

STATEMENT BY VIET NAM

MADE 17 JUNE 2004

**AT THE UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT**

Eleventh Session

**São Paulo, Brazil
13-18 June 2004**

ADDRESS BY H.E Mr TRAN DUC MINH
Vice Minister of Trade- Vietnam
At The 11th Session of The UN Conference on trade and development
Sao Paulo, Brazil , 13- 18 June 2004

PARTNERSHIP FOR DEVELOPMENT

Mr Chairman
Distinguished delegates
Ladies and Gentlemen,

May I begin by expressing my warmest congratulations on the 40th Anniversary of UNCTAD and its important achievements in supporting its members , particularly developing countries in their efforts to formulate development strategies to respond to challenges of globalization and pursuit sustainable developments. My sincere thanks are also due to the UNCTAD Secretariat and Brazilian Government for their big efforts and kind hospitality to make this important conference possible in the beautiful Sao Paulo.

Ladies and Gentlemen,

We have been working hard to implement the international development goals as indicated in the Millennium Declaration in the pursuit of sustainable developments Justice , equality and social progress. Since the 10th session of UNCTAD, the Bangkok Plan of Action - a comprehensive blueprint for trade and development - has been well implemented and our Sao Paulo Conference would today continue to generate greater understanding of the interface and coherence between international processes and negotiations on one hand and the development strategies and policies that the developing countries need to pursue on the other in response to challenges of globalization in order to realize the objectives of social justice , reducing poverty and attaining equitable income distributions . To that end there is a need to strike a balance between the objectives of efficiency and equity , between trade and development , to uphold the spirit of partnership for development . The International cooperation for development strongly relies on partnerships which involves a range of significant actors in all fields for example : ,

government private sectors , regional groups , local authorities , non-governmental organizations , academic , research institutions , international and regional organizations etc. All such stakeholders , in particular the private sector , play very important roles in development strategies where the role of state is vital for designing and implementing development strategies eradicating famine and reducing poverty , building physical and human infrastructure, providing enabling macroeconomic conditions and sound regulatory framework Governments should listen to the needs and expectations of enterprises while formulating laws and policies to ensure that their decisions , regulations are practical and aimed at facilitating enterprises . Government laws and policies should be transparent , and consistent in line with rule-based system of WTO. Administrative procedures and formalities should be simple, and rapidly processed , thus reducing transaction costs , enhancing trade and investment efficiency . By so doing can governments help the private sector strengthen its competitiveness and make bigger and bigger contributions to budgetary revenues for the sake of unceasingly improving social welfares.

While we recognize the central role and responsibility of government in national and international policy-making , the contribution of the private sector is a driving force of all programmes of international cooperation and development . Further intensifying dynamisms and innovativeness of business enterprises, and a fair market mechanism , as well as a sound and transparent policy environment would be very critical for higher investment, more efficient trade performance , faster growth . To survive the current sharp competition posed in the course of globalization and reaffirm their position on the world and regional markets, enterprises should be bold enough to catch up new technological advances , sharpen their management skills and enhance efficiency . Both the market and the state have an important role to play in the development process , and is essential to ensure that their respective roles are complementary Government and private sector interaction as well as enterprises partnership should be promoted and strengthened especially when the Doha round of multilateral negotiations is going on and aimed at making substantial improvements in market access, reductions and phasing out all forms of export subsidies which distort trade Special and differential treatments for developing countries will be part of the negotiations , taking fully into account development needs. Thus enterprises partnership and interaction between government and private sector would help step up the pace of negotiations and reflect the needs and expectations of enterprises, protect their legitimate interests .

Particular attention should be paid to the interests of small and medium size enterprises (SME). They should be given better conditions in terms of market accessibility, access to bank credits, market information, and other facilities so that they may join the market on equal footing.

Recognizing the important roles of private sector, regional organizations such as APEC, ASEAN, ASEM etc are all committed to creating favorable conditions for business sectors with a view to assisting them in obtaining bigger and bigger market access, building partnerships, and strengthening competitiveness of the regional enterprises, particularly SMEs. APEC has developed the APEC Integrated Plan of Action for the Development of SMEs (SPAN). APEC leaders at their Summits 2001 and 2002 made declarations to repeat their commitments, and emphasize the needs to render greater assistance to SMEs in pursuit of sustainable economic growth, reduction of poverty, and enhanced social wellfairs. Adopting similar approach towards SMEs, ASEAN has set up the ASEAN Business Advisory Council to represent ASEAN business sector, and regularly submit recommendations to the ASEAN Leaders on barriers to trade and investment with a view to dismantling obstacles and increasing the flow of regional trade in goods, services and investment, as well as strengthening competitiveness of business enterprises. ASEM established Asia and Europe Business Forum (AEBF) to develop their recommendations to the ASEM summits and provide inputs to ASEM Work Programmes. In building partnerships the UNCTAD has played a pioneering role and new partnerships developed within the frame work of the UNCTAD XI process will represent specific commitments by various partners intended to contribute to and reinforce the implementation of the outcomes of the intergovernmental negotiations of UNCTAD XI. Partnerships in the view of UNCTAD would follow the principles of transparency, accountability, mutual benefit. All international and regional organizations strongly support partnership for development in this direction.

Mr Chairman

Ladies and gentlemen,

As a member of UNCTAD and other regional organizations, the Vietnamese government adopts the same approach toward partnership for development, we pay particular attention to building partnership with combination of partners such as government, business sector, regional groups, non-governmental organizations, academic and research institutions etc. we have built up effective partnerships with international and regional communities, with international donors in use of ODA in line with the principles of UNCTAD. As a country in transition, we have

successfully carried out economic reforms , and made important achievements with respect to economic development , and poverty reduction . We have actively participated in international cooperation regionally and internationally such as ASEAN, APEC , ASEM and participated in all cooperation programmes of Group 77 as well in the pursuit of effective integration in the regions and in the world.

The Vietnamese government always highly appreciates the important role of business sector and considers business enterprises as the main engines of the national economy. The government has taken a lot of effective measures to render assistance to both domestic enterprises and enterprises with foreign owned capital . Interaction between government and business enterprises is prioritized by setting up a Business Forum to give chances to Vietnamese and foreign enterprises to interact with Vietnamese Leaders . At this forum , they can raise their voices , their wishes , and petitions with regards to loss and benefits they encounter in doing business in Vietnam. The Vietnamese government fully takes into account the recommendations made by enterprises while formulating laws and policies or other economic decisions making to ensure that its regulatory framework is practical and practicable. It is due to this effective partnership , Vietnam has sustained its economic development at high rates , and succeeded in reducing poverty, and regularly improved living standards of the peoples over the last years.

However, Vietnamese enterprises as well as those of UNCTAD member countries have still been facing a lot of difficulties , run the risks of being marginalized in the current sharp competition in the world and regional markets. The use of unilateral actions that are inconsistent with WTO have negative effect on their business performance . Their weaknesses call for special attention and bigger and bigger assistance from international communities. They need technical supports and capacity building assistances particularly for those in LDC's . It is noted that many developing countries are negotiating for membership to the WTO because trade is a key aspect of their regional integration efforts Enterprises of developing countries need a truly non-discriminatory and open trade system . Such assistance should also be given to countries with economies in transition, prior to , during, and in the follow-up to their WTO accession process. We are working hard to build up partnerships for development . To that end would like to call upon international communities , particularly developed countries , to render more financial and technical assistance to the developing countries , especially the LDC's Partnerships should be of benefit to as many developing countries as possible from all geographical

regions in order to achieve international development goals and national sustainable economic growth..

On behalf of the Vietnamese government and business enterprises I wish the 11 Session of the UNCTAD end in great success . We are very interested in and always look towards to building up reliable partnerships in the pursuit of sustainable development in the world and regions for mutual benefits. I wish you all distinguished delegates good health and every success to our partnerships.

Thank you.