



This document is scheduled to be published in the Federal Register on 03/11/2013 and available online at <http://federalregister.gov/a/2013-05521>, and on FDsys.gov

BILLING CODE 3510-FP

DEPARTMENT OF COMMERCE

International Trade Administration

U.S. Civil Nuclear Trade Policy Mission to Hanoi, Vietnam & Beijing and Sanmen, China

May 16-23, 2013

AGENCY: International Trade Administration, Department of Commerce

ACTION: Notice

MISSION DESCRIPTION

The United States Department of Commerce (DOC) International Trade Administration's (ITA) Manufacturing and Services (MAS) and U.S. and Foreign Commercial Service (CS) units are organizing an executive-led Civil Nuclear Trade Policy Mission to Hanoi, Vietnam and to Beijing and Sanmen, China from May 16-23, 2013. Participants may elect to participate in both the Vietnam and China portions of the mission, or only one of these countries. The purpose of the mission is to connect U.S. companies with key contacts in the target markets and to promote market policies and procedures that enable U.S. companies to gain robust access to commercial opportunities in these markets. As an optional day prior to the start of the trade mission, in Hanoi, Vietnam, trade mission participants will have the opportunity to observe the U.S.- Association of Southeast Asian Nations (ASEAN)¹ Energy Cooperation - Subsector Network workshop on civil nuclear power on May 16, 2013.

¹ ASEAN Member countries include, Brunei, Burma, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore Thailand, and Vietnam. The ASEAN Plan of Action for Energy Cooperation 2010-2015 noted one of its strategic goals as being "regional capacity building in nuclear energy for regulators, operators and relevant educational institutions, among other things through training, workshop, seminar and information exchange."

Vietnam and China offer abundant opportunities to civil nuclear companies. According to the China Nuclear Power Middle and Long Term Plan 2005-2020, China's nuclear power installed capacity will reach 60 million to 70 million kilowatts, and the total investment in the nuclear power market will be more than 450 billion yuan (U.S. \$72 billion) by 2020.² China's nuclear industry is expected to grow to nearly \$300 billion by 2020 and commercial opportunities in Vietnam are currently estimated at \$10 billion and are expected to grow to \$50 billion by 2030.

The Civil Nuclear Trade Policy Mission offers a timely and cost-effective means for U.S. firms to engage with key stakeholders and to enter the promising Chinese and Vietnamese markets for civil nuclear goods and services. Target subsectors holding high potential for U.S. civil nuclear exporters include: legal and advisory services; engineering, procurement and construction; operators and maintenance providers; component manufacturers; and the fuel subsector, including mining, enrichment, fuel fabrication, transport and storage. There are also opportunities for collaboration on education and research and development with U.S. universities and research institutions. A U.S. government delegation with senior officials from the U.S. Departments of Commerce, Energy and State, as well as the White House, will accompany participants during the mission to serve as advisors and civil nuclear subject matter experts.

This mission will contribute to the President's National Export Initiative (NEI, www.export.gov/nei) and the DOC's Civil Nuclear Trade Initiative (CNTI,

² As reported by the United States Embassy to China in Beijing.

<http://export.gov/civilnuclear/index.asp>), by assisting U.S. businesses in entering or expanding in international markets, and enhancing U.S. exports.

Eligible mission participants include representatives of U.S. companies from across the civil nuclear supply chain, including entities providing related services to the industry such as universities and research institutions, as well as U.S. trade associations in the civil nuclear industry whose members have both commercial and policy interests in China and Vietnam. The mission will help U.S. companies and U.S. trade associations gain market insights, make industry contacts, solidify business strategies, and identify or advance specific projects with the goal of increasing U.S. civil nuclear exports to China and to Vietnam. The schedule will include business appointments with pre-screened potential buyers, agents, distributors and joint venture partners; meetings with national and regional government officials; and networking events. This mission also will provide venues for senior U. S. government officials and participating organizations to meet with Chinese and Vietnamese officials to discuss timely nuclear issues. The mission will allow U.S. companies and trade associations to be part of an official U.S. government delegation, rather than traveling to China or Vietnam individually, and enhances their ability to secure desired meetings. The delegation will be comprised of at least 15 U.S. companies and trade associations.

In November 2009, President Obama signed a Joint Statement at the first U.S.-ASEAN Leaders' Meeting that included the following: "the United States proposed that the U.S. Secretary of Energy and the ASEAN Ministers on Energy meet in 2010 to advance energy security and clean energy and to explore cooperation in renewable and alternative energy..." Under the ASEAN

Energy Cooperation- Subsector Network, the U.S. government finalized an energy work plan that includes nuclear. A number of the countries in ASEAN are considering nuclear energy for power generation as a long-term option. The U.S.-ASEAN workshop on civil nuclear power serves as a forum for the U.S. mission participants to gain substantive insights on each of the ten member countries' energy plans, including nuclear developments and planning horizons. In addition, there will be networking opportunities for mission delegates to meet and speak with representatives from the ASEAN member countries.

COMMERCIAL SETTING

Vietnam: From 2000 until 2012, Vietnam's annual GDP growth rate averaged 6.6 percent, reaching an all-time high of 8.5 percent in December 2007. Its energy mix in 2010 was 38 percent hydro, 31.4 percent gas, 18.5 percent coal, and 12.1 percent other fuels³. Demand is growing rapidly, resulting in electricity rationing. Electricity demand growth has been 14 percent per year. In July 2011, in the aftermath of the March 2011 Fukushima accident, the Prime Minister approved the [*National Master Plan for Electricity Development for 2011-2020 with the Vision to 2030*](#). The government specified Ninh Thuan 1 & 2 Nuclear Power Plants (NPP) with a total of eight 1000 MWe reactors coming on line annually from 2020-2027. In March 2012, the Vietnamese government re-stated that it would continue to implement its nuclear power program and deploy the Ninh Thuan NPPs in cooperation with Russia. Vietnam may be the first Southeast Asian country to build a NPP. The goal for this segment of the

³ Vietnam Atomic Energy Agency's Presentation to IAEA, March 2012.

mission is to help U.S. suppliers establish a “foothold” in the Vietnamese market as the country develops its nuclear power program.

China: Since 1979, China’s GDP has grown at an average rate of almost ten percent annually and in 2009 China surpassed the United States to become the world’s largest energy consumer. Nearly eighty percent of China’s electricity is produced from fossil fuel (mostly coal) and 18 percent from hydro, with a small percentage produced from renewable sources. Nuclear power supplies 2 percent of China’s electricity. China has the fastest growing nuclear energy program in the world. There are currently 16 reactors in operation and nearly 30 under construction employing technologies from France, Canada, Russia and the United States.⁴ In October 2012, Premier Wen Jiabao outlined a modified approach to nuclear power development that takes a steady pace to build NPPs and will comply with new generation safety standards. The revised nuclear capacity target for 2020 is now 58 GWe. During the same timeframe, the State Council approved the [12th Five-Year Plan for Nuclear Safety and Radioactive Pollution Prevention and Vision for 2020](#), in which China plans to spend RMB 80 billion (\$13 billion) on improving nuclear safety at plants already in operation as well as those currently under construction or planned over the next three years. The planned inland sites have been put on hold until after 2015.

- China has three state-owned enterprises (SOEs) that are permitted to own NPPs:
 - China National Nuclear Corporation (CNNC);

⁴ This information is in accordance with reports from the U.S. Embassy in Beijing and the World Nuclear Association, <http://www.world-nuclear.org/info/inf63.html> (2013).

- China Guangdong Nuclear Power Corporation (CGNPC); and
 - China Power Investment Corporation (CPI)
- China also has set up additional SOEs to undertake NPP construction and other business activities, including:
 - China Nuclear Power Engineering Company;
 - China Guangdong Engineering Company;
 - State Nuclear Power Engineering Company;
 - China Power Investment Nuclear Engineering Company;
 - China Nuclear Engineering and Construction Corporation; and
 - State Nuclear Power Technology Corporation (SNPTC) is undertaking AP1000 technology and developing the CAP1400.

The governmental organizations that are responsible for nuclear energy development in China are the State Council, the National Energy Administration (NEA), the China Atomic Energy Authority (CAEA), and the National Nuclear Safety Administration (NNSA).

- The State Council is the highest executive body of state power and administration responsible for carrying out principles and policies as well as the regulations and laws.
- The NEA, an independent ministerial level agency within the National Development and Reform Commission, is responsible for nuclear power development and nuclear industry management;

- The CAEA, an agency under the Ministry of Industry and Information, is responsible for nuclear fuel cycle industry management and nuclear emergency preparedness and response.
- The NNSA under the Ministry of Environment Protection is responsible for nuclear safety regulation and licensing and regulating nuclear installations, components, and materials.

Ultimately, China's long-term nuclear energy policy goals are to establish indigenous assembly, fabrication, and nuclear fuel production capability; maximize domestic manufacturing of power plants and equipment with self-reliance in design and management; and to establish and enhance international cooperation to establish their own reactor market, aimed at exporting its own reactors in the future. However, in the near-term, China will rely on existing equipment and services in the global supply chain.

MISSION GOALS

The goal of the Civil Nuclear Trade Policy Mission to Vietnam and China is to promote exports of civil nuclear goods and services and encourage market policies and procedures that enable U.S. companies to gain robust access to commercial opportunities in these markets.

In Vietnam, the mission will help U.S. companies and trade associations investigate potential opportunities, and educate Vietnamese stakeholders on U.S. nuclear energy capabilities. The mission also will include a best practices seminar to discuss the challenges countries face when first developing a nuclear energy program. These activities will contain a strong trade promotion

component and also seek to address the policy challenges to U.S. civil nuclear energy companies operating or seeking to operate in this country. While in Hanoi, trade mission participants will participate in the U.S.-ASEAN workshop on civil nuclear power, enabling networking opportunities with ASEAN government officials and industry experts and promoting U.S. civil nuclear technologies and services.

In China, the mission will clarify for U.S. companies and trade associations how to access commercial opportunities in various sectors of China's nuclear energy industry, will seek to increase awareness of U.S. nuclear industry capabilities among Chinese government officials at the central and provincial government levels, and will connect U.S. companies and trade associations with appropriate decision-makers.

MISSION SCENARIO⁵

Prior to the start of the trade mission, on May 16 in Hanoi, trade mission participants will have the option to observe the U.S.-ASEAN civil nuclear power workshop. The workshop will include five panel sessions on topics ranging from nuclear infrastructure to waste management and fuel services, and a discussion on the essential elements in developing a safe and secure nuclear power program. ASEAN representatives will discuss the appropriateness of new technologies to their country's particular circumstances and learn about developing a robust regulatory and legal framework for safety and liability.

⁵ Subject to availability and confirmation.

On May 17 in Hanoi, trade mission participants will receive a U.S. Embassy briefing, and meet with senior Vietnamese officials at the Ministry of Science and Technology, the Ministry of Industry and Trade, and executives from Electricity Vietnam. Participants will attend a luncheon with remarks by the Commerce official leading the trade mission, the U.S. Ambassador to Vietnam and officials from the Government of Vietnam (GOV). In addition, there will be a seminar on best practices where trade mission participants will share their experience from projects in other markets and Vietnamese participants will discuss opportunities for U.S. companies in Vietnam. Vietnamese participants in the seminar on best practices include: Vietnam Atomic Energy Institute (VINATOM), Vietnam Agency for Radiation and Nuclear Safety and Control (VARANS), Electricity Vietnam (EVN), and the Ministry of Industry and Trade. In the evening, mission participants will meet with Vietnamese Prime Minister Nguyen Tan Dung and attend a farewell dinner with the U.S. government delegation, Vietnamese government officials and mission participants.

On May 20 in Beijing, trade mission participants will participate in an Embassy briefing, meet with Chinese government officials (NEA, CAEA, NNSA, Ministry of Commerce, CNNC, SNPTC, CPI and CGNPC) and take part in business appointments with private-sector organizations. In addition, they will enjoy a networking reception hosted by U.S. Ambassador Gary Locke and attended by representatives of Chinese industry and government officials and other key stakeholders.

On May 23 in Sanmen, trade mission participants will have meetings with key civil nuclear Chinese government and industry officials and visit the Sanmen AP1000 nuclear power plant.

A U.S. government delegation, which will include senior officials from the U.S. Departments of Commerce, Energy and State, and the White House, will accompany participants during the mission. Trade mission participants will be counseled before and after the mission by CS China and CS Vietnam staff and other federal agencies actively involved in nuclear energy trade promotion activities in Vietnam and China.

PROPOSED TIMETABLE FOR THE U.S. –ASEAN WORKSHOP (Optional)

******Note that specific events and meeting times have yet to be confirmed******

Date	Location	Activity
Wednesday May 15	Hanoi	Arrive and check-in at hotel
Thursday May 16 <u>Optional</u> <u>Day</u>	Hanoi	<p>ASEAN Nuclear Energy Cooperation-Subsector Network’s (NEC-SSN) U.S.-ASEAN Workshop on Civil Nuclear Power: “The Essential Elements of Developing a Safe and Secure Nuclear Power Program” followed by an evening reception and networking event.</p> <p>Arrive and check-in at hotel (for participants not attending the U.S.-ASEAN Workshop)</p>

PROPOSED TIMETABLE FOR U.S. MISSION TO VIETNAM AND CHINA

****Note that specific events and meeting times have yet to be confirmed****

<p>Friday May 17 <u>Day 1</u></p>	<p>Hanoi</p>	<p>Morning:</p> <ul style="list-style-type: none">• U.S. Embassy Briefing• Visit Ministry of Science and Technology• Visit Ministry of Industry and Trade• Visit with Electricity Vietnam <p>Luncheon: with remarks by Trade Mission Leader, Ambassador Shear, and Government of Vietnam.</p> <p>Afternoon: Seminar on Best Practices – U.S. delegates share experience from projects in other markets.</p> <ul style="list-style-type: none">• Vietnamese participants include: Vietnam Atomic Energy Institute (VINATOM), Vietnam Agency for Radiation and Nuclear Safety and Control (VARANS), Electricity Vietnam (EVN), Ministry of Industry and Trade. <p>Evening:</p> <ul style="list-style-type: none">• Meeting with Prime Minister Nguyen Tan Dung• Farewell Dinner with Delegates
<p>Saturday</p>	<p>Hanoi</p>	<p>Delegates on their own</p>

May 18 <u>Day 2</u>		
Sunday May 19 <u>Day 3</u>	Beijing	Arrive Beijing Check in at hotel Welcome reception and U.S. Embassy Briefing (organizations, U.S. government delegation, Embassy staff)
Monday, May 20 <u>Day 4</u>	Beijing	Morning: Beijing government meetings to include: NEA, CAEA, NNSA, MOFCOM Afternoon: Government meetings Evening: Networking reception hosted by Amb. Locke
Tuesday May 21 <u>Day 5</u>	Beijing	Morning: Industry meetings Afternoon: Government meetings with CNNC, SNPTC, CGNPC, CPI Evening: Open
Wednesday May 22 <u>Day 6</u>	Beijing-Ningbo	Morning: Industry meetings Afternoon: Train/plane to Ningbo, bus to Sanmen Evening : dinner with CNNC
Thursday May 23 <u>Day 7</u>	Ningbo	AP1000 site visit End of Mission

(NB: The precise schedule will depend on availability of local government officials and business managers, and the specific goals of participants.)

PARTICIPATION REQUIREMENTS

U.S. companies and U.S. trade associations interested in participating in the trade mission must complete and submit an application package for consideration by the DOC. All applicants will be evaluated on their ability to meet certain conditions and best satisfy the selection criteria as outlined below. A minimum of 15 and maximum of 20 companies and/or trade associations will be selected to participate in the mission from the applicant pool. U.S. companies or trade associations already doing business with China and/or Vietnam, as well as those seeking to enter these markets for the first time, may apply.

FEES AND EXPENSES

After a company or organization has been selected to participate on the mission, a payment to the DOC in the form of a participation fee is required. U.S. companies and organizations may elect to participate in both the Vietnam and China portions of the mission, or one of the countries. Participants will be able to take advantage of U.S. Embassy rates for hotel rooms.

- The fee to participate in the mission to China and Vietnam is \$5500 for a small or medium-sized company (SME)⁶ or for a trade association, and \$7000 for a large company. The fee for each additional representative (large company, trade association, or SME) is \$1300.

⁶ An SME is defined as a firm with 500 or fewer employees or that otherwise qualifies as a small business under SBA regulations (see http://www.sba.gov/services/contracting_opportunities/sizestandardsttopics/index.html). Parent companies, affiliates, and subsidiaries will be considered when determining business size. The dual pricing reflects the Commercial Service's user fee schedule that became effective May 1, 2008 (see <http://www.export.gov/newsletter/march2008/initiatives.html> for additional information).

- The fee to participate in the China portion only is \$4000 for an SME or trade association and \$4800 for a large company. The fee for each additional representative (large company, trade association, or SME) is \$800. This fee also includes the cost of transportation from Beijing to Sanmen.
- The fee to participate in the Vietnam portion only is \$1500 for an SME or trade association and \$2200 for a large company. The fee for each additional representative (large company, trade association, or SME) is \$500.

EXCLUSIONS

The mission fee does not include any personal travel expenses such as lodging, most meals, local ground transportation, except as stated in the proposed timetable, and air transportation from the United States to the mission sites and return to the United States. Business visas may be required. Government fees and processing expenses to obtain such visas also are not included in the mission costs. However, the DOC will provide instructions to each participant on the procedures required to obtain necessary business visas.

CONDITIONS FOR PARTICIPATION

Applicants must submit a completed mission application signed by a company or trade association official, together with supplemental application materials, including adequate information on the organization's products and/or services, primary market objectives, and goals for participation. If the DOC receives an incomplete application, the DOC may reject the application, request additional information, or take the lack of information into account in its evaluation.

Each applicant also must certify that the products or services it seeks to export through the mission are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have demonstrable U.S. content of the value of the finished product or service. In the case of a trade association or trade organization, the applicant must certify that, for each company to be represented by the trade association or trade organization, the products and services the represented company seeks to export are either produced in the United States, or, if not, marketed under the name of a U.S. firm and have demonstrable U.S. content.

SELECTION CRITERIA

Preference will be given to applicants who plan to participate in both the Vietnam and China mission stops. Selection will be based on the following criteria:

- Suitability of the company's (or, in the case of a trade association, represented companies') products or services to each of the markets the company or trade association has expressed an interest in visiting as part of this trade mission.
- The company's (or, in the case of a trade association, represented companies') potential for business in the region and in each of the markets the company or trade association has expressed an interest in visiting as part of this trade mission, including likelihood of exports resulting from the mission.
- Consistency of the applicant company's (or, in the case of a trade association, represented companies') goals and objectives with the stated mission scope.

Diversity of company size, sector or subsector, and location also may be considered in the review process.

Referrals from political organizations and any documents containing references to partisan political activities (including political contributions) will be removed from an applicant's submission and will not be considered.

TIMELINE FOR RECRUITMENT AND APPLICATION

Mission recruitment will be conducted in an open and public manner, including publication in the Federal Register, posting on the DOC trade mission calendar (<http://export.gov/trademissions>) and other internet web sites (including the Civil Nuclear Exporters Portal at www.export.gov/civilnuclear), press releases to general and trade media, direct mail, notices by industry trade associations and other multiplier groups, and publicity at industry meetings, symposia, conferences, and trade shows. Recruitment will begin immediately and conclude no later than April 15, 2013. The DOC will review applications and make selection decisions on a rolling basis by April 20, 2013. Applications received after April 15, 2013 will be considered only if space and scheduling permits.

CONTACTS

David Kincaid
Manufacturing and Services
Office of Energy and Environmental Industries
Washington, D.C.
Tel: (202) 482-1706
Email: David.Kincaid@trade.gov

Jonathan Chesebro
Manufacturing and Services
Office of Energy and Environmental Industries
Washington, D.C.
Tel: (202) 482-1297
Email: Jonathan.Chesebro@trade.gov

Elnora Moye
Trade Program Assistant

[FR Doc. 2013-05521 Filed 03/08/2013 at 8:45 am; Publication Date: 03/11/2013]