

SPAIN VIETNAM MULTILATERAL PARTNERSHIP MEETING

INTERCONTINENTAL ASIANA SAIGON

25TH OF MARCH 2010

Mr. Nguyen Thanh Tai, Standing Vice Chairman of Ho Chi Minh City People' s Committee

Mr. Nguyen The Hung, Deputy Director of VCCI Ho Chi Minh City

Mr. Fernando Lanzas, Director of the Spanish Institute for Foreign Trade

Directors and representatives of the city's departments and representatives from other cities and provinces.

Ladies and gentlemen

It is a pleasure to be once again in Ho Chi Minh City and share with you this opening ceremony where I am happy to welcome today numerous representatives of Vietnamese and Spanish Companies. Today `s event is part of an ambitious project launched last year and aimed at building partnerships between our two countries at the company level in selected sectors..

I think it is important to elaborate on why we are focusing this event around three sectors: energy, transport infrastructure and environment.

The answer is that we believe that these are three sectors where the opportunities for cooperation are large, three sectors which have shown a high rate of growth during the last years, three sectors that are critical for Vietnam as they are for Spain. As some of you may know it is by heavily investing in infrastructures that we managed to eliminate many of the bottlenecks that limited our growth in the past. Not only they helped to raise our potential Gross National product but they also allowed us to achieve a real convergence at a rapid pace.

Apart from investment in those sectors, the other tool was regional integration and the opening up of the economy to bigger competition which in our context also meant further integration with the rest of Europe. The transformation of Spain would have not been possible without the support of the then European Union.

Vietnam is one of the few countries in the world which has managed to grow through the worst moments of the financial crisis. Vietnam's economy has shown enormous resilience during 2009, and we look with envy at the high rate of growth achieved, above 5%. This is something for which the Vietnamese government deserves to be praised. Managing the economy through the ever-changing waters of today's world is a difficult task. While carefully looking at the short term scenario, the government has made it very clear that investing in infrastructure remains a priority. For any observer it is obvious that the country and in particular its cities, are moving quickly, every day new infrastructure projects are launched across its cities. The effort to improve Vietnam's infrastructures has been ongoing already for some years and has benefited from the coordinated actions of the United Nations, the World Bank Group, the Asian Development Bank and many other donors.

In the current international complex economy, it is more urgent to find ways to avoid the financial constraints that could slow down investment in infrastructure. New forms of Public Private Partnership aimed at increasing the role of the private sector in the financing of infrastructures are now essential. The private sector is not easy to convince but bringing him in can help us to keep high rates on investment in infrastructures. This is true for developed and developing countries alike.

Let me now refer to the current situation of the relations between Vietnam and Spain. As you know, 2009 ended with the visit of President Triet to Spain and other European countries. A delegation of 100 Vietnamese companies organised by the Vietnam Chamber of Commerce and Industry did accompany President Triet in his State visit to Spain. On that occasion it was clear to all of us involved in the visit that Vietnam has become a priority for the Spanish business community, as shown by the crowded audiences in the two business seminars held in Madrid and Barcelona. In the past years trade between our two countries has been growing rapidly, and Direct Investment from Spain has started to increase and with it the number of Spanish companies doing business in Vietnam. Of course there is still a lot of work to be done, but the trend is very positive.

During President Triet visit 8 Memoranda of Understanding and Agreements were signed between Vietnam and Spain. Out of them two were aimed at increasing our bilateral cooperation in the fields of transport infrastructure, energy and water.

As you know our two governments have agreed to cooperate in the financing of one of the Metro lines in Ho Chi Minh City where our commitment has reached up to 500 million euro. We have also listed several projects in the areas of water, waste treatment, transport and energy in different provinces. Again, these are areas where cooperation between our countries should be improved.

With this Multilateral Partnership Meeting I hope that we can move further in this cooperation. I therefore would like to encourage the 30 Spanish companies present here today to move on and start to work and invest in Vietnam. The opportunities are there, the growth of the country and its cities is going to be strong and the business climate is friendly to foreign investors. I really hope that the meetings that you hold today are successful and that you have the chance to grasp the reality of this city..