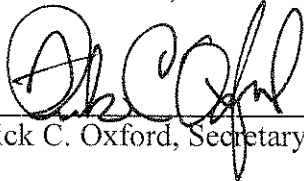


**Resolution of the Board of Directors
In Support of Establishing a Vietnamese Consulate General in Houston**

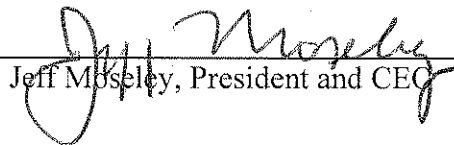
The Greater Houston Partnership supports the establishment of a Vietnamese Consulate General in Houston, Texas, which would be the second consulate outside of San Francisco, California, and the Embassy of Vietnam in Washington, D.C. Many entities, including fifty-seven Greater Houston Partnership Members, have business operations and interests in Vietnam. Vietnam will continue to grow and have a major impact on Houston's international trade. Therefore, maintaining and expanding trade through cooperation is in the best interest of the citizens of both Houston and Vietnam.



Daniel G. Bellow, Chairman



Patrick C. Oxford, Secretary



Jeff Moseley, President and CEO

MEMORANDUM

DATE: December 12, 2008

TO: World Trade Supervisory Board

FROM: Chair, Ambassador Linnet Deily

SUBJECT: Recommendation to Support Establishment of a Vietnamese Consulate General in Houston

RECOMMENDATION

The Greater Houston Partnership supports the establishment of a Vietnamese Consulate General in Houston, Texas, which would be the second consulate general outside of San Francisco, California, and the Embassy of Vietnam in Washington, D.C. Houston prides itself on having 89 foreign nations represented through consulate offices and works to continue to be known as a major international community that remains open and accepting.

HISTORY AND BACKGROUND

On June 25, 2008, the Prime Minister of Vietnam, Nguyen Tan Dung, visited Houston and announced his plans to open a Vietnamese Consulate General in Houston. Prior to his visit, Houston and the Greater Houston Partnership have hosted many Vietnamese delegations to promote the economic and business relations between Houston and Vietnam. Since the announcement in June 2008, the Partnership has on multiple occasions discussed this issue with the Vietnamese Embassy in Washington, D.C., including an option to include a trade office in the proposed Houston Consulate.

There has been some opposition from a portion of Houston Vietnamese Community and Congressman Al Green, representative from the Ninth Congressional District of Texas, who have written a letter to the U.S. State Department opposing the establishment of a Vietnamese Consulate in Houston due to ongoing concerns about the human rights situation in Vietnam. (Houston Chronicle, Nov. 10, 2008). However, on December 10, 2001, the U.S. - Vietnam Bilateral Trade Agreement (BTA) went into effect, which is the centerpiece

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of the U.S. efforts to open Vietnam's market and promote reform of its trade and investment regime. This agreement encourages business relations between the U. S. and Vietnam. Having a consulate office in Houston would be the initial steps to support the agreement. Since the agreement was signed, trade between the U.S. and Vietnam increased from \$1.5 billion in 2001 to \$12.5 billion in 2007, an increase of 830 percent.

The former Vice Premier of the People's Republic of China (PRC), Deng Xiao Peng, visited Houston after his first trip to Washington, D.C., in 1979. His discussion with President Jimmy Carter resulted in the establishment of diplomatic relations and the decision to open their first consulate of the PRC in Houston. At that time, there were differing opinions within the Chinese-American community towards the establishment of a consulate. However, a consulate of the PRC was ultimately opened in Houston, and enabled Houston to participate in China's emergence as one of the world's largest trading nations.

Houston has significant business, trade, and cultural ties with Vietnam. Many entities, including fifty-seven Greater Houston Partnership Members, have business operations and interests in Vietnam. Vietnam will continue to grow and have a major impact on Houston's international trade. Therefore, maintaining and expanding trade through cooperation is in the best interest of the citizens of both Houston and Vietnam.

TIMELINE OF RELEVANT EVENTS

March 29, 1973

Last U.S. combat troops leave Vietnam.

July 11, 1995

President William J. Clinton announces "normalization of relations" with Vietnam.

August 6, 1995

Secretary of State Warren Christopher visits Hanoi and officially opens the U.S. Embassy. Vietnam opens an embassy in Washington.

October 3, 2001

The United States Senate approves an agreement normalizing trade between the United States and Vietnam.

November 28, 2001

Vietnam's National Assembly ratifies the trade agreement with the United States but warned that any U.S. interference in Vietnam's internal affairs could jeopardize implementation of the agreement. The Vietnamese government voiced strong concerns over the U.S. House of Representatives' passage of a Vietnam Human Rights Act which ties future U.S. non-humanitarian aid to improvements in Vietnam's human rights record.

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December 10, 2001

The U.S. - Vietnam Bilateral Trade Agreement (BTA) went into effect. It is the centerpiece of U.S. efforts to open Vietnam's market and promote reform of its trade and investment regime.

June 13, 2002

A *Statement of Cooperation* was signed by the State of Texas and Vietnam's Ministry of Planning and Investment, when the then Deputy Prime Minister, Nguyen Manh Cam, was visiting Texas.

December 10, 2003

In Austin, Texas, the Honorable Vu Khoan, Deputy Prime Minister of the Socialist Republic of Vietnam, signed the *Vietnam-Texas Joint Communiqué* with Geoffrey Connor, Texas Secretary of State.

August 21, 2004

The Office of the Texas Governor Economic Development & Tourism (EDT) organized a Texas Business Mission to Vietnam, which signed a *Trade and Mutual Economic Cooperation* agreement between EDT and the Vietnam Chamber of Commerce and Industry (VCCI). The delegation also met with the Vietnamese Deputy Prime Minister, the Honorable Vu Khoan.

Dec 6, 2004

A Vietnamese delegation visited Houston, led by Mr. Nguyen Cam Tu, General Director of the Department of Trade Policies with the American Ministry of Trade in Vietnam.

April 9, 2008

A Vietnamese delegation visited Houston, led by Vo Hong Phuc, Vietnamese Minister of Planning and Investment.

April 24, 2008

The Greater Houston Partnership hosted a seminar in Houston entitled "Vietnam-U.S. Relations, Opportunities for Doing Business & Making New Investments in Vietnam" in which Le Cong Phung, Ambassador of Vietnam to the United States of America, was the main speaker.

June 25, 2008

At the "Discover Vietnam - U.S. & Vietnam Business Forum," Prime Minister of Vietnam, Nguyen Tan Dung, addressed Houston business leaders and was quoted to say, "I strongly believe that trade and investment between our two countries will be accelerated and strengthened for years to come. The government of Vietnam is resolved to keep improving the business environment in order to attract more and more investors in Vietnam." Source: *Houston Chronicle*, Vietnam Wants a Houston Consulate, June 26, 2008

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HOUSTON'S TOTAL TRADE WITH VIETNAM 2007		
HS2	Description	\$ Value
Imports		
27	Mineral Fuel, Oils and Waxes	\$21,667,915
73	Articles of Iron or Steel	\$9,339,444
62	Non-Knitted Apparel and Accessories	\$1,804,674
09	Coffee, Tea and Spices	\$1,492,456
39	Plastics and Plastic Articles	\$1,386,145
	All Others	\$8,222,198
Total		\$43,912,832
Exports		
84	Industrial Equipment and Computers	\$17,070,446
87	Motor Vehicles and Parts	\$7,350,309
39	Plastics and Plastic Articles	\$2,815,140
73	Articles of Iron or Steel	\$2,772,839
90	Optic, Photographic, Medical, Surgical Instruments	\$2,415,610
	All Others	\$10,449,259
Total		\$42,873,603
Source: U.S. Department of Commerce, Bureau of the Census		

- Annual trade between Houston and Vietnam exceeded \$86.7 million in 2007.
- The value of exports from Houston to Vietnam rose over 40 percent in 2007, mainly due to a two-fold increase in heavy industrial and sophisticated computer equipment.
- The imported value of coffee, tea and spices rose nearly 75 percent in 2007.
- The value of optic, photographic, medical and surgical Instruments exported to Vietnam from Houston more than doubled in 2007.

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