

How USAID Supports Vietnam's International Integration and Institutional Reform through Integrated Development Objective of Economic Growth and Governance*

Introduction: Background/Context

In the mid-1980s Vietnam introduced *Doi Moi*, an "open door" or renovation policy. It has transformed Vietnam's economy from a centrally-planned model to a market oriented to become one of Asia's fastest-growing economies. As a complement to its economic reform agenda, Vietnam is taking steps to ensure that all citizens understand their rights and responsibilities as prescribed by Vietnamese laws and regulations, and to promote greater transparency, accountability, and citizen participation in public decision-making process.

Following the conclusion of the United States (US) - Vietnam Bilateral Trade Agreement (BTA) in 2000, USAID technical assistance was initiated in Vietnam in 2001. Over the past 15 years, economic growth and governance have always been one of the highest policy priorities for the US Government (USG) in Vietnam and USAID has assisted Vietnam by supporting the reform efforts of Government of Vietnam (GVN) agencies, professional associations, and mass organizations through its technical assistance projects. The Support for Trade Acceleration (STAR I, II and Plus: 2001 - 2013) and the Governance for Inclusive Growth (GIG: 2013 - 2018) have become the main vehicles to support Vietnam in its economic development process.

Given the special relationship between the United States and Vietnam, USAID has adopted the integrated approach in its technical assistance projects to achieve greater impacts. Integrated development is an intentional approach that links the design, delivery, and evaluation of programs across disciplines and sectors to produce an amplified lasting impact on people's lives. Integrated development has harmonized the strategic direction of the USG long-term goal in Vietnam and the GVN's international commitment for development: it is robust economic growth and good governance. Although the early STAR projects were primarily focused on trade assistance and governance support through trade activities, the current GIG project has the opportunities to be focused additionally (or in a greater way) on governance issues unrelated to economic governance.

During the implementation of the STAR and GIG projects, USAID/Vietnam has ensured that progress toward the set development objectives is guided by both consistency and flexibility. Through regular reviews, analyses, consultations and assessments, the Mission has tried to apply the best practices to yield the most effective course of action. This may be considered an early form of the current Collaborating, Learning and Adapting (CLA) tool, an approach to leveraging the resources of relevant stakeholders in Vietnam to gradually facilitate local participation and promoting country-led development.

USAID's Technical Assistance Aligns with Vietnam's Development

2001 – 2006: Dramatic Economic Transformation and Initial Opportunities for Governance Reform

In 2000, the Vietnamese economy was struggling to recover from the effects of the Asian financial crisis, which significantly slowed exports and reduced foreign investment. Trade with the United States was almost nonexistent. It became apparent to most of Vietnam's leaders that a shift to a market-oriented economy was necessary. In 2000, the United States and Vietnam concluded the BTA, a modern trade agreement that goes far beyond traditional tariff and border policies, requiring Vietnam to make major reforms in many aspects of trade-in goods and services, intellectual property rights protection, development of investment relations, trade facilitation, transparency, and the right to appeal administrative decisions. As about 65 percent of BTA's requirements overlapped with the World Trade Organization (WTO) requirements, BTA became a stepping stone to Vietnam's WTO accession and full integration into the global economy.

During the BTA negotiation process, the GVN requested the USG to provide technical assistance to help Vietnam meet the BTA requirements. Upon the BTA conclusion, USAID, the US Embassy in Vietnam, and the Office of the United States Trade Representative (USTR) worked jointly to design a mechanism for delivering technical assistance – the Support for Trade Acceleration Project (STAR). Launched in December 2001 and completed in February 2007, STAR I focused on legal reform on a massive scale. Virtually every law and regulation

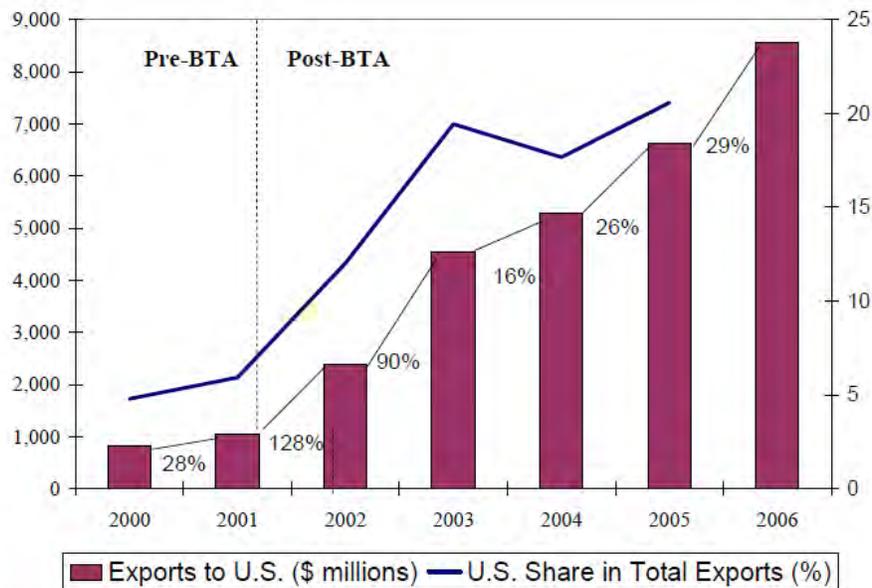
governing every commerce and judiciary related process was rewritten or developed from scratch with the support from STAR I.

In the first several years following the coming into force of the BTA, Vietnam's export structure shifted to be more consistent with its comparative advantage – labor intensive manufacturing. The rapid growth of Vietnamese exports to the United States not only created a significant number of jobs but also helped Vietnamese products become more competitive in other very competitive markets like Europe and Japan. In parallel with supporting Vietnam in developing its legal and regulatory framework, STAR I worked closely with counterparts to conduct widely publicized research reports that documented the beneficial results of BTA implementation. STAR I provided tailored support, including detailed legal comments on multiple drafts, to help rewrite or develop almost 100 laws and regulations, the majority of which were adopted by the project close-out in February 2007. In parallel, following the crucial amendment to the Law on Laws in 2002, publication of newly issued laws and regulations in the *Official Gazette*, the equivalent of the US Federal Register, skyrocketed from an average of four issues per month in 2002, to almost 20 issues per month in 2003, to nearly 50 issues per month in 2006. STAR I also supported counterparts in the organization with about 290 seminars and workshops for approximately 20,400 state officials and business leaders to promote reform, to enhance understanding of BTA and WTO requirements, and to provide training to improve enforcement of the new laws and regulations.

The report “*Assessment of the Five-Year Impact of the U.S.-Vietnam Bilateral Trade Agreement on Vietnam's Trade, Investment, and Economic Structure*” conducted by STAR I in mid-2006 and completed in early 2007 shows the bilateral trade between the two countries rose significantly in only five years following the BTA conclusion. Vietnam's exports to the United States reached almost \$9 billion in 2006 from less than \$1 billion in 2000. Likewise, US exports to Vietnam also grew rapidly after the BTA, increasing from \$367 million in 2000 to \$1.1 billion in 2006. The assessment not only analyzed the benefits brought about by the BTA but also presented the challenges that Vietnam had to deal with in the process of international integration. The findings and recommendations of the assessment served as the basis for the STAR I follow-on project – STAR II.

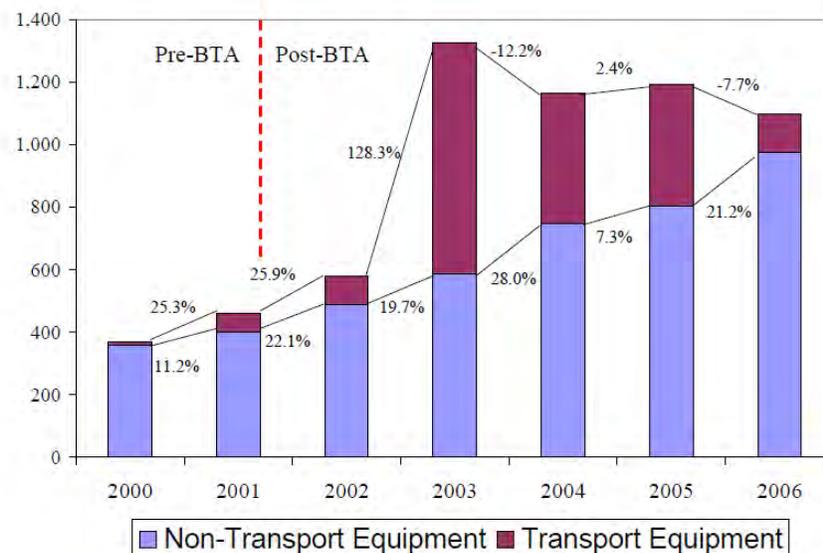
The successful implementation of the BTA provided a strong foundation for advancing negotiations for Vietnam’s WTO accession. In 2007 Vietnam was acceded to the WTO as a result of almost universal support from WTO members.

Figure 1: Values (\$ million), rates of growth (percentage), and shares in total exports (percentage) of Vietnam’s exports to the United States, 2000 - 2006



Source: US International Trade Commission, Trade Database (online: www.usitc.gov)

Figure 2: Values (\$ million) and rates of growth (percentage) of US exports to Vietnam, 2000 - 2006



Source: US International Trade Commission, Trade Database (online: www.usitc.gov)

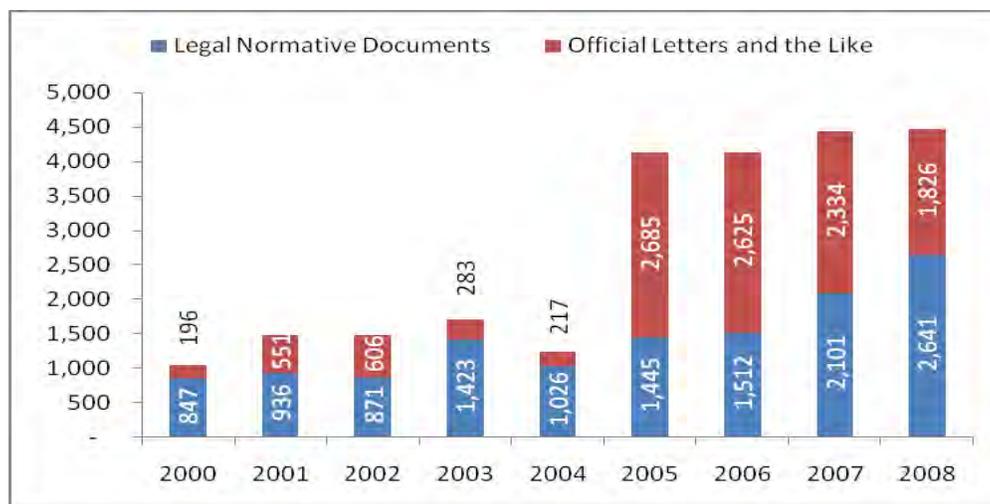
2006 – 2013: Continued Economic Transformation and Governance Reform

In September 2006, USAID launched STAR II (September 2006 – October 2010) to continue the legal and regulatory reform which were begun under STAR I, but also to build the capacity needed in selected institutions to enable Vietnam to compete effectively in a post-WTO accession environment. Initially, the focus of STAR II was BTA and WTO, but it was later broadened to include the Trade Investment Framework Agreement (TIFA) negotiation program used by USTR and other regional free trade agreements (FTAs) involving Vietnam and the United States that might be negotiated in the future. The GVN counterparts also requested stronger technical assistance to address a wide range of policy challenges related to Vietnam's integration into the global economy such as enhanced governance, sustainable and equitable economic growth, and improved human capital. STAR II played an instrumental role in the development of about 75 laws and regulations related to trade liberalization, including legislation related to chemical production, telecommunications, food safety, plant protection, credit institutions, labor, consumer protection, competition, retail distribution, taxes, arbitration, and public investment equitization of state-owned enterprises. STAR II efforts related to sanitary and phytosanitary (SPS) issues resulted in a formal agreement to open Vietnam's borders to trade in potatoes, apples, and certain other US-grown crops and opened the US markets to Vietnamese exports of dragon fruit. STAR II's technical assistance in the Food Safety Law, the Animal Health Law, and the Plant Protection Law played a critical role in facilitating US agricultural exports to Vietnam valued at over \$1 billion per year.

International commitments made at the national level are of limited value in facilitating trade if there is little or no understanding of global economic integration at the local level. To address this issue, STAR II worked with the Ho Chi Minh Academy for Political and Administrative Development (HCMA), the Communist Party's principal training institution and policy research body, to train approximately 1,000 faculty members on the fundamentals of WTO and international trade. Because every government employee must undergo training at one of the Academy's six main campuses or 63 provincial schools, the collaboration between STAR II and HCMA had a great impact in capacity building for local government leaders.

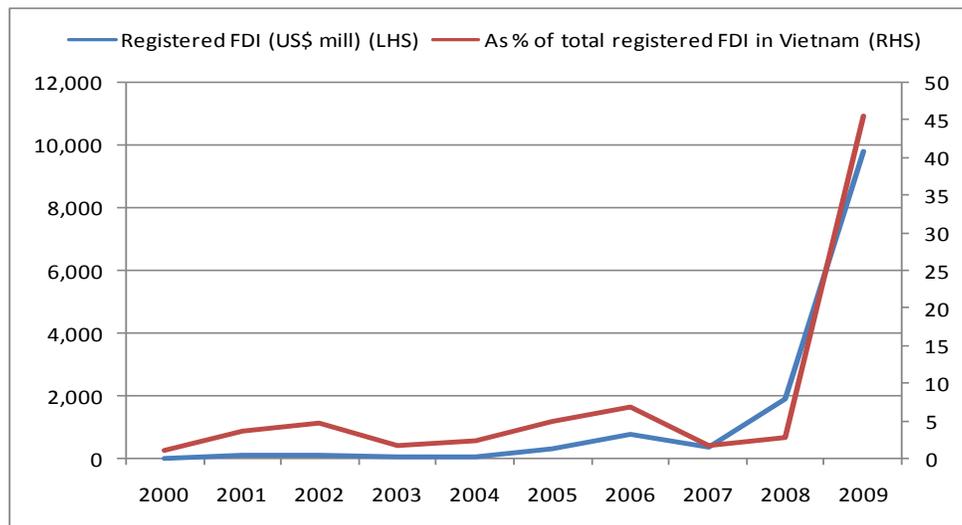
With assistance from STAR II, the National Assembly adopted a new requirement for draft laws and regulations that went far beyond what the Ministry of Justice (MOJ) recommended in transforming the lawmaking process. All draft laws and regulations are now subjected to a mandatory minimum public consultation process of 60 days in which anyone may provide their views, recommendations, or suggested changes. This was a major success story under STAR II for demonstrating how economic issues could be used to improve overall governance practices. Draft laws are no longer written behind closed doors without the input from stakeholders. Following the passage of this new requirement, STAR II provided extensive training to ministries and the National Assembly on how to solicit public comments and how to deal with the comments that are received.

Figure 3: Number of legal normative documents and official letters issued, 2000 - 2008



Source: The Vietnam General Statistics Office

The judicial system in Vietnam faced a number of daunting challenges. STAR II helped restructure the judicial system by: training judges so they were equipped with the specialized knowledge needed to rule in complex trade and intellectual property cases; creating a system of regional courts; managing caseloads, especially the number of cases coming to the Supreme People's Court; and ensuring that the rights of the accused were protected.

Figure 4: US investment in Vietnam, 2000 - 2009

Source: The Vietnam General Statistics Office

To support the GVN's efforts to further integrate Vietnam into the global economy, USAID launched the STAR Plus program, which ran from September 2010 to August 2013. There was a two-month overlap between STAR II and STAR Plus to ensure the continuity of USAID assistance. The goal of STAR Plus was "broad-based economic growth sustained through increased international trade and foreign investment." While many factors influenced macroeconomic trends during the implementation period of STAR Plus, Vietnam made excellent progress towards achieving the stated program goal. According to the US Department of Commerce, US-Vietnam bilateral trade in goods increased from \$18.6 billion in 2010 to more than \$27 billion by the end of 2013. In spite of a worldwide recession, foreign direct investment (FDI) remained constant at approximately \$10 billion per year. Vietnam's gross domestic product (GDP) grew steadily, but more slowly, from 6.8 percent in 2010 to 5.0 percent in 2012. While the rate of growth slowed somewhat, Vietnam was still in the top 50 countries in the world in terms of GDP growth rate.

STAR Plus technical assistance resulted in significant results during this period of time. The project increased the transparency with the *E-Official Gazettes* at both the provincial and national levels that gave the public access to information to an extent that had been unimaginable

a decade earlier. Pilot efforts to codify legal normative documents dramatically increased certainty regarding which laws and regulations were in effect and demonstrated an approach and developed tools that could be used by all ministries to replicate the dramatic results achieved so far. With that success and in the same spirit, the GVN issued a decree requiring all ministries to codify their legal normative documents, setting into motion one of the most transformative reform efforts in recent history.

STAR Plus played an important role in generating support for the Trans-Pacific Partnership (TPP) among policymakers, National Assembly Deputies, the business community, and the general public. STAR Plus undertook specialized technical assistance on issues such as the environment, investment, technical barriers to trade, regulatory coherence, government procurement, intellectual property rights, investor-state disputes, the apparel and textile industry, and rules of origin to play a constructive role in facilitating the negotiation process through an improved understanding of these issues in the Vietnamese context by both the US and the Vietnamese sides.

USAID's Economic Growth and Trade (EGAT) Bureau conducted a performance evaluation of STAR I and II projects in early 2011 to evaluate the effectiveness of USAID's support and ventured a look forward into follow-on USAID technical assistance in Vietnam, including STAR Plus that was just started a few months earlier and the long-term recommendations for future programming. The evaluation report commended STAR Plus' efforts to apply the broad activity span of previous STAR projects to maintain the advantage of redirecting its technical assistance resources to the most promising activities. The report also recommended that STAR Plus and the follow-on project's portfolios should evolve to include more implementation activities and move in the direction of facilitating systemic change and institution building.

USAID's Regional Office of Inspector General (RIG) later conducted a performance audit of STAR Plus in early 2013 to assist the USAID/Vietnam Mission in improving the efficiency and effectiveness of its project. The recommendations of the audit report mainly focused on Monitoring and Evaluation (M&E) of STAR Plus. RIG recommended that USAID/Vietnam

review the project's indicators and establish appropriate custom indicators that would capture the project activities adequately and allow the Mission to track progress. USAID/Vietnam's Economic Growth Office (EGO) worked with DAI, the contractor of STAR Plus project, to establish five more custom indicators to better capture the results of the project's activities. The RIG audit also recommended that USAID/Vietnam perform data quality assessments (DQA) that identified the contractor's source of reported results, analysis of calculations, completeness of data, and document the results. USAID/Vietnam EGO conducted the DQA for both the existing indicators and the new custom indicators. The DQA package was carefully reviewed and approved by the USAID/Vietnam Program Development Office in due course.

Table 1: STAR Plus indicator reporting, FY 2011 – FY 2013

Area	Element	ID#	Indicator	FY 2012 Results	FY 2013 Target	Actual FY 2013
Mission Objective 1 Indicator		2.2.2-6	Number of training days provided to executive branch personnel with U.S. Government assistance	73	50	50
Macro-economic Foundation for Growth	Monetary Policy	4.1.2-12	Number of days of U.S. Government-supported technical assistance in monetary policy provided to counterparts or stakeholders	121	50	25
	Fiscal Policy	4.1.1-15	Number of days of U.S. Government-supported technical assistance in fiscal policy and fiscal administration provided to counterparts or stakeholders	57	30	63.375
Financial Sector	Financial Sector Enabling Environment	4.3.1-12	Number of days of U.S. Government-funded technical assistance in financial sector enabling environment provided to counterparts or stakeholders	87	50	0
Rule of Law and Human Rights	Judicial Independence	2.1.2-7	Number of judges and judicial personnel trained with U.S. Government assistance — Number of men — Number of women	215 (133 men, 82 women)	270 (160 men, 110 women)	0
Good Governance	Legislative Functions and Processes	Custom	Number of initiatives that enhance good governance	14	6	7
		Custom	Number of days of U.S. Government-funded technical assistance in competitive governance provided to counterparts or stakeholders	228	38	36
Trade and Investment	Trade and Investment Enabling	Custom	The trade volume handled by a customs officer (US\$, in millions)	19	21	20.5
		Custom	The decrease of software piracy rate	81	80	NA

		(%)			
	Custom	Number of improvements on TPP negotiation of Vietnam attributable to U.S.G.-funded technical assistance	NA	4	4
	Custom	Number of days of U.S. Government-funded technical assistance in effective trade agreement negotiation and implementation	263	112	149.425

The findings and recommendations of the STAR I and STAR II performance evaluation report and the STAR Plus performance audit report were taken into consideration when USAID/Vietnam designed a follow-on project for the period of 2014 - 2018.

2014 – Present: Strengthened Reform for Sustainable and Inclusive Development

Driven by USAID’s 2014-2018 Country Development Cooperation Strategy (CDCS) for Vietnam, today the Governance for Inclusive Growth Project (GIG) is USAID’s primary vehicle of partnership with the public and private sectors in Vietnam to enhance governance that is expected to facilitate broader-based growth, with an emphasis on the legal framework and systems for accountability. GIG, which was launched in late 2013 and will run through late 2018, works in close coordination with GVN counterparts to identify challenges, strengthens public consultations and engagement, and improves capacity for legal drafting, review, enactment, and implementation. This work focuses on increasing trade and investment in Vietnam, especially in preparing for and implementing the TPP, and enhancing private sector capacity and competitiveness via the WTO Trade Facilitation Agreement (TFA), and the GVN’s Resolution 19 to improve the business environment and the national competitiveness.

GIG was designed in a different context than STAR I, STAR II or STAR Plus. After almost 30 years of *Doi Moi*, the Vietnamese economy was rather open and integrated into global markets. Through three phases of STAR projects, USAID assistance became critical to Vietnam and USAID was among a few donors with a long term commitment to Vietnam. In spite of remarkable economic achievements, Vietnam continued to face significant challenges, including poor regulation, widespread corruption and low accountability, and limited human and institutional capacity. Rapid economic growth over almost three decades had empowered the

Vietnamese citizens to seek greater government responsiveness. Low quality governance was viewed to be a significant constraint to long term growth in Vietnam.

The GIG scope of work is much broader than the STAR projects. Its mandates are not only to improve the legal and regulatory framework through dynamic and inclusive policymaking processes as well as to enhance accountability of public institutions, but also to strengthen the inclusion of groups that have historically not had equality of rights or opportunities. While governance was imbedded in the economic growth objectives of the previous STAR projects, it is now the prominent focus of all GIG activities. Accordingly, GIG Monitoring and Evaluation (M&E) performance indicators have been established to include both standard and custom ones to reflect the project's operation in both economic growth and governance.

GIG Component 1 indicator reporting

#	Indicator Title	Indicator Type (standard/custom)	Year 1 Target	Year 1 Result	Year 2 Target	Year 2 Result
1	1.1.1. Number of policies/laws/regulations/procedures drafted, revised, and/or adopted to enhance governance and/or facilitate private sector participation and competitive markets as a result of GIG assistance	Custom	0	4	10	29
2	1.2.1. Number of GIG- assisted activities to enhance policy development process	Custom	5	11	7	12
3	1.3.1. Number of evidence-based policy analyses conducted with GIG support	Custom	1	3	10	14
4	1.3.2. Number of information systems established or substantially upgraded with GIG support	Custom	0	0	2	2
5	1.4.1 Number of sections codified and/or systemized conducted with GIG assistance	Custom	0	0	5	3
6	1.5.1. Number of GIG-supported public consultation events to improve Vietnam's legal and regulatory framework	Custom	3	5	20	24

The latitude of the newly concluded TPP agreement between Vietnam, the United States and 10 other countries offers enormous potential as well as significant needs for further improving Vietnam's legal and regulatory framework and the capacity of GVN agencies. (It should be mentioned that the GIG project was designed anticipating that TPP would be signed, but it did not know the details of how the agreement would turn out, so at this time USAID/Vietnam was trying to make changes to activities in order to address the newly identified trade assistance needs). In addition to the activities that directly address TPP preparation or expected aspects of implementation, GIG is looking for ways to align our development assistance efforts with the provisions and benefits of the TPP vis-à-vis the objectives of greater and more inclusive growth. In addition to the TPP, trade facilitation is a priority area with the implementation of the WTO TFA commitments and Resolution 19 targets for improving the business environment and national competitiveness.

As Vietnam continues to transition from central planning to a market economy, it needs to tackle core structural and institutional challenges. To strengthen the accountability of public institutions, Vietnam must modernize, strengthen, and develop public institutions such as the National Assembly and ministries. GIG's efforts seek ways to strengthen the National Assembly's oversight role, promote sound public financial management and analysis with the Ministry of Finance, and support relevant ministries to increase transparency in the policy- and law-making processes. GIG works in close coordination with GVN counterparts to improve the accountability of public institutions while focusing on improving implementation, oversight, evaluation, and engagement.

GIG is the first USAID/Vietnam project that has integrated issues facing women, ethnic minorities, the poor, Lesbian-Gay-Bisexual-Transgender-Intersex (LGBTI) people, and other disadvantaged groups into its technical activities and results. With the support from GIG, MOJ partially or fully adopted almost 20 articles proposed to the draft Civil Code, focusing on protecting the rights of vulnerable groups including women, ethnic minorities, LGBTI community, cooperatives, small and medium enterprises (SMEs) and cooperatives. Transgender rights also became prominent and recognized in the draft Civil Code. The engagement of transgender people into different law making processes of the Civil Code empowered this target

group to become self-confident and expand their initiatives to engage families and society into different movements to fight against discrimination. Through these efforts, GIG helps institutionalize active roles for CSOs, private associations, and citizen groups in policymaking and governance in Vietnam. GIG works on reducing barriers to conducting business in Vietnam at both the central and provincial levels, where it is often felt most by SMEs, especially those led by women and ethnic minorities. Such improvements will support the participation of SMEs, which comprise 94 percent of Vietnam's private sector, in TPP markets and those of other countries with whom Vietnam has free trade agreements.

Photos 1 and 2: GIG illustrative activities



GIG opens many forums for private sector and civil society to voice up their concerns, expectations, and recommendations

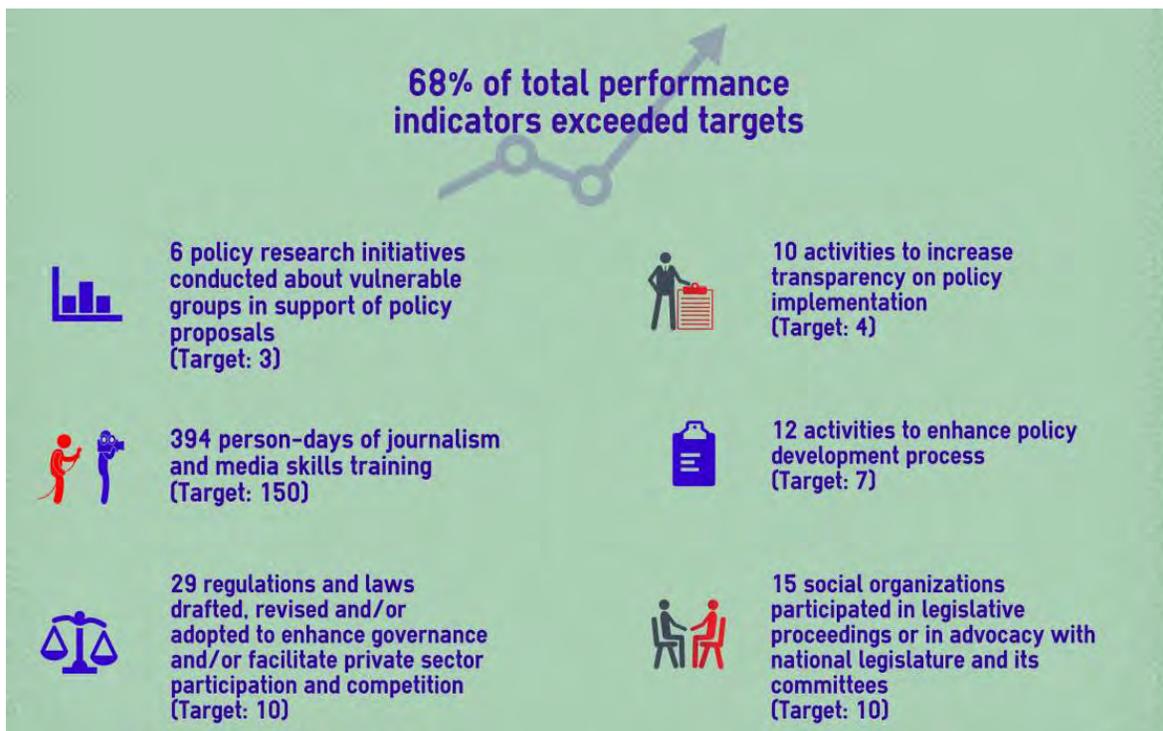


GIG provides training workshops for journalists in analyzing policy implementation and reporting legal news

With the GIG support, the GVN strengthened the implementation of Resolution 19 to improve Vietnam's business environment and enhance national competitiveness, supporting a dynamic and inclusive policy-making process – a critical step in aligning Vietnamese business practices with international standards. Awareness of improving business environment at various levels of leaders (government, ministry and province) has been increased dramatically. Positive progress in the areas of tax, customs, social insurance, starting a business, and getting electricity have been observed. GIG also facilitated the collaboration between the American Chamber of Commerce (AmCham) and the Vietnam Chamber of Commerce and Industry (VCCI) to establish the Vietnam Trade Facilitation Alliance (VTFA), which supports the implementation of FTAs and aims to improve competitiveness of Vietnam's domestic and foreign companies

through a more predictable and transparent business enabling environment. The GIG project tried to engage relevant stakeholders in the development of the Law on Laws, which the National Assembly passed in June 2015. This law is critical for Vietnam and is foundational for the GIG project's objectives as it governs how laws and rules are made throughout the country. At the end of Year 2 (FY 2015), 68 percent of GIG's total performance indicators exceeded their targets.

Figure 5: GIG Year 2 performance highlights



Achievements and Lessons Learned

There have been many achievements and lessons learned over the past 15 years of development assistance cooperation between the United States and Vietnam. These include:

1. **Taking an Integrated Approach:** USAID applies integrated approach in its technical assistance activities in Vietnam as the USAID projects work on many reforms that could have raised political sensitiveness in some cases if they had not been handled cautiously.

2. **Adapting to changing conditions:** USAID projects are designed with the stated goals and objectives but are rather flexible in their implementation. Apart from the core part that accounts for 70 to 80 percent of the projects' activities, the remaining percentage is set aside for *ad hoc* activities that come from the urgent requests from both USG and GVN agencies. This mechanism makes USAID projects the venue of new initiatives of both governments.
3. **Managing the Public Profile:** USAID projects kept a low profile but had deep expertise at the beginning. We did not set up a webpage nor initiate contacts with the press. We kept our legal comments confidential to our Vietnamese counterparts; we only distributed them more broadly when given approval by the relevant GVN and USG counterparts. Over time, there was a desire by the USG to promote the positive results of USAID technical assistance activities, and the GVN agencies also found it useful to promote STAR's activities more publicly. In the end, a good balance was developed: with minimal self-promotion, STAR became well known in Vietnam and among USG agencies and businesses, primarily through many of its substantive initiatives recognized by the government, and by relevant stakeholders in both Vietnam and the United States.
4. **Respecting Local Ownership:** The Mission has taken the stance that GVN agencies, not the USAID project, conduct reform efforts. Local ownership ensures that our counterparts are fully committed to the particular activity and value the assistance provided. This is in sharp contrast to many other donors' projects where the donor has preconceived ideas about the solution to a donor-identified problem and attempts to impose its will on the counterpart.
5. **Developing Mutual Trust:** The mutual trust and respect built up over 15 years of cooperation is one of USAID's greatest assets and gives our projects unprecedented access to GVN agencies and officials. This, in turn, has provided facilitated the follow-on activities, greatly enhancing their effectiveness.

6. **Providing High Quality Expertise:** USAID projects are well known for their world class experts and international best practices. These are the real value-added qualities that our Vietnamese counterparts have desired.
7. **Having a High-level Joint Coordination Mechanism:** USAID and the Ministry of Planning and Investment, the GVN focal point for foreign assistance, could have worked together on an implementation document of the 2005 Agreement for Economic and Technical Cooperation to elaborate the joint principles of cooperation, which would have facilitated easier project registration and implementation processes. Given that no such agreement was ever signed at that point, today each project in Vietnam has to go through a time-consuming and cumbersome process to get registered before having any activities implemented. We may take the opportunity of upcoming mid-term CDCS stocktaking to revisit this issue.

Future Outlook and the Potential for a Stronger Partnership

Relations between the United States and Vietnam are now at a historic height following the announcement of the U.S.-Vietnam Comprehensive Partnership in 2013 and the celebration of 20 years of diplomatic relations in 2015. President Obama's visit to Vietnam in May 2016 has strengthened this positive momentum and both sides agree to place development cooperation at the center of bilateral ties.

The United States and Vietnam have great potential for stronger partnership in the upcoming years. Below are some of the areas that both sides can do more to build an enduring and comprehensive partnership:

1. **Broaden and Deepen the Economic Relationship to Build a Sustainable Foundation for the Future:** Full compliance with the TPP agreement will create a lot of opportunities for businesses in the two countries. The TPP agreement is also expected to stimulate further institutional reform in Vietnam. Thus, it is important to strengthen USAID technical assistance for Vietnam's effective TPP implementation.

2. **Address the War Legacy Issues that Have Been Partly Resolved but Are Still Deeply Sensitive:** It is important to strengthen bilateral cooperation on locating and identifying the American and Vietnamese service members missing in action, recovering soldier remains, and cleaning up Agent Orange environmental degradation in Vietnam.

3. **Evolve from Dialogue to Tangible Cooperation in More Areas to Forge Stronger Government and People-to-People Ties:** More technical assistance in such areas as environment, labor, science-technology-innovation-partnership (STIP) programs, and vocational training will be much needed for Vietnam.

* The paper uses data and information from the annual/final reports of STAR I, STAR II, STAR Plus and GIG projects, and some other reports of USAID/Vietnam.