

# Trans-Pacific Partnership (TPP) Ho Chi Minh City

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**1. Opportunities for Vietnam (and challenges)**

**2. U.S. – Vietnam Bilateral Economic Ties: implications**

**3. Conclusions**



# Opportunities for Vietnam

- Increase market access opportunities, promote Vietnam's exports, especially to the U.S. market for the products such as textiles, seafood, footwear, wood products, etc.
- Increase market access for new products such as auto parts and processed seafood
- Promote investment from the United States and other countries into Vietnam
- Help make better use of the opportunities offered by the restructuring process
- Take advantage of the trend of regional economic integration
- Raise Vietnam's international status, and promote relationships with key partners



PART I: INFORMATION ON VIETNAM'S ECONOMY

## VI. Opportunities for Textile & Garment Investment in Vietnam

### 3. International integration.

- The Trans-Pacific Partnership agreement (TPP) has made significant progresses in such areas as commodity market, customs, rules of origins, technical barriers for trade as well as food safety, services and investment. It helps open the export market for Vietnam's textile and garment products to the US.
- After signing the TPP, the spearhead exports of Vietnam like textile and garment will receive tariff cuts when accessing the markets of the US, Australia, and other TPP partners.
- TPP will not only continually enhance export and cut tariff but also create strong momentum for investment and development.

*(Source: General Statistics Office)*



"Implementation of yarn-forward principle in the TPP would attract entrepreneurs to invest in Vietnamese textile industry for manufacturing materials that would be used for production of garments meant for export to the US at zero-tariff."

- Mr. Le Quoc An



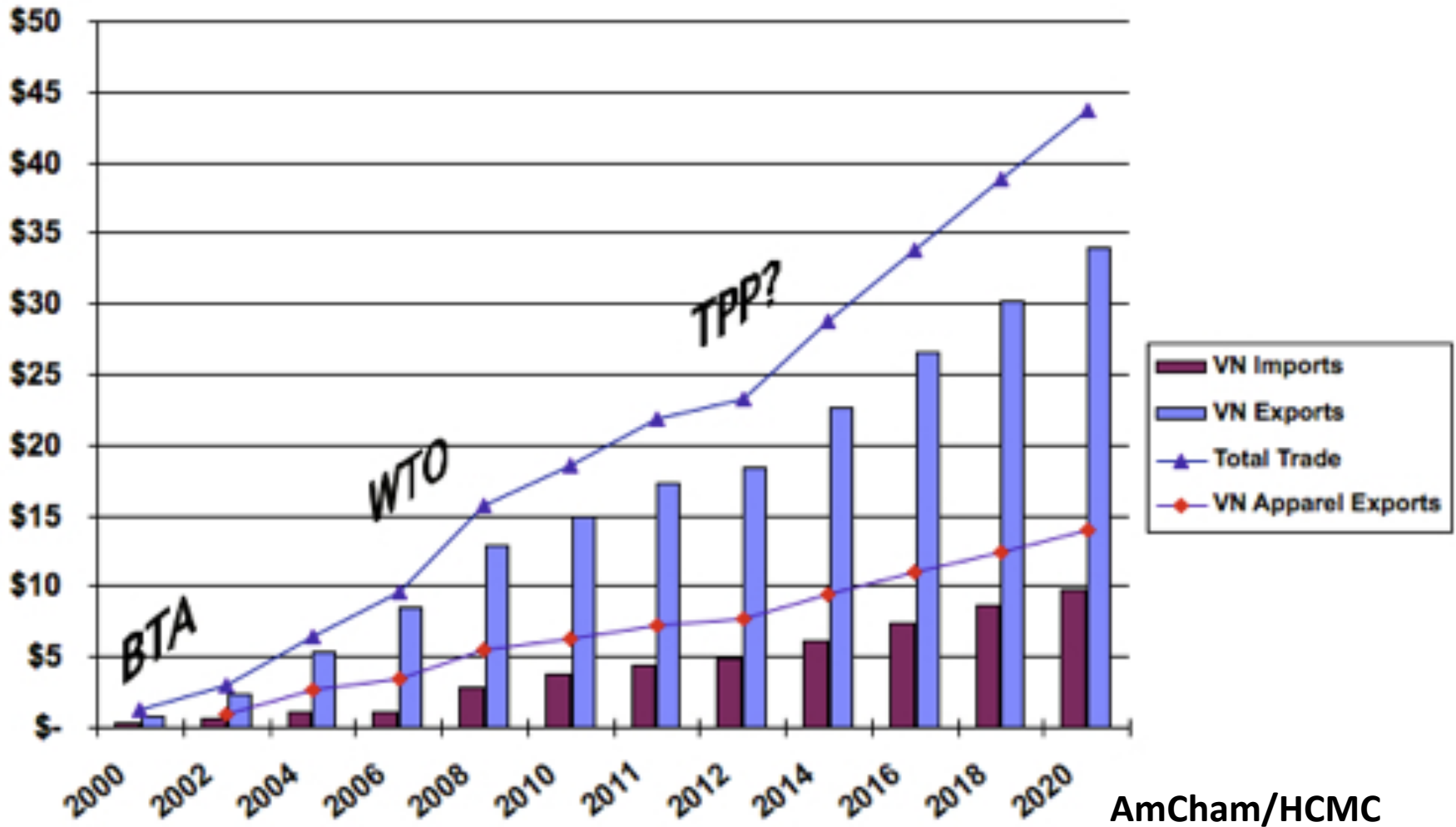
# Results

	GDP (\$bill) 2025	Income change (\$bill.)			Change from baseline (%)		
		TPP	Asian track	FTAAP	TPP	Asian track	FTAAP
United States	20,273	78	3	267	0.4	0.0	1.3
China	17,249	-47	233	678	-0.3	1.4	3.9
Vietnam	340	46	14	73	13.6	4.0	21.5
APEC	58,951	314	504	2052	0.5	0.9	3.5
WORLD	103,223	295	500	1921	0.3	0.5	1.9

**Petri, Plummer, Zhai – October 2012**



Vietnam - U.S. Trade, 2000 - 2020e (\$bil)



AmCham/HCMC



U.S. Consulate General Ho Chi Minh City



U.S. Consulate General Ho Chi Minh City



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TPP participation **maintains momentum for Vietnam's market reforms**, modernization, and integration.

**Any Vietnamese export sector** that still faces high tariffs in one of the TPP markets, including the United States, stands to potentially benefit.

However, **TPP** must be **reciprocal** in that each partner will only enjoy the benefits when they also allow access to their market.

**Adaptability and entrepreneurship** are Vietnam's strengths; and exactly what are needed to take advantage of TPP opportunities and rise to the challenge of competition.

The difficult steps and hard work required to complete the TPP on schedule represent a substantially **lower cost than missing the opportunity** for integration with 10+ other markets.





# Thank you!

