



# Indochina Digest

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## TRADE/INVESTMENT

### Vietnam treasury bill sale a success

On 8 June, Vietnam held its first auction of domestic treasury bills [see *Digest*, 2 Jun]. The State Bank was able to sell 83.6 billion *dong* (US\$7.6 million) worth of the six-month bills, 39% more than the planned sale of 60 billion *dong* (US\$5.4 million). "It was successful because we managed to reduce the interest rate and the total sale was more than planned," said Phung Khac Ke, Director of the State Bank credit department. Thirty banks submitted sealed bids for the bills, including four foreign branches, France's Banque Francaise du Commerce Exterieur and Banque Indosuez, Britain's Standard Chartered Bank, and the US's Citibank. There were eight winning bidders, one state-owned commercial bank, two joint venture banks, one foreign bank, and four joint-stock banks, with a winning interest rate of 18% per year. The Bank of Foreign Trade of Vietnam (Vietcombank) won 60 billion *dong*, the Dai Nam joint-stock bank won 10 billion *dong*, VID Public Bank, a joint venture with Malaysia, won five billion *dong*, and Banque Indosuez won one billion *dong*. Vietnam hopes to sell 300 billion to 400 billion *dong* by the end of the year through T-bill auctions for general development spending.

### Vietnam updates

◆ **Exports increase** - During the first five months of 1995, exports increased by 46%, while the trade deficit fell by almost 50%. Exports brought in US\$1.835 billion, while imports cost US\$2.014 billion, leaving a trade deficit of US\$179 million. Vietnam plans to export US\$4.5 billion in crude oil, wood products and foodstuffs in 1995, while imports of petroleum products, consumer goods, and machinery are expected to cost US\$5.5 billion.

◆ **Pepper sales** - Vietnam recently sold 100 tons of black pepper at US\$2550 per ton to China. Black pepper export prices rose to US\$2470 per ton FOB at Saigon port, increasing from US\$2450 on May 22. Vietnam has shipped approximately 5000 tons of black pepper this year, including more than 1000 tons to China through border trade. It is expected to export 15,000 tons in 1995.

◆ **Sugar buys** - The first shipment of 12,000 tons of white sugar from Pakistan recently arrived in HCMC, bringing Vietnam's white sugar imports to 42,000 tons this year and total sugar imports to 82,000 tons. The import price of white sugar increased to US\$453 per ton from \$450 in early May. Vietnam needs to import a record of 140,000 tons of sugar this year, including 80,000 tons of raw sugar, an increase over the 105,000 tons imported in 1994. Vietnam estimates its 1995 white sugar production at 280,000 tons, and a sugar demand at 400,000 tons.

◆ **Car kit quotas questioned** - On 4 June, Vietnam Motors Corporation (VMC) announced that it will halt production unless the government lifts quotas on kit imports. VMC assembles Mazda, Kia and BMW saloons, and is nearing its 1995 quota of 1000 units. VMC, a joint venture whose majority partner is Columbian Motor Corp of the Philippines, planned to assemble 3000 cars this year. However, the government set an import quota of 2000 completely knocked-down (CKD) kits per year to encourage long-term local car parts production. Mekong Corp, which assembles imported four-wheel-drive kits and plans to produce 700 vehicles this year, also faces a production halt.

◆ **Tourism increase** - On 5 June, the *Vietnam News Agency* reported that the government approved a tourism master plan which envisages nine million foreign tourists in 2010, nine times more than last year. The plan also envisages 25 million domestic tourists by 2010, and covers investment in upgrading and building hotels, tourist sites, amusement parks, and priority areas for development. The master plan includes goals for the improvement of the environment and preservation of social and cultural traditions. Vietnam had one million foreign visitors and 3.5 million domestic tourists in 1994.

◆ **Banking news** - Korea's Shinhan Bank became the first South Korean bank to open a branch in Vietnam on 1 June, upgrading its HCMC representative office. On 30 May, Holland's ABN AMRO Bank NV announced it received permission to upgrade its representative office in Hanoi to a full branch. ABN AMRO opened a representative office in HCMC in 1993, and an office in Hanoi in 1994.

◆ **US exports** - On 7 June, WTC Industries, Inc. of Minneapolis, Minnesota announced it shipped its first container of water purification products to Vietnam. Also on 7 June, Barringer Technologies Inc of New Providence, New Jersey, announced it delivered its IONSCAN drug detection system to the customs department in Vietnam.

◆ **Refinery site backed** - On 2 June, the *Vietnam News* quoted Ho Si Thoang, head of PetroVietnam, as supporting a decision to locate Vietnam's first refinery at Dung Quat in central Vietnam [see *Digest*, 28 Apr]. Thoang acknowledged that the chosen site was far from the offshore oilfields further south. But Thoang said the selection of Dung Quat had "strategic meaning" and macroeconomic importance.

### Cambodia GSP exports increase

On 6 June, *Khmer Press Agency* reported that Cambodia exported US\$5.69 million worth of goods in the first five months of this year through the general system of preference (GSP). In May, Cambodia exported goods valued at US\$1.3 million, an increase of US\$960,000 over April.



## Laos power project

On 8 June, the Swedish-Swiss electromechanical group ABB announced it will supply power generation equipment worth US\$30 million to Theun Hinboun Hydro Power station south of Vientiane. The plant will produce 1600 Gwh/year when completed in 1998. Laos ordered two 105 MW generators, and control and monitoring equipment. ABB will install and commission the equipment and will train power station operators.

## VIETNAM

### Thai fishermen to be released

On 7 June, Thai Foreign Ministry spokesman Tinakorn Kanasute said Vietnam agreed to release 61 Thai fishermen and four trawlers that were captured during a clash between Vietnam and Thailand on 31 May [see *Digest*, 2 Jun]. "Thailand and Vietnam are working closely to facilitate the return of the 61 crewmen and four fishing trawlers," Tinakorn said. "This is a great development because both sides have agreed to avoid escalation of friction between our two countries." Two Vietnamese were killed and one wounded in the incident. When asked which side fired the first shot, Tinakorn responded: "We just want to bring back our men without blaming each other."

### Updates

◆ **Balancing the budget** - On 7 June, *Vietnam News* reported that Finance Minister Ho Te said the government hopes to achieve a balanced budget in 1995 by improving its system of tax collection. Te said that economic sections, especially the state enterprises, are delaying their tax payments. Te said the government will focus on tax collection, and will use all means possible to fight tax evasion. The government is planning to increase its spending by 27.4% this year. "Since the beginning of this year, the budget payment has increased compared with the same period in 1994, but at a rate that is not likely to ensure the fulfillment of the 1995 budget plan," Te said.

◆ **UNICEF report** - On 8 June, the UN Children's Fund (UNICEF) released its annual report, "The Progress of Nations." The report noted that despite having a per capita GNP of only US\$170, Vietnam has virtually eliminated severe vitamin A deficiency among its children. The report also noted that Vietnam immunized 93% of its children against measles in 1993, a higher percentage than the economically more powerful countries of Germany (70%) and Japan (69%).

◆ **Interest rates not cut** - On 2 June, the State Bank canceled its order to commercial banks to cut short term interest rates [see *Digest*, 2 Jun]. The lending rate will remain at 2.1% per month, or an annual 28.3%. An article in *Vietnam News* gave no explanation why the reduction order was rescinded.

◆ **Japan aid** - On 9 June, Japan signed agreements to provide Vietnam with US\$25.7 million in aid. Japan will contribute US\$22.9 million to upgrade fishing port facilities at Vung Tau, the second phase of an improvement program which began in March. Japan will also donate US\$2.8 million to Vietnam's polio vaccination campaign.

◆ **ADB power loan** - On 9 June, the Asian Development Bank (ADB) said it approved a US\$80 million loan to expand and rehabilitate power distribution systems in Hanoi, Haiphong, and Nam Dinh. The ADB also approved two technical assistance grants totaling US\$1.4 million to improve the financial management of power firms and provide training in distribution.

◆ **Unemployment increase** - A recent survey conducted by the Ministry of Labor, War Invalids and Social Action indicates that the unemployment rate has increased to an average of 6% in urban areas. The unemployment rate in Hanoi is 7.25%, in HCMC 7.26%, and Haiphong 6.22%.

◆ **US editors delegation** - A delegation of editors organized by the American Society of Newspaper Editors recently visited Vietnam. On 29 May, the delegation met with retired General Vo Nguyen Giap. Regarding US-Vietnam relations, Giap told the group: "Just put aside obstacles, the obstacles that are insignificant, and normalize relations soon."

◆ **Drug trafficker nabbed** - A Singapore national was recently arrested at Tan Son Nhut airport in HCMC with two kilograms of heroin. The passenger arrived from Cambodia for a transit stopover en route to Thailand, and was carrying US\$453,200 and 25,900 *Deutsche marks* (US\$18,000).

◆ **Traffic crackdown** - Prime Minister Vo van Kiet, in response to the country's increasingly dangerous roads, has ordered a crackdown on traffic offenders starting 1 August. Ministries have been ordered to submit plans to reduce accidents by the end of June. Nearly 4900 people were killed on Vietnam's roads in 1994, up from 4140 in 1993.

◆ **Miners killed** - On 3 June, *Lao Dong* reported that two miners are in critical condition and six have died from burns suffered when a fire broke out in their mine. The miners were digging illegally for coal in Quang Ninh province. The mine's owner was arrested, but it is not known whether charges have been filed.

◆ **AIDS statistics** - According to the National AIDS Protection Committee, HIV carriers have been found in 34 of the country's 53 provinces. In the first five months of this year 345 carriers were identified. Vietnam has 2600 HIV positive cases, including 80 foreigners. Of that figure, 131 have developed AIDS and 55 have died.

## CAMBODIA

### Crackdown on illegal logging

First Prime Minister Prince Norodom Ranariddh has warned that persons who violate the ban on timber exports will face severe punishment. "We are not happy that despite a decision made by the royal Cambodian government to stop any exports, we still have exports of timber and illegal cutting," Ranariddh said, adding that unless strong action is taken, "the Cambodian government will not be credible anymore." Ranariddh accused the Khmer Rouge and "criminals" within the government of violating the ban for their own benefit. "The country is becoming poorer and poorer while two or three people become richer and richer. It is not acceptable." On 7 June, Ranariddh announced a new plan requiring "each Khmer citizen plant a tree in 1995."



## Indochina Financial Digest

### ASIAN DEVELOPMENT BANK PROJECTS PIPELINE FOR INDOCHINA

This chart lists new projects and significant changes or revisions to existing projects. Changes are in bold type.  
LP = Loan Project; TAP = Technical Assistance - Project Preparation; TAA = Technical Assistance - Advisory

PROJECT	DESCRIPTION	STATUS	AMT	CONSULTANTS	IMP AGENCY
<b>CAMBODIA</b>					
Rural infrastructure development (Capacity bldg for rural infr rehab) LP	Support agricultural growth, increase income, improved living standards in rural areas through infrastructure rehab. Includes roads, water supply, rural livelihood, local initiatives	<b>Follow up fact finding mission completed</b>	20m	Req'd: project mgmt, tng, establish monitoring/eval system; equip procurement	State Secretariat for Rural Development
Basic skills rehabilitation LP	Build human resource development capacity. Establish priority technical and vocational skills training and health personnel development	<b>Appraisal Mission completed</b>	20m	Req'd: project implementation, goods procure-ment	Ministry of Education, Youth and Sports
Capacity building for TVET & vulnerable groups TAA	Strengthen planning and management capability for Technical and Vocational Education and Training (TVET) program; develop labor market information systems; identify jobs for women, refugees and demobilized soldiers	<b>Fact finding mission completed</b>	1m	To be determined	Ministry of Education, Youth and Sports
Extension of project implementation TAA	Assist implementation of Special rehab assistance project. Current consultant contracts expire 6/95 and further consultant assistance is required to implement project	<b>Fact finding mission completed</b>	2.5m	To be determined	Ministry of Planning
<b>Current projects with no changes, listed in previous issues of IFD:</b> TAP: Transport network improvement, Women in development; TAA: Rural household survey, Capacity building for Ministry of Rural Development, Development of planning capability at MPWT, Training of State Bank staff, Education sector investment and aid management					

## LAOS

Improve road LP	Provide all-weather access to major road; support econ growth in area; reduce transport costs for traffic; support privatization process	<b>Appraisal mission completed</b>	45M	Req'd: supervise construction; eng; goods & equip procurement	Ministry of Communications, Transport, Post & Construction
Second Financial Sector Program Loan (new entry) LP	Support improvement of the financial infrastructure, enhance financial institutions' capability to mobilize resources and promote investments, strengthen central bank, and introduce accountability and transparency of financial disclosure of financial institutions	Fact finding mission to be scheduled	35m	To be determined	Bank of Lao PDR
Post second-ary education rationalization LP	Convert teacher college to university status; provide academic & admin structure; design curriculum & course schedule; strengthen mgmt of system	<b>Mgmt review meeting completed</b> <b>Appraisal mtg sched</b>	20m	Req'd: establish faculty, initiate educ and mgmt programs; equip procurement	Ministry of Education
Institutional strengthening of Ministry of Ag and Forestry TAA	Follow-up previous institutional strengthening by training staff in selected provinces in: program development, manpower planning, and monitoring and evaluation	<b>Staff Review Committee meeting completed</b>	600,000	<b>Req'd: services in agr economics &amp; programming &amp; HRD planning, training, data processing and analysis</b>	Ministry of Agriculture and Forestry
Review banking sector policies and portfolios TAA	Review policies affecting banking sector and assess portfolio of state commercial banks. Examine impact of further reforms	<b>Technical Assistance Approved by the Bank</b>	74,000	Req'd: macroeconomist and bank analyst	Bank of Lao PDR
Establish municipal administration systems TAA	Define roles, responsibilities, structures, admin, legal and financial powers; develop tng programs; install Geographic Info System (GIS) for land use planning and mgmt	<b>Staff Review Committee Meeting completed</b>	700,000	Req'd: areas of municipal gov't, finance and law; staff tng; GIS development	Ministry of Communications, Transport, Post & Construction



Institutional strengthening of Ministry of Ag and Forestry TAA	Follow-up previous institutional strengthening by training staff in selected provinces in: program development, manpower planning, and monitoring and evaluation	Staff Review Committee meeting completed	600,000	Req'd: services in agr economics & programming & HRD planning, training, data processing and analysis	Ministry of Agriculture and Forestry
Strengthen environmental planning and EIA (new entry) TAA	Implement Environmental Action Plan, includes strengthen regulatory framework and institutional/human resource capacity	Fact finding mission completed	500,000	To be determined	Science, Technology and Environment Organization

**Current projects with no changes, listed in previous issues of IFD:** LP: Integrated urban development; TAP: Employment promotion and training, Secondary towns urban development, Small-scale irrigation; TAA: Postsecondary education management development, Banking supervision, Develop strategy for shifting cultivation stabilization, Feeder roads maintenance training, Management info system in MCTPC, National Program for education for women, Preparation of national regulations for procurement of goods and services

## VIETNAM

Fisheries infrastructure improvement LP	Improve 9 fishing ports; establish marine enviro and resource mgmt system; provide credit to fishermen and ice-making and cold storage entrepreneurs	Appraisal Mission in the field	50m	Req'd: construction of breakwaters, piers, jetties, seawalls, dredging, site dvlpmnt	Ministry of Fisheries
Micro rural credit LP	Improve access to financial services for rural poor. Form savings and credit groups and improve savings mobilization	Fact finding mission completed	20m	To be determined	Vietnam Bank for Agriculture
Power distribution rehabilitation LP	Construction of 8 110/20 kV substations; 620km of 20 kV lines and cables; 600km of low voltage lines; distribution substations	Fact finding mission completed	80m	Req'd: for project design and implementation	Power Co. No.1 Hanoi
Population and Family Health (new entry) TAP	Project with World Bank to upgrade Population and Family Planning services, strengthen management, training and communication capacity	Fact finding mission completed	300,000	To be determined	Nat'l Committee for Population and Family Planning
Capacity building for provincial water supply co's TAA	Train provincial water service company personnel to manage new facilities, plan extensions, and improve financial management	Staff Review Committee Meeting completed	700,000	Req'd: financial mgmt & acct, water resource planning, water supply eng	Ministry of Construction
Improve environ health in provinces TAA	Assist communities prepare, implement plans for public taps, low cost sanitation; improved solid waste mgmt	Staff Review Committee Meeting completed	500,000	Req'd: enviro eng, community participation specialist	Ministry of Construction

**Current projects with no changes, listed in previous issues of IFD:** LP: Financial Sector Program Loan, Prov towns water supply and sanitation, Secondary Education Development; TAP: Forestry sector and watershed management, Central Vietnam power transmission and distribution; TAA: Aquaculture development, Min of Fisheries capacity building, Hydrocarbon sector policy study, Improve financial mgmt of power co's, Training in distribution planning towns; Regional TAP: Vietnam-Cambodia Highway #1

- \* Project Pipeline provides status of ADB projects in Indochina. Amount is in US dollars
- \* Consultants column indicates the need for participation of external consultants
- \* Parties interested in providing consulting services or goods/equipment procurement for TAA and TAP projects should contact the Consulting Services Division of ADB
- \* Parties interested in providing consulting services or goods/equipment procurement for Loan Projects should contact the implementing agency
- \* Contact the Indochina Project [ph: (202) 483-9222, fax: (202) 483-9314] for phone/fax/address of implementing agency

## Rainsy source of party rift

At a press conference on 8 June, Prince Norodom Sirivudh, secretary-general of the FUNCINPEC party, told reporters it would be improper to expel Sam Rainsy from the party. Rainsy is a former finance minister, and a vocal critic of the government. On 23 May, FUNCINPEC announced that its steering committee decided to expel Rainsy from the party [see *Digest*, 26 May]. "FUNCINPEC, as a liberal party, must obey all the regulations, statutes and legislation, and I think it is not appropriate to move someone out," Sirivudh said. "I worry about democracy in my country, about our international prestige as a democratic National Assembly." Sirivudh said FUNCINPEC regulations had not been followed when Rainsy was expelled, and that he would reconvene the steering committee to examine the matter. Sirivudh also said he was unable to meet with his brother, First Prime Minister Prince Norodom Ranariddh, who is the president of FUNCINPEC. "For 48 hours I asked to meet my president and the reply is that he is too busy to meet his secretary general."

## Landmine conference

An international conference on landmines was held in Phnom Penh on 2-4 June, organized by the Campaign to Ban Landmines, which is led by Vietnam Veterans of America Foundation (VVAF), Human Rights Watch, Physicians for Human Rights-USA, Handicap International, Medico International, and Britain's Mines Advisory Group. The conference, calling for a ban on the production, export and use of landmines, was attended by over 350 representatives from 41 countries, and received messages of support from UN Secretary General Boutros Boutros-Ghali, Pope John Paul II, and Bishop Desmond Tutu.

Chea Sim, president of Cambodia's National Assembly, opened the conference. "Today, over 30,000 Cambodians have lost arms and legs to landmines," Chea Sim said. "Compared to other countries, the Kingdom of Cambodia has more landmine victims than any other country, that is, one victim per 246 persons." Margie De Monchy, project officer for the UN Children's Fund (UNICEF) in Cambodia, noted the effect of landmines on women and children. "The majority of mine victims might be men, but the impact and the tolls it takes on women and children is great," De Monchy said. Bobby Muller, executive director of VVAF, told *Reuters News Agency*: "I've never worked on an issue as powerful as this campaign. I'm very, very encouraged by the progress we have made. It will take years, but we will get there. We'll get a ban on this weapon."

King Norodom Sihanouk met with a delegation from the conference at the Royal Palace, and expressed his support for the campaign. Sihanouk signed a petition to ban landmines, which includes over 300,000 names. Sihanouk also told the group he was upset that several countries that manufacture landmines were absent from the conference.

## Aid updates

♦ **Australian rice** - The Australian government announced on 8 June that it shipped another 10,000 tons of rice to help avert a famine in Kompong Thom and Prey Vang provinces. Australia also donated rice to Cambodia in March [see *Digest*, 31 Mar]. Cambodia is expected to be 90,000 tons short of rice in 1995 due to floods and drought.

♦ **Japanese aid** - On 8 June, the Japanese government announced it will grant US\$39 million for national reconstruction. An official said the grant is to assist with the implementation of health, cultural and infrastructure projects. The funds will be used to construct a maternal and child health center, improve immunization programs, supply TV programs to National Television Kampuchea, and upgrade the Port of Phnom Penh.

## Other updates

♦ **Ambassador to US arrives** - On 27 May, Cambodia's Ambassador-designate to the US, Var Huoth, arrived in Washington, DC. The Ambassador will present his credentials to US President Clinton in the near future.

♦ **Swedish visit** - A Swedish delegation including Minister for International Cooperation and Development Pierre Schori arrived in Cambodia 7 June for a three-day official visit. Schori planned to sign the first bilateral agreement on longterm and comprehensive cooperation and also planned to meet with co-premiers Prince Norodom Ranariddh and Hun Sen. Schori stated on 7 June that Sweden will send mine-clearing experts to Cambodia. Sweden has already provided Cambodia with over US\$20 million in aid.

♦ **Customs assistance** - It was announced 9 June that Cambodia has signed a contract with Societe General de Surveillance, a Swiss company, to help verify the value and quality of imported goods. It is also hoped the new service will deter smuggling. A government official said the service will start "very soon."

♦ **New rural credits** - Co-Premier Hun Sen announced 5 June that the government plans to increase rural credit programs in an effort to improve living conditions for the country's rural population. He did not specify the value of the programs, meant to lessen the effects of widespread crop failure due to last year's droughts and flooding. Hun Sen said the programs would be run mainly by foreign NGOs and UN agencies.

♦ **Prison reform urged** - A report released 5 June urges reform in Cambodia's prison system. "Health Conditions in Cambodia's Prisons," authored by Physicians for Human Rights, the American Refugee Committee and the Columbia College of Surgeons, states torture, disease, overcrowding and chronic food shortages are widespread in Cambodian prisons despite some efforts to improve conditions.

♦ **Child prostitution increasing** - Child prostitution is on the rise in Cambodia, according to World Vision Australia. The rise is due in large part to an increase in foreigners who use child prostitutes. Aid workers believe that the exposure of child sex rackets by the media in Sri Lanka, Thailand and the Philippines has forced organized groups to seek new markets. Australian Justice Minister Duncan Kerr announced 5 June that Australian police will investigate charges that Australians have participated in these activities. Laws passed last year allow prosecution of Australians participating in such activities overseas.

♦ **Second national park** - On 5 June, King Norodom Sihanouk marked World Environmental Day by opening the Preah Suramarit-Kossamak Park, Cambodia's second national park, at Kirirom. Cambodia opened its first national park in the coastal area of Ream in March.



## LAOS

### President visits Cambodia

On 8 June, President Nhouhak Phoumsavan arrived in Phnom Penh for a three-day official visit to Cambodia. President Phoumsavan and his delegation were greeted by King Norodom Sihanouk, co-Prime Ministers Prince Norodom Ranaidh and Hun Sen, and senior ministers and government officials. This is the first visit made by the President of Laos since the two countries established relations in 1993. The president will visit Siem Reap and lay wreaths at the independence monument. He is also scheduled to visit Sihanoukville and cultural resorts in Phnom Penh.

### British open trade office

On 1 June, British Minister of State and Deputy Foreign Minister Alistair Goodlad, accompanied by a group of British businessmen, opened the first British trade office in Vientiane since 1984. Laotian Deputy Prime Minister Khamphoui Keoboulapha, Minister of Transport and Telecommunications Phao Bounnaphon and other senior officials met with the delegation.

## REFUGEES

### Repatriation resistance

◆ **Malaysia** - On 5 June, 500 Vietnamese broke out of a refugee camp at Sungei Besi, near Kuala Lumpur, to protest their impending repatriation. The Vietnamese began

gathering at dawn for a long-planned demonstration. Some tore down a section of fence, and lined the highway near the camp. Hundreds of others staged a peaceful demonstration inside the camp. About 300 Malaysia riot police used tear gas and water cannons to herd the Vietnamese back into the camp. Thirteen Vietnamese were injured in the riot, and Malaysian police detained 20 Vietnamese on charges of rioting and illegal possession of weapons. Malaysia has set a deadline of 31 August to close the camp, which currently houses 4784 Vietnamese. Only 134 of the inmates have been given asylum by other countries.

◆ **Hong Kong** - On 7 June, Hong Kong security forces fired tear gas to quell new protests by boat people at the High Island Detention Center. At around midnight, the camp kitchen and an adjacent office were set on fire by a group of Vietnamese. The police fired tear gas when the protesters attempted to ignite liquefied petroleum gas cylinders.

◆ **US legislation factor** - On 8 June, the UN High Commissioner for Refugees (UNHCR) said proposed legislation in the US House of Representatives calling for a re-screening of the boat people [see *Digest*, 26 May] was partly to blame for the protests in Hong Kong and Malaysia. Earlier, the UNHCR also blamed the legislation for slowing its repatriation efforts. A flight scheduled to return over 200 Vietnamese on 6 June was canceled because the Vietnamese refused to leave. Only four people agreed to leave, and returned on 8 June on a commercial flight. "With this new hope of resettlement in the US, people are just in a waiting position," said UNHCR's Asia director Werner Blatter. On 8 June, the US House of Representatives passed the foreign affairs bill, which includes the boat people provision. The Clinton administration has threatened to veto the bill for a variety of reasons, and the 222-192 vote is short of the two-thirds majority needed to override a presidential veto.

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