLs (TCCT & TGIT)
CAI MEP – US WEST COAST SERVICE

T/S time: 15-16 days
● Industry Focused Trade Shows in the U.S.
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● Insurance
Importers’ Security Filing   ISF / 10+2

● From the importer (10)
  – 1 Seller name and address
  – 2 Buyer name and address
  – 3 Ship to name and address
  – 4 Manufacturer/supplier name and address
  – 5 Container loading location
  – 6 Consolidator name and address
  – 7 Importer of record number or FTZ Applicant No. ID
  – 8 Consignee number(s)
  – 9 Country of origin
  – 10 Commodity HTS/US number (min six digits; max 10 digits)

● From the carrier (+2)
  – 1 Vessel Stow Plan
  – 2 Container Status Messages, incl. container movements & changes in status (e.g. empty or full)
Import Security Filing 10 + 2 Information

On January 26, 2008, the new rule titled Importer Security Filing and Additional Carrier Requirements (commonly known as “10+2”) went into effect. This new rule applies to import cargo arriving to the United States by vessel. Failure to comply with the new rule could ultimately result in monetary penalties, increased inspections and delays of cargo. The information submitted in Importer Security Filings improves U.S. Customs and Border Protection’s (CBP) ability to identify high-risk shipments in order to prevent smuggling and ensure cargo safety and security.

What is an Importer Security Filing?

Under the new rule, before merchandise arriving by vessel can be imported into the United States, the “Importer Security Filing (ISF) Importer,” or their agent (e.g., licensed customs broker), must electronically submit certain advance cargo information to CBP in the form of an Importer Security
C-TPAT Supply Chain Stakeholders

- Warehouse C-TPAT Certification
- Importer C-TPAT Certification
- Custom Broker C-TPAT Certification
- Manufacturer / Supplier C-TPAT Certification
- Cross Border Trade
- Supply Chain Partners
- Foreign Mfg. C-TPAT Certification
- Air Carrier C-TPAT Certification
- NVOCC C-TPAT Certification
- Freight Forwarder C-TPAT Certification
- Rail/Land C-TPAT Certification
- Sea Carrier C-TPAT Certification
Key Points

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  - Southern Key Economic Region (SKER)
  - Greater Mekong Subregion (GMS)
  - ASEAN and the Trans-Pacific Partnership
SKER - Overview

Southern Key Economic Region (SKER)
### The Greater Mekong Subregion (GMS)

<table>
<thead>
<tr>
<th>Country</th>
<th>Land Area</th>
<th>Population</th>
<th>GDP per Capita</th>
</tr>
</thead>
<tbody>
<tr>
<td>Myanmar</td>
<td>677 thou sq km</td>
<td>54.8 M</td>
<td>US$255</td>
</tr>
<tr>
<td>Vietnam</td>
<td>332 thou sq km</td>
<td>83.1 M</td>
<td>US$622</td>
</tr>
<tr>
<td>Lao PDR</td>
<td>237 thou sq km</td>
<td>5.6 M</td>
<td>US$491</td>
</tr>
<tr>
<td>Cambodia</td>
<td>181 thou sq km</td>
<td>13.8 M</td>
<td>US$393</td>
</tr>
</tbody>
</table>

### The GMS in 2005
- Land Area: 2.6 M sq km
- Population: 316 M
- GDP per Capita: US$1,102

**People’s Republic of China**
- Land area: 633 thou sq km
- Population: 93.8 M
- GDP per capita: US$1,032
  (figures for Yunnan and Guangxi only)
EWEC: Road Section in Lao PDR (before upgrading)

EWEC: Road Section in Lao PDR (after upgrading)

www.amchamvietnam.com
GMS Connectivity

Road Transport Network

1992

www.amchamvietnam.com/download/1481
GMS Connectivity

Road Transport Network

2015

www.amchamvietnam.com/download/1481
ASEAN’s geostrategic importance stems from many factors, including: the strategic location of member countries, the large shares of global trade that pass through regional waters, and the alliances and partnerships which the United States shares with ASEAN member states.

Reflecting this, in July 2009, the United States signed ASEAN’s Treaty of Amity and Cooperation, which establishes guiding principles intended to build confidence among its signatories with the aim of maintaining regional peace and stability.
ASEAN has the third-largest economy in Asia, after Japan and China. As a developing region, its per capita income is low but its GDP is rapidly growing: an almost 170% increase over the past decade.

Source: IMF World Economic Outlook Database
ASEAN-US Trade

...the United States must have strong relationships and a strong and productive presence here in Southeast Asia. This region is vital to the future of not only the United States and each of the countries, but to the world's common interests: a significant and trade-oriented regional economy; a critical strategic location; and a set of countries that will be key to any solutions we pursue on climate change, counterterrorism, global health, and so much else.

Hillary R. Clinton, Secretary of State
February 2009

FOREIGN DIRECT INVESTMENT

U.S. foreign direct investment (FDI) into ASEAN totaled $130 billion in 2007, the largest destination for U.S. FDI in Asia, and has grown 55% since 2004. Investment from ASEAN into the United States ranks fourth among Asian sources, totaling $11 billion, up 38.5% since 2004.

Investment by the United States, $ billions, 2008

(C) 2010 East-West Center
World's middle class = 5 billion by 2030

MIDDLE CLASS CONSUMER SPENDING
OUTER RING: 2030 in trillions, USD (projected)
INNER RING: 2009 in trillions, USD

Asia Pacific $32.9
+571% GROWTH

While increasing Chinese spending tops the news, the East Asia Bureau of Economic Research forecasts that spending in India and Indonesia will grow at similar rates.
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