

India – Vietnam Relations

India and Vietnam, with historical roots in the common struggle for liberation from colonial rule and the national struggle for independence, share traditionally close and cordial bilateral relations. Mahatma Gandhi and Ho Chi Minh, regarded as the Father of Nation in India and Vietnam respectively, led people in their heroic struggle against colonialism in the two countries. India was the Chairman of the International Commission for Supervision and Control (ICSC), which was formed pursuant to the Geneva Accord of 1954 to facilitate the peace process in Vietnam. India initially maintained Consulate-level relations with the then North and South Vietnams and later established full diplomatic relations with unified Vietnam on 7 January 1972. Relations between the two countries were elevated to the level of ‘Strategic Partnership’ during the visit of Vietnam’s Prime Minister Nguyen Tan Dung to India in July 2007. In 2016, during Prime Minister Modi’s visit to Vietnam, bilateral relations were further elevated to a “Comprehensive Strategic Partnership”.

2. In the context of COVID-related travel limitations, Prime Minister Shri Narendra Modi and Prime Minister Mr. Nguyen Xuan Phuc held the first ever India-Vietnam Virtual Summit on 21 December 2020, during which they adopted a historic “**Joint Vision for Peace, Prosperity and People**” to guide the future development of bilateral relations. On the sidelines of the Virtual Summit, the two Foreign Ministers also signed a Plan of Action for the period 2021-23 to implement the Joint Vision.

I. POLITICAL EXCHANGES

Recent Virtual Meetings:

3. First ever India-Vietnam Virtual Summit was co-chaired by Prime Minister of India, Shri Narendra Modi and Prime Minister of Vietnam, Mr. Nguyen Xuan Phuc on 21 December 2020. The 17th Virtual Joint Commission Meeting between External Affairs Minister of India, Dr. S. Jaishankar and Deputy PM and Foreign Minister of Vietnam, Mr. Pham Binh Minh was held on 25 August 2020. Virtual Bilateral Meeting between Raksha Mantri (Defence Minister) of India Shri Rajnath Singh and Minister of National Defence of Vietnam, General Ngo Xuan Lich held on 27 November 2020. It was part of regular bilateral exchange at the level of Defence Ministers.

Recent Visits from India:

4. President of India Shri Ram Nath Kovind paid a State Visit to Vietnam from 18-20 November 2018. Earlier President of India, Shri Pranab Mukherjee undertook a State Visit to Vietnam from 14-17 September 2014. Vice President of India Shri M. Venkaiah Naidu visited Vietnam from 09-12 May 2019 to deliver a keynote address at the 16th United Nations Day of Vesak celebration. Prime Minister of India Shri Narendra Modi paid an Official Visit to Vietnam on 2-3 September 2016. External Affairs Minister, Smt. Sushma Swaraj visited Vietnam for 16th Joint Commission Meeting and 3rd Indian Ocean Conference from 26-28 August 2018. For 132nd Assembly of Inter-Parliamentary Union, Hon’ble Speaker of Lok Sabha Smt. Sumitra Mahajan led a delegation to visit Vietnam from 28 March-1 April 2015.

Recent Visits from Vietnam

5. President of Vietnam Mr. Tran Dai Quang paid a State Visit to India from 02-04 March 2018. General Secretary of Communist Party of Vietnam Mr. Nguyen Phu Trong also paid a State Visit to India from 19-22 November 2013. Vice President of Vietnam Mme. Dang Thi Ngoc Thinh paid an Official Visit to India from 11-13 February 2020. Prime Minister of Vietnam Mr. Nguyen Xuan Phuc visited New Delhi from 24-26 January 2018 to attend ASEAN-India Commemorative Summit-2018 and he was also one of the Chief Guests for India's Republic Day Celebrations - 2018. Earlier Prime Minister of Vietnam Mr. Nguyen Tan Dung visited India from 27-28 October 2014. A Parliamentary Delegation led by Chairperson of the National Assembly of Vietnam Mme. Nguyen Thi Kim Ngan was visited India from 8-11 December 2016.

Institutional mechanisms for bilateral exchanges

6. There are several bilateral mechanisms at different levels between India and Vietnam. The Joint Commission Meeting at the Foreign Ministers' level and the Foreign Office Consultations and Strategic Dialogue at Secretary-level provide the broad framework for bilateral consultations encompassing all areas of mutual interest. The 16th Joint Commission Meeting was held at Hanoi in August 2018. The 10th Foreign Office Consultations and the 7th Strategic Dialogue were held in New Delhi in April 2018. In view of the COVID-19 related travel restrictions, the latest (17th) round of Joint Commission Meeting was held online between External Affairs Minister of India and the Deputy PM and Foreign Minister of Vietnam on 25 August 2020.

7. India-Vietnam Joint Sub-Commission on Trade at Commerce Secretary-Level held its 4th meeting in Hanoi in January 2019. The 13th Defence Secretary-level Annual Defence Policy Dialogue was held virtually on 12 January 2021. Indian Naval Ship INS *Kiltan* undertook a visit to Ho Chi Minh City to deliver flood relief materials for the people of Central Vietnam. It also participated in the PASSEX Exercise with Vietnam People's Navy. The 2nd India-Vietnam Maritime Security Dialogue at Joint Secretary-level was held in April 2021 on virtual mode. The 1st Policy Planning Dialogue between the two Foreign Ministries were held in September 2020 at the level of Joint Secretary/Director General. Both countries also maintain Parliamentary exchanges.

II. TRADE AND ECONOMIC COOPERATION

Bilateral Trade

8. From a meagre US\$ 200 million in the year 2000, bilateral trade between India and Vietnam has seen steady growth over the years. According to Indian statistics, during Financial Year (FY) April 2020 – March 2021, bilateral trade between India and Vietnam reached US\$ 11.12 billion, with Indian exports to Vietnam amounting to US\$ 4.99 billion and Indian imports from Vietnam at US\$ 6.12 billion. This marked a decrease of 22.47 percent in bilateral trade year-on-year, largely on account of COVID-19 related disruptions. India's trade deficit with Vietnam reduced from US\$ 2.22 billion during FY 2019-2020 to US\$ 1.12 billion in FY 2020-2021. In FY 2020-21, for India, Vietnam was the 15th largest trading partner globally and the 4th largest within ASEAN, following Singapore, Indonesia and Malaysia. For Vietnam, on the other hand, India was the 10th largest trading partner globally. During FY 2020-2021, key items of exports from India to Vietnam included iron and steel, cotton, frozen meat, auto

component, seafood, electrical machinery and equipment, animal feeds and cereals. Major Indian exports that registered positive growth during this period were cotton, auto component, electrical equipment, animal feed ingredient, cereals and pharmaceutical products. Key items of imports into India from Vietnam during this period were electrical machinery and equipment, chemicals, copper and articles of copper, products of iron and steel and agro-based commodities.

India's Investments in Vietnam

9. India's investments in Vietnam are estimated at around US\$ 1.9 billion including investments routed through third countries. According to Vietnam's Foreign Investment Agency, as of April 2021, India has 299 valid projects with total invested capital of US\$ 909.5 million, ranking 26th among countries and territories investing in Vietnam. Major sectors of Indian investment are energy, mineral exploration, agro-processing, sugar, tea, coffee manufacturing, agro-chemicals, IT and auto components.

Vietnam's Investments in India

10. As of 2020, Vietnam has six investment projects in India with total estimated investment of US\$ 28.55 million, primarily in the areas of pharmaceuticals, information technology, chemicals and building materials.

Development Partnership

11. India has a long-standing development partnership with Vietnam that has made positive contributions towards capacity building, Sustainable Development Goals and socio-economic development of Vietnam. India has also been providing assistance to Vietnam within the ASEAN framework. Under the Mekong Ganga Cooperation (MGC) framework, India has been taking up Quick Impact Projects (QIPs), each valued at US\$ 50,000, in different provinces of Vietnam for development of community infrastructure. With their short gestation period, the QIPs bring direct benefits to communities at the grassroots level. So far, since 2017, 18 QIPs have been completed in 17 provinces of Vietnam, while 8 new projects are under implementation during the period 2020-21 in 5 provinces. In addition, 7 grant-in-aid assistance projects for the benefit of the Cham community in Ninh Thuan province were completed in December 2020 with an outlay of around US\$ 1.54 million. India is also providing technical assistance worth US\$ 2.25 million for conservation and restoration of ancient Cham monuments located in the Quang Nam Province of Vietnam, showcasing the deep civilizational connection between the two countries.

III. CULTURAL COOPERATION

12. The Swami Vivekananda Indian Cultural Centre (SVCC) was established in Hanoi in September 2016 to promote a comprehensive understanding of India and to foster closer links between peoples of both countries through cultural exchanges. Both countries also have regular exchange of youth delegations. Close relations are also maintained with academia and think tanks in Vietnam. The Vietnam Institute for Indian and South-West Asian Studies (VIISAS) under the Vietnam Academy of Social Sciences and the Centre for Indian Studies at the Ho Chi Minh National Academy of Politics are among the key centres in Vietnam focused on Indian studies and have academic cooperation MOUs with some Indian institutions. As

announced during the Virtual Summit held in December 2020, the two sides led by India's Indian Council for Cultural Relations (ICCR) and Vietnam Academy of Social Sciences (VASS) will collaborate to bring out an Encyclopaedia of India-Vietnam Cultural and Civilizational Relations to mark the 50th year of diplomatic relations between the two countries in 2022.

Tourism and People-to-People Contacts

13. Tourism exchanges were affected during 2020 due to COVID-related disruptions following the positive growth witnessed after the long-awaited direct flights between the two countries commenced in October 2019 and the year 2019 was celebrated as the ASEAN-India Year of Tourism. It is expected that after the COVID situation normalizes, the direct flight connectivity will resume and help in enhancing two-way tourism as well as trade and business linkages. Mission organized two India-Vietnam Tourism Roadshows in January and August 2019 in Hanoi, whereas another roadshow was organised by the Consulate General of India in Ho Chi Minh City in November 2019. Both countries have facilitated simplified visa regime to promote bilateral tourism. In December 2017, Vietnam extended e-visa facilities to Indian citizens travelling to Vietnam. India has e-tourist visa arrangement for Vietnamese citizens since 2015.

14. During 2020, nearly 900 Indian nationals stranded in Vietnam due to COVID-related travel disruptions were repatriated to India by special flights organised by the Government of India under the *Vande Bharat Mission*.

Capacity Building, Training, Scholarships

15. Vietnam has been a large recipient of training programmes under Indian Technical and Economic Cooperation (ITEC) programme. Vietnam receives more than 200 training slots annually, including more than 130 training slots under ITEC/Civilian and technical Cooperation Scheme of Colombo Plan and further 70 training slots under ITEC (Defence). Separately, Indian Council of Cultural Relations has several annual scholarship programmes including 14 scholarships under EEP/CEP (Education Exchange programme/Cultural Exchange Programme); 10 under MGCSS (Mekong Ganga Cooperation Scholarship Scheme); 20 under GSS (General Scholarship Scheme); and 4 scholarships for Buddhist and Sanskrit studies. The utilization of annual training slots and scholarships on offer has consistently been very high. The recent initiative of Government of India launched in October 2019 to offer PhD fellowship programme in association with 23 IITs for 1000 students from ASEAN countries, has also received good response from Vietnam. Vietnam was also among a select group of partner countries where Government of India launched the new e-ITEC programme in October 2019.

150th Birth Anniversary of Mahatma Gandhi

16. Embassy of India organized various events to celebrate Mahatma@150 during the years 2019 and 2020. These include Jaipur artificial limb fitment camps, which were organized in four provinces of Vietnam, benefitting 1000 people, under 'India for Humanity' initiative of the Government of India. The Embassy of India, Vietnam's Ministry of Information and Communication and Vietnam Post jointly launched a commemorative stamp on Mahatma

Gandhi on Gandhi Jayanti on 2 October 2019.

Indian Community

17. An estimated 5500 people from India, including some short-term visitors, constitute the Indian community in Vietnam. A majority of them are based in and around Ho Chi Minh City (HCMC) in the southern part of Vietnam. Most of the community members are professionals employed in business and trading companies, oil refineries, IT sector, hotels/restaurants, mining, yoga institutions, civil aviation sector and schools. Some Indians in Vietnam currently hold senior positions in multi-national companies and international organisations. Indian Business Chamber (INCHAM), a recognized organization by the Government of Vietnam, represents Indian community and promotes Indian business interests in Vietnam.

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