

# India –Vietnam Relations

## **Background**

India-Vietnam relations have been exceptionally friendly and cordial since their foundations were laid by founding fathers of the two countries - President Ho Chi Minh and President Rajendra Prasad and Prime Minister Nehru. The traditionally close and cordial relations have their historical roots in the common struggle for liberation from foreign rule and the national struggle for independence. Pandit Jawaharlal Nehru was one of the first visitors to Vietnam after its victory against the French at Dien Bien Phu in 1954. President Ho Chi Minh went to India in February 1958. President Rajendra Prasad visited Vietnam in 1959.

In recent times, political contacts have strengthened as reflected in several high-level visits by leaders from both sides. Trade and economic linkages continue to grow. India's thrust under the 'Look East' policy combined with Vietnam's growing engagement within the region and with India has paid rich dividends. Vietnam is an important regional partner in South East Asia. India and Vietnam closely cooperate in various regional forums such as ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides UN and WTO.

## **Exchange of high –level visits**

There have been fairly regular high-level visits from both sides. From the Vietnamese side, the most recent include those of President Mr. Truong Tan Sang in October 2011, General Secretary of the Communist Party of Vietnam Mr. Nguyen Phu Trong in November 2013 and Prime Minister Nguyen Tan Dung in October 2014. Prime Minister Mr. Nguyen Tan Dung visited India in December 2012 to participate in the India-ASEAN Commemorative Summit. From the Indian side, Lok Sabha Speaker Mrs. Meira Kumar visited in May 2011, Vice President, Mr. Md. Hamid Ansari from 14-17 January 2013 for the closing ceremony of the India-Vietnam Friendship Year 2012. The more recent ones include the following:

General Secretary of the Communist Party of Vietnam Mr. Nguyen Phu Trong paid a State visit to India from 19-22 November 2013 at the invitation of Prime Minister Manmohan Singh. During his visit, General Secretary called on the President and met the Vice President, Speaker of the Lok Sabha and held talks with Prime Minister. External Affairs Minister and leaders of Indian political parties met the General Secretary separately. The General Secretary also visited Mumbai where he met the Governor of Maharashtra and interacted with the Indian business community. A Joint Statement was issued and 8 bilateral MoUs/ agreements were signed.

President Pranab Mukherjee paid a State Visit to Vietnam from 14-17 September 2014.

During the visit, he held delegation level talks with the President of Vietnam and had meetings with the PM, CPV General Secretary and the National Assembly Chairman. Following the talks with the Vietnamese President, seven agreements/MOUs were signed in the fields of Customs, Defence LOC, Animal Health, Pangasius Breeding, Youth Affairs and starting of direct flights between India and Vietnam. During the visit, both Presidents jointly inaugurated the Centre for Indian Studies in the Ho Chi Minh Academy of Politics and Public Administration. The President also visited Ho Chi Minh City from 16-17 September.

Vietnamese Prime Minister Nguyen Tan Dung paid a State Visit to India on 27-28 October 2014. He held delegation levels talks with Prime Minister Modi and had meetings with the President, Vice President, Speaker of Lok Sabha and EAM. PM Dung also visited Bodh Gaya and met the Chief Minister of Bihar. Seven agreements on education culture, energy were signed during the visit. Bank of India was also granted an in-principle approval to open branch offices in Vietnam.

Ministerial-level exchanges in the last few years include: External Affairs Minister Mr. S.M. Krishna visited Hanoi in September 2011 for the 14th India-Vietnam Joint Commission Meeting on Trade, Economic, Scientific and Technological Cooperation. Minister of State for External Affairs, Mr. E. Ahmed in January 2012 for the inauguration of the 'India-Vietnam Year of Friendship' marking the 40th anniversary of establishment of full diplomatic relations. Minister of Commerce and Industry Mr. Anand Sharma in March 2012. Minister for Agriculture Mr. Sharad Pawar in October 2012 and Minister of State for Tourism, Dr. K. Chiranjeevi in January 2013. Minister of State for Commerce and Industry Dr. D. Purandeswari to Ho Chi Minh City in April 2013, Minister of Shipping Mr. G.K. Vasan in May 2013, during which the bilateral Maritime Shipping Agreement was signed. Shri V. Kishore Chandra Deo, Minister for Tribal Affairs & Panchayati Raj led a 12-member delegation to Vietnam from 7-11 January 2014 at the invitation of UNDP. Apart from Hanoi, the delegation also visited Danang and ethnic minority region of Quang Ngai and Tra Bong. EAM Smt. Sushma Swaraj visited Vietnam from 24-26 August 2014 to attend the Regional HOMs Conference in Hanoi on 26 August, the 3rd ASEAN-India Network of Think Tanks Meeting from 25-26 August and also had bilateral meetings with Vietnamese leaders. Defense Minister Mr. Manohar Parrikar, accompanied by a 7-member delegation comprising senior officials, paid an official visit to Vietnam from 5-7 June, 2016. A Defence Industry Business Meeting was organized on the sidelines of the visit. MoS for External Affairs, Gen (Retd.) Dr. V.K. Singh visited Vietnam from 20-23 April 2017. Apart from Hanoi he also visited Ho Chi Minh City and inaugurated the Indian Cultural Centre. Commerce and Industry Minister, Ms. Nirmala Sitharaman visited Vietnam from 21-23 May 2017 to attend the RCEP meeting hosted by Vietnam.

At the invitation of Mr. Nguyen Xuan Phuc, Prime Minister of Vietnam, Prime Minister Narendra Modi paid an Official Visit to Vietnam on 02 - 03 September 2016. After their bilateral talks the two Prime Ministers witnessed the signing of several bilateral documents. During his visit, PM also met Mr. Nguyen Phu Trong, General Secretary of the Communist Party of Vietnam, Mr. Tran Dai Quang, President of Vietnam, and Mrs. Nguyen Thi Kim Ngan, President of the National Assembly of Vietnam. Based on the excellent relations and with the desire to contribute to regional peace, stability, cooperation and prosperity, Vietnam and India agreed to elevate the Strategic Partnership to a 'Comprehensive Strategic Partnership'.

From the Vietnamese side, the recent visits include those of: Deputy Prime Minister Mr. Nguyen Thien Nhan in March-April 2012. Chairman of the Fatherland Front, Mr. Huynh Dam in November-December 2012 under the Distinguished Visitors Programme of ICCR. Deputy Finance Minister, Mr. Tran Van Hieu in August 2012. Deputy Prime Minister, Mr. Vu Van Ninh in January 2013. Vice President of National Assembly Nguyen Thi Kim Ngan in February 2013. Minister for Information and Communication Mr. Nguyen Bac Son in July 2013, Foreign Minister Pham Binh Minh in July 2013 for the 15<sup>th</sup> meeting of the Joint Commission, Minister of Public Security Gen. Tran Dai Quang in November 2013 and Minister of Health Dr. Nguyen Thi Kim Tien in December 2013. Prof. Nguyen Xuan Thang, President of the Vietnam Academy of Social Sciences (VASS) visited India in August 2014 under the ASEAN-India Eminent Person Lecture Series. Prof. Ta Ngoc Tan, President of the Ho Chi Minh National Academy of Politics and Public Administration visited India in October 2014. An MoU with the Indian Institute of Public Administration (IIPA), New Delhi was signed during this visit. Vietnamese Politburo Member and President of the Vietnam Fatherland Front Nguyen Thien Nhan visited India in March 2015. Defence Minister General Phung Quang Thanh visited India from 23-26 May 2015. Defence Minister Ngo Xuan Lich visited India from 3-5 December 2016. He also called on Prime Minister Modi. Ms. Nguyen Thi Kim Ngan, President of the Vietnamese National Assembly visited India from 8-11 December 2016. Minister of Information and Broadcasting Dr. Truong Minh Tuan visited India from 24-29 March 2017. Joint Work Implementation Plan between the two Ministries was signed during the visit. The Joint Working Group on IT held its first meeting on 24<sup>th</sup> August 2017 in Hanoi. Deputy Prime Minister and Foreign Minister Pham Binh Minh visited India on 3-5 July 2017. He also attended the IX Delhi Dialogue.

Regular meetings between the leaderships of the two sides have taken place on the sidelines of multilateral summit meetings.

### **Institutionalized mechanisms for bilateral exchanges**

The Joint Commission Meeting at the Foreign Ministers' level and Foreign Office Consultations (FOCs) and Strategic Dialogue at Secretary-level provide the larger framework for bilateral cooperation in various areas. There is an annual Security Dialogue at Defence Secretary Level and a Joint Committee on Science and

Technology that meets periodically. The India-Vietnam Joint Working Group on Educational Exchange was set up in 2012. The India-Vietnam Joint Sub-Commission on Trade was set up in 2013. The last meeting of the Joint Sub-Committee on Trade was held in March 2016 in New Delhi. The first meeting of the Joint Maritime Liaison Committee between India and Vietnam was held on 15th April 2016, in Mumbai. The 10<sup>th</sup> Joint Subcommittee Meeting on Science and Technology was held in Delhi on 21<sup>st</sup> December 2017 while the first meeting of the JWG on IT was held on 24<sup>th</sup> August 2017, in Hanoi.

## **Economic and Commercial Relations**

India's relations with Vietnam are marked by growing economic and commercial engagement. India is now among the top ten trading partners of Vietnam. During former Prime Minister Nguyen Tan Dung's visit to India in October 2014, the two sides decided to make economic cooperation a strategic thrust in the India-Vietnam Strategic Partnership. Thereafter, during the 2<sup>nd</sup> meeting of the Joint Sub-Committee, held on 20<sup>th</sup> January 2015, five key sectors were identified as thrust areas including garment and textile, pharmaceuticals, agro-commodities, leather & footwear and engineering. The 3<sup>rd</sup> meeting of the JCM was held in New Delhi on 15 March 2016.

Bilateral trade between India and Vietnam has seen continuous growth over the past many years. India is now among the top ten trading partners of Vietnam. According to GOI data, total trade between the two countries during April – Nov of fiscal year 2016-2017 was US\$ 6244.92 million. The two sides agreed to set the target of bilateral trade at USD 15 billion by 2020. Major export commodities from India are machinery and equipment, seafood, pharmaceuticals, cottons of all kinds, automobiles, textiles and leather accessories, cattle feed ingredient, chemicals, plastic resins, products of chemicals, fibres of all kinds, steel of all kinds, fabrics of all kinds, ordinary metals and jewellery & precious stones.

Main items of imports from Vietnam are mobile phones & accessories, computers and electronics hardware, machinery and equipments, chemicals, rubber, ordinary metals, wood and wooden products, fibres of all kinds, pepper, means of transport, products of steels, coffee, footwear, products of chemicals and polymers and resins.

Indian investments in Vietnam have remained constant at around US\$ 1 billion but are expected to rise in the coming years. During 2016, according to figures from the Foreign Investment Agency of Vietnam, Indian companies registered 17 new projects with a total capital of US\$98.12 million in the areas of food processing, fertilizers, auto components, textile accessories etc. With these projects, India now has 131 major projects with total investments of about US\$707.95, ranking 25<sup>th</sup> among 110 countries and territories investing in Vietnam. The figure from Vietnam does not include Indian investment from third countries. Major sectors of investment are energy, mineral exploration, agro-processing, sugar manufacturing, agro-chemicals, IT and auto components.

## **Defence Cooperation**

Defence Cooperation has emerged as a significant pillar of our strategic partnership with Vietnam. After the signing of the MoU on Defence Cooperation by the two Defence Ministers in November 2009, the relations have grown from strength to strength. Indian ships regularly make friendly port calls to Vietnam. For the first time, a Vietnamese Ship participated in the International Fleet Review at Vishakhapatnam, India, in February 2016.

## **Science and Technology**

Science and Technology is an important area of bilateral cooperation. The MoUs/Agreements signed during Prime Minister Modi's visit to Vietnam last year on Exploration and Uses of Outer Space for Peaceful Purposes, IT Cooperation, Cyber Security and the Framework Agreement signed in December on Uses of Atomic Energy for Peaceful Purposes show the importance our two countries attach to this area. Information Technology is an area with strong growth potential. Many Indian companies have established their presence in Vietnam for various IT solution and services in the area of banking, telecom, cyber security etc.

**Renewable Energy:** Renewable energy has been identified as thrust area of cooperation between the two countries.

## **Assistance and Capacity Building**

**Lines of Credit:** Since 1976, India has offered several Lines of Credit (LoCs) to Vietnam over the years on concessional terms and conditions. A LoC agreement was signed in July 2013 for US\$ 19.5 million for execution of a Nam Trai-IV hydropower project and Binh Bo Pumping station. In addition, India has also offered to discuss a line of credit of US\$300 million in the textile sector. India has also agreed to consider earmarking an amount of up to USD 100 million under the Buyer's Credit of the National Export Insurance Account(BC-NEIA) for use by Vietnam.

**Scholarships:** Vietnam has been a large recipient of training programmes under Indian Technical and Economic Cooperation (ITEC) programme. Presently, 150 ITEC slots are being offered to Vietnam every year along with 16 scholarships under the General Cultural Scholarship Scheme (GCSS), 14 scholarships under the Educational Exchange Programme (EEP) and 10 scholarships under the Mekong Ganga Cooperation Scholarship Scheme (MGCSS).

**ARC-ICT:** A US\$ 2 million Advanced Resource Centre in Information and Communications Technology (ARC-ICT) was inaugurated by External Affairs Minister in Hanoi in September 2011. The Centre has been set up by the Centre for Development of Advanced Computing (CDAC) and trains students and Government officials in various areas such as

web designing, network systems, java, GIS applications and e-governance.

**Gift of High Performance Computer:** On 12 November 2013, the High Performance Computing facility at the Hanoi University of Science & Technology was inaugurated by Vice Minister of Education and Training Mr. Tran Quang Quy, Ambassador Preeti Saran and Director General of CDAC Shri Rajat Moona. The 16-node cluster with basic visualization laboratory and a 5-node Grid Computing facility at an estimated cost of Rs. 4.7 crore has been gifted to Vietnam by India. This is the highest configuration of supercomputer ever gifted by Indian Government till date.

**Indira Gandhi Hi-Tech Crime Laboratory:** This Rs 2 crore grant assistance project to establish a Hi-Tech Crime Laboratory in Ha Noi. The MoU on this project was signed in November 2013.

### **Assistance to Vietnam within the ASEAN framework**

India has set up the Vietnam-India Center for English Language Training in Danang in July 2007 and the Vietnam-India Entrepreneurship Development Centre in Hanoi in May 2006 as part of its support to the Initiative for ASEAN Integration providing technical assistance to the Government of Vietnam.

The Vietnam-India Centre for English Language Training at the Technical University in Nha Trang is also running successfully. There is also a proposal to set up a Centre for Excellence in Software Development and Training in Ho Chi Minh City.

A proposal to set up a Centre for Satellite Tracking and Data Reception and an Imaging facility in Vietnam under ASEAN-India Cooperation mechanism is under consideration. The Centre will be fully funded by India and ISRO will be the implementing agency. It will utilise data provided by Indian remote sensing satellites and harness it for multiple developmental applications.

Assistance through IBSA: IBSA funded Rice Seed Improvement Project in Danang is ongoing with a grant from IBSA fund of US\$ 529,000. An e-learning project for medical training at the Haiphong Medical University has been completed. It is expected to be formally inaugurated in the coming months.

In 2016, under the India CLMV Quick Impact Revolving fund, four Quick Impact Projects with total amount of US\$173,000 were implemented in four provinces of Ha Giang, Dien Bien, Bac Giang and Quang Binh province. They included (i) Construction of Dormitory for Staff and teachers of Ban Che Primary School at Tan Tien Commune, Hoang Su Phi district and Construction of Intern House for students of the Ta Lung Primary School for Ethnic Minorities (ii) Construction of Co Man Campus and Che Can Campus of Muong Phuong Kindergarten of Dien Bien District, Dien Bien Province, Northern Viet Nam (iii) Re-construction of Thanh Trach Primary School No. 2, Thanh Trach Commune, Bo Trach

District and Reconstruction of the Bac Dinh Kindergarten, Nong Truong Viet Trung town, Bo Trach District, Quang Binh (iv) Construction of one classroom, kitchen, surrounding fence and play yard at Kindergarten No. 1 in Mai Trung Commune, Hiep Hoa District, Bac Giang Province.

### **Cultural Relations and People to People Exchanges**

The Indian Cultural Centre opened in Hanoi in September 2016, with the objective of strengthening India's cultural presence in Vietnam. Regular yoga, dance and music classes are held at the Centre.

Commemorating the 45<sup>th</sup> anniversary of the establishment of diplomatic relations and 10<sup>th</sup> anniversary of the establishment of Strategic Partnership, 2017 is being celebrated as the Year of Friendship. Many cultural events, food festivals, exhibitions and academic seminars and conferences are being held through the year.

A Festival of India was held in Vietnam from 5-15 March 2014. It was held in three cities – Hanoi, Danang and Ho Chi Minh City and had the following components: Classical Dance Recital by Sangeet Natak Academy, Buddhist Festival by Central Institute of Himalayan Cultural Studies, Food Festival, Folk dance by Kalbelia Group, Mehendi, and Yoga. All elements of the festival received an overwhelming response in Vietnam

The first ever **Indian Film Festival (IFF)** was organized in three cities of Vietnam (Danang, Hanoi and Ho Chi Minh City) from 12-23 December 2015. During the festival eight Hindi films with Vietnamese subtitles were screened. A seminar on 'Collaboration in Film making and its role in promotion of Tourism' was organized on 19<sup>th</sup> December 2015, in Hanoi. The inauguration of Film Festival and the seminar were attended by 11 Film producers/Directors from India apart from Vietnamese dignitaries and film producers/directors.

### **Hanoi International Film Festival**

India was one of the partner countries in the November 2016 Hanoi International Film Festival (1-5 Nov). The Directorate of Film Festival, New Delhi provided four films for screening at the Festival. On 3<sup>rd</sup> November, a roundtable on Indian Cinema was organized where Ambassador and Panelists like Adoor Gopalakrishna, Aruna Vasudev and Peter Hien took part. Several Indian films were screened during the Festival.

### **India-Vietnam**

On the occasion of the 45<sup>th</sup> anniversary of the establishment of diplomatic relations between India and Vietnam and the 10<sup>th</sup> anniversary of the establishment of Strategic Partnership, the Vietnam Buddhist Sangha in collaboration with the Vietnam-India Friendship Association (VIFA) and the Embassy of India, in Hanoi, organized a major four-day "Buddhist Festival - Days of India" in Tay Thien, Tam Dao District, Vinh Phuc Province. An important delegation comprising 200 monks and nuns from Ladhak and

Darjeeling, under the leadership of His Holiness Gyalwang Drukpa Jigme Pema Wangchen from the Hemis Jangchubling Monastery, Leh took part in the celebrations.

**International Day of Yoga:** The third successive International Day of Yoga was held at the iconic Hoan Kiem Lake area of Hanoi on 17<sup>th</sup> June 2017. This was organized by the Mission, in collaboration with the People's Committee of Hanoi, Ministry of Culture, Sports and Tourism, Ministry of Foreign Affairs, Ministry of Public Security and Ministry of National Defence of Vietnam, the United Nations Office in Hanoi. Bao Viet Life an insurance company partnered the Embassy in organizing this highly successful event. IDY celebration saw a participation of 4000 Yoga practitioners in the common yoga protocol apart from hundreds of spectators.

**Youth Delegation:** An Indian Youth Delegation visited Vietnam from 21-28 July 2016, under the Youth Exchange Programme between the two countries. This is the first visit under the MOU signed in 2014. The Vietnamese Youth Delegation visited India from 27<sup>th</sup> March to 5<sup>th</sup> April 2017.

### **Indian Community**

Estimated population of Indians living in Vietnam is 2900, mostly in HCMC. The Indian Business Chamber (INCHAM) is an organisation of Indians living in Vietnam, primarily to promote trade and business interactions. The Indian community is vibrant, law-abiding, well-educated and prosperous. A vast majority of them are professionals working in Indian and multinational companies. They retain strong family, cultural and business ties with India. With the ongoing increase in bilateral trade, investment and tourism, the Indian community in Vietnam is set to grow and prosper further in the years ahead.

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