

**AGREED MINUTES
OF THE 4TH CONSULTATIVE MEETING ON THE IMPLEMENTATION
OF**

THE VIET NAM - U.S. MARITIME TRANSPORT AGREEMENT

**July 11, 2018
Ha Noi, Viet Nam**

In July 2018, representatives from the Viet Nam Maritime Administration, the International Cooperation Department of Ministry of Transport, and the Viet Nam Inland Waterways Administration, hosted a United States Government delegation including the Department of Transportation Maritime Administration (MARAD), Department of State, and U.S. Coast Guard. The Honorable Maritime Administrator Mark H. Buzby led the United States delegation. The Honorable Mr. Nguyen Xuan Sang, Administrator, led the Viet Nam delegation and hosted the meeting at the Viet Nam Maritime Administration (VINAMARINE). Delegation lists are attached.

Administrator Nguyen Xuan Sang and Deputy Administrator Bui Thien Thu extended a warm welcome to the U.S. delegation. Administrator Nguyen Xuan Sang cited significant advances in the United States-Viet Nam bilateral relationship since the Washington, DC, meeting in 2015 and during the past two decades. The Administrator welcomed the opportunity to further engage and discuss maritime issues that are critical to both parties. Maritime Administrator Buzby expressed thanks and gratitude to Viet Nam for hosting the meeting. He noted that this meeting presented an opportunity to further develop and strengthen ties and explore opportunities to collaborate and exchange views on critical maritime challenges.

The Maritime Bilateral Discussions in Ha Noi focused on key maritime issues and new strategic priorities to achieve mutual goals. The topics of discussion included port infrastructure investment and development; maritime security and safety, maritime industry opportunities, ballast water management; joint ventures; mariner workforce and training; and counter-piracy operations.

The meeting began with a review of the implementation of the bilateral agreement and summary of the past bilateral meetings. The Vietnamese representatives presented general information on their country's maritime industry and

shipbuilding master plan and provided an overview of the Viet Nam seaport system, including the development of the new Hai Phong International Container Terminal at the Lach Huyen Area. The U.S. representatives gave an overview and update on the status of the U.S. National Maritime Transportation Strategy, which will serve as the overarching blueprint to inform the U.S. Congress, Federal departments, and industry of actionable items necessary to invigorate and chart a sustainable course for the maritime industry.

Both delegations also discussed the importance of inland waterway transport and intermodal connectivity. Connectivity between inland waterway and international seaports is very important and investment is critical. The Vietnamese side explained that there are two separate Administrations responsible for maritime and inland waterway activities, ie. Viet Nam Maritime Administration and Viet Nam Inland Waterway Administration, respectively. The United States provided an overview of the U.S. Marine Highway and Port Talk programs for inland waterways development and infrastructure investment.

The Vietnamese representatives expressed the strong interest in extending current seafarer crew visas from one year to two years. The United States recalled that current visa discussions are taking place on a broad basis and that the United States sets visa terms on the basis of reciprocity. In response to this interest, both delegations agreed to bring their interest in the issue to the attention of their visa authorities.

Both sides then moved to maritime safety and security. The U.S. Coast Guard (USCG) representative discussed the International Ship and Port Facility Security (ISPS) Code and stated that the United States and Viet Nam have conducted reciprocal port security inspection visits to assess the effectiveness of anti-terrorism measures maintained in its ports. The United States' most recent visit to ports in Viet Nam was in 2016, which determined that Viet Nam continues to substantially implement the ISPS Code in its ports. Viet Nam visited several U.S. ports including Buffalo, NY and Portland, ME in 2015. The USCG hopes that Viet Nam will visit more U.S. ports and invites Viet Nam to share its port security inspection findings to ensure continual process improvements in port security. The Vietnamese representatives indicated that 300 of their country's port facilities have been inspected and have ISPS certificates. The USCG indicated that the USCG could assist in ISPS training for port security inspections. Any request for ISPS training should be made when the next U.S. Coast Guard reciprocal visit to Viet Nam is made in November 2018. Anti-piracy operations are also important to both countries. Both delegations expressed concern over the risk of piracy and the importance of the Regional Cooperation Agreement on Combating Piracy and

Armed Robbery Against Ships in Asia (ReCAAP) and its Information Sharing Center. The USCG provided a presentation on piracy and MARAD discussed their notification and alert system for mariners on piracy incidents.

Port ownership and joint ventures were then discussed. Viet Nam provided a presentation on port ownership in Viet Nam. Ports in the South of Viet Nam account for 47% total cargo and 62% container volume. Viet Nam provided information on foreign investment in Viet Nam ports through joint ventures, stock, and private ownership, in addition to state capital and state ownership. Corridor routes from the ports have been developed. These include all modes of transport, but focus on road transport. MARAD stated that the United States is turning more to on-dock rail for movement of freight inland. The United States also promotes Marine Highways and the use of barges to move goods inland. MARAD stated that growth is coming, and that both countries recognize the need to prepare appropriate infrastructure to accommodate the anticipated increase.

Ballast Water management was subsequently discussed. The USCG stated that the United States is not a signatory to the Ballast Water Management Convention, but does have its own regulations on ballast water for ships entering the United States waters which are similar to IMO guidelines. The USCG discussed approved ballast water treatment systems and stated that the USCG is now in the compliance and enforcement phase. Viet Nam is not a party to the Ballast Water Management Convention, but will assess becoming a signatory in the future. VINAMARINE stated that ship owners have limited financial abilities for equipment installation. Viet Nam does not have technology to certify the systems and ships, and therefore, relies on other countries for certification.

Viet Nam Inland Waterways Administration (VIWA) provided an overview presentation about its role in Viet Nam. VIWA is seeking cooperation with the United States on several inland waterway matters. MARAD provided an overview of MARAD's Marine Highway and Strong Ports Programs and grants for the development of marine highways. The overarching goal through the National Maritime Transportation Strategy is to connect transportation systems to meet growing U.S. freight requirements. Mariner Training was discussed and MARAD provided an overview of the Federal U.S. Merchant Marine Academy and the State Maritime Academies. The United States currently has around 12,000 licensed mariners, but needs many more for sustained operations for national security or humanitarian relief efforts.

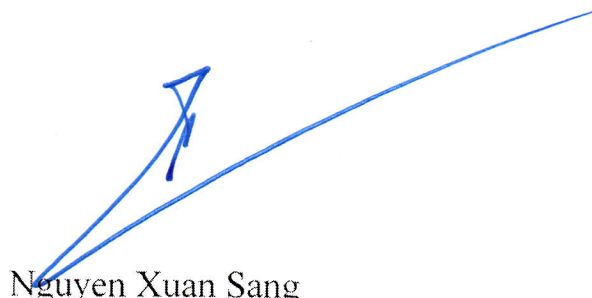
At the conclusion of the meeting, both countries thanked each other for a

productive discussion and committed to continuing the dialogue to advance mutually agreed maritime development priorities. The Vietnamese representatives stated that they seek continued cooperation and made a request to the USCG for ballast water management training. The State Department noted the high international business standards, transparency, and local capacity building that accompany U.S. private sector infrastructure projects. The Vietnamese delegation stated that they would be interested in U.S. private sector investment and would provide a list of maritime and related infrastructure projects in Viet Nam for consideration for U.S. private sector business opportunities. Both countries agreed to endeavor to meet again in 2019. The delegations agreed to continue the Maritime Transport Agreement with no proposed changes or amendments.

Done in Ha Noi, Viet Nam, July 11, 2018.



Mark H. Buzby
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