

**INVESTOR FEEDBACK**  
**Intervention for Vietnam Business Forum**  
**Hanoi 2<sup>nd</sup> June 2008**

Government leaders, business representatives, ladies and gentlemen, The Nordic Chamber of Commerce – Nordcham, appreciate this opportunity to share its views on the business climate in Vietnam.

Being a smaller business group we would like to share our view on a few specific areas which Nordic investors focus on.

**Environment:**

Our Nordic countries are leading in promoting environmentally friendly energy, and follow strict rules on industrial waster treatment, reduction of CO<sub>2</sub> release, and oil-pollution. Vietnam having many beautiful natural and tourist friendly areas, it is important to preserve this nature and to exercise caution on new industrial development that could disturb this nature. Vietnam today attracts many investors, and we recommend that you use this opportunity to be selective, and choose only those that accept to work with the highest standard of environmental protection in place.

**Safety:**

As a direct consequence of Vietnam's increasing output within the industrial sector the number of unrecorded accidents, and even fatalities, in Vietnam is going up dramatically. Some of the more obvious reasons have been identified as lack of awareness amongst employers as well as employees as well as too little focus on training and investment in protective equipment. Equally important is also the inadequate enforcement of safety rules and regulations by Government Safety Inspectors.

Occupational Health and Safety has for decades been an important component of good corporate Governance in all Scandinavian countries. The legal framework is strict and forces employers to ensure proper training is conducted and working conditions are safe with the proper protective equipment deployed in all relevant fields of business. Nordcham believes too little attention is given to this serious matter both on the part of the individual businesses but also by the Government. With increased awareness at all levels through Government run campaigns but also stricter and more effective inspection and fine mechanisms Vietnam should set very specific targets for improving its overall occupational health and safety records.

**Logistic/Transport/Port situation:**

Many of our member companies have experienced great problems due to increased transport and logistic cost as a result of port congestion and lack of handling capacity in the major Vietnamese ports. In order for Vietnam to remain competitive compared with its neighboring countries it is important to improve the cargo handling capacity and cost.

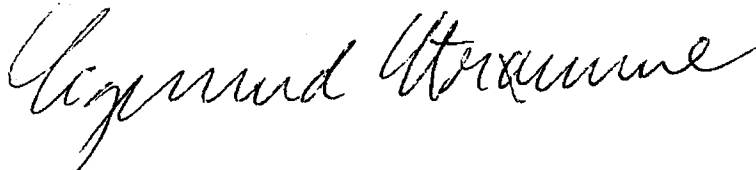
Present ports need to be improved and new ports need to be built, this applies both for container terminals and bulk-steel cargoes. The master plan made for the relocation of the HCMC ports is a good first step. However as the current cap on foreign shareholding is often limited to 49% this does not make such investment attractive for large professional foreign investment in this sector. We would recommend that the policy is eased to allow at least 70% foreign shareholding in larger port investment projects, which is needed for continuous development of Vietnam's export industry.

From Nordcham's perspective, our members are enthusiastic about their investment in Vietnam, and the majority of these companies are looking forward to grow their business here.

We appreciate this opportunity to participate in the Vietnam Business Forum and thank for this opportunity to exchange views and enhance understanding between the Government of Vietnam and the business community.

We wish good health to the Minister, representatives of business associations, and the diplomatic corps, and all the representatives here today.

Thank you.

A handwritten signature in cursive script, reading "Sigmund Stroemme".

Sigmund Stroemme  
Chairman, Nordcham HCMC