

Global India Foundation International Conference

India-Vietnam Ties: Retrospect and Prospect

India International Centre, Annexe

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Concept Note

India's engagement of the south-east Asian and Asia-Pacific regions hinges crucially on her ties with Vietnam. The foundation of India's bilateral ties with Vietnam were initiated more than fifty years ago, with Prime Minister Nehru travelling to Vietnam in 1954, and President Ho Chi Minh's visit to India in February 1958. Sharing common historical experiences of colonial exploitation and subsequent national struggle for liberation, the two countries have enjoyed a friendly and cordial disposition towards each other.

In the 1990s, the initiation of India's 'Look East' policy along with Vietnam's growing presence in the south-east Asian region strengthened political ties and urged renewed initiatives of strategic engagement. Today, Vietnam is an important regional partner for India in South East Asia and they closely cooperate in various regional forums such as ASEAN, East Asia Summit, Mekong Ganga Cooperation, Asia Europe Meeting (ASEM) besides United Nations and the World Trade Organization.

Trade and economic linkages have remained a crucial component of India-Vietnam relations. While Vietnam is an attractive investment destination for diverse Indian commercial sectors like oil and gas, steel, minerals, tea, coffee, sugar and food processing; systematic efforts have also been initiated in the fields of capacity building, information technology, education, entrepreneurship skills and development of training centres. According to the Ministry of External Affairs, Government of India, India has extended several Lines of Credit totaling 361

crores to Vietnam since 1976. In June 2010, Vietnam ratified the India-ASEAN Free Trade Area in goods. In 2007, India has become one of the largest investors in Vietnam. The two countries have also signed specific memorandums of understanding to facilitate cultural exchange, cooperation in science & technology, agriculture and fisheries and nuclear energy.

High-level diplomatic visits have lent momentum to the strengthening of ties between the countries. Diplomatic exchanges and visits during 2011 have encouraged discussions on crucial bilateral, regional and global issues. Both sides have expressed satisfaction over their strategic partnership and recognized it as an imperative to steadily pursue political relations, defence and security, trade and investment, credit and banking, energy including oil and gas exploration, agriculture, animal husbandry and aqua-culture, science and technology, information and communications technology, health, civil aviation, education, human resources development, capacity-building and cultural and media exchanges. Prime Minister Dr. Manmohan Singh has asserted that a strong India-Vietnam relationship is a factor of peace, stability and development in the Asia-Pacific region. It stands on its own merits. He has also pointed out that we are maritime neighbours in the region and would work together to confront security challenges from terrorism, piracy and natural disasters. Vietnam recently expressed its desire to gain Indian assistance in the modernization of a strategic port and upgrading its technical intelligence capability. They have shown keen interest in forging a trilateral cooperation between Vietnam, Japan and India to deal with non-traditional threats in Asia-Pacific and the Indian Ocean regions. Interestingly, it was also reported in August 2011 that New Delhi will help conserve a portion of *My Son* sanctuary, a world heritage site in Vietnam that has one of the largest collections of Hindu temples and monuments, the oldest dating back to the 4th century AD, outside the subcontinent.

India and Vietnam have decided to more than double their bilateral trade from two point seven billion US dollars to seven billion US dollars by 2015 and agreed to boost the two-way investment. They have also expressed determination to finalize the India-ASEAN Free Trade Agreement in Services and Investment. As the countries look forward to celebrating forty years of their diplomatic ties and friendship in 2012, the time is apt for a review of the variables driving India-Vietnam relations and infusing a fresh spirit of cooperation. India cannot ignore the

rising presence of China in the Southeast Asian region in general and in the South China Sea. The inter-play of contested geo-strategic interests in the region must be rationally juxtaposed with the need to pursue continuities in foreign relations and engage in fresh avenues of engagement for the optimal cultivation of bilateral ties.

For an exposition and subsequent development of India's policy options for fruitful engagement with Vietnam, it is necessary to prepare an appropriate venue for the dissemination of relevant knowledge. It is extremely important that these issues be debated between opinions that have been formulated as much by practical experience and knowledge as by theoretical perceptions. Global India Foundation is hosting the coming together of Indian and Vietnam viewpoints on this pertinent theme by organizing an international conference on the 14th of February 2012 at the India International Centre, Annexe, New Delhi. The deliberations in the conference would dwell on the dynamics of India-Vietnam ties over the decades, with special emphasis on trade and economic interactions; security perspectives on India and Vietnam in the Asian balance of power and emerging areas of engagement in India-Vietnam relations.