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Vietnam-India Trade: Current Relations and Prospects

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Abstract

Purpose – In recent years, the bilateral political relationship between Vietnam and India was upgraded to strategic and comprehensive partnership. Thus, the purpose of this paper is to analyze current relations and prospects of the Vietnam-India trade.

Research design, data and methodology – The data was mainly based on World Integrated Trade Solution (WITS) and Foreign Investment Agency of Vietnam Ministry of Planning and Investment (FIA) from 2010-2018. The relationship of the two countries has showed growth in all sectors, including trade cooperation. This paper focused on assessing the current relations of trade cooperation of the two countries and then analyzed the prospects of trade cooperation in the next period.

Result - The Indian Government's strategy shifted from "Look East" policy to "Look East" action by the end of 2015. Vietnam is a partner and a pillar of India's Look East policy (Muni, 2011). The governments of both countries should further strengthen exchanges and trade connections in order to provide cooperation opportunities for investors and businesses of the two countries.

Conclusion - The paper discusses and gives an overview of the current status of the trade relations of Vietnam and India as well as lucidating the opportunities and challenges for two countries in the future.

Keywords: Trade Cooperation, Current Relation, Prospect, Vietnam, India.

JEL Classifications: F50, N70, P33, P45.

1. Introduction

Based on common civilisational and cultural ties, India and Vietnam have shared sincere bonds of friendship and mutual trust. India-Vietnam relations have been exceptionally friendly and cordial since their foundations were laid by Prime Minister Nehru and President Ho Chi Minh more than 50 years ago. 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. The legacy of the relationship has its roots in the common struggle for liberation from foreign rule and the national struggle for independence. In recent times, political

contacts have strengthened as reflected in several highlevel visits by leaders from both sides.

It has been two decades since India executed a calibrated shift in its foreign policy orientation, by pronouncing its "Look East" policy. According to Chansoria (2011) that the year 1991 witnessed not only a new wave of economic reforms and liberalisation that underpinned India's economic rise, but also a systemic shift in the overall geo-political international order. It would only be prudent to state here that India's thrust toward its "Look East" policy has matched well with Vietnam's growing engagement in the Asia-Pacific. Both Hanoi and New Delhi closely cooperate in various regional fora such as the ASEAN, East Asia Summit, Mekong-Ganga Cooperation and the Asia-Europe Meeting (ASEM). The Joint Commission Meeting at the foreign ministers' level provides for the larger framework of bilateral cooperation while identifying concrete projects (Indian Ministry of External Affairs, 2011).

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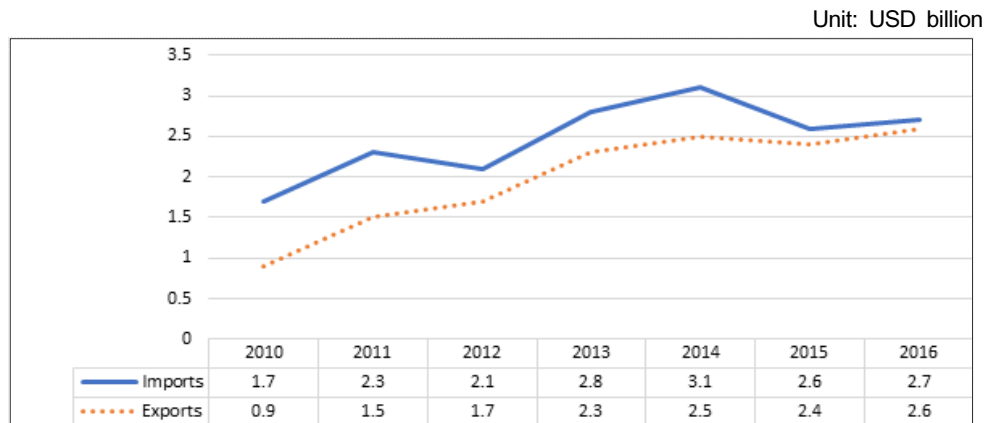
2. Trade cooperation between Vietnam-India

Indian Prime Minister Narendra Modi visited Vietnam in 2016, on his way to China for the G-20 summit. The visit, the first by an Indian prime minister in 15 years, made it clear that New Delhi was no longer hesitant to expand its presence in China's periphery. The Modi government has made no secret of its desire to play a more assertive role in the Indo-Pacific region. Modi himself has argued that India can be an anchor for peace, prosperity, and stability in Asia and Africa. A more ambitious outreach to Vietnam, therefore, should not be surprising (Indian Ministry of External Affairs, 2011).

Bilateral ties between India and Vietnam have strengthened in recent years with a shared focus on regional security issues and trade. Traditionally, India has had a favourable presence in Vietnam owing to its support for Vietnamese independence from France and eventual unification of the country, as well as for its opposition to the US involvement during the Vietnam War (Pant, 2018). Vietnam and India have a rich history of diplomatic relations. During the most testing times in its independence movement, India supported the North Vietnamese regime steadfastly. India was also one of the first countries to recognise the Vietnamese government once the consolidation of the country was achieved in the mid-1970s. Both Vietnam and India were also close allies of the Soviet Union during the Cold War. However, both countries have a strong penchant for underlining strategic autonomy in their foreign and domestic policies, which has often lead to friction with the US. With the rise of China in recent years, their ties have become strategic in orientation. Bilateral trade has also grown since the liberalisation of the Indian and Vietnamese economies. Vietnam has backed a more prominent role for India in the Association of Southeast Asian Nations (ASEAN) as well as India's bid for a permanent membership in the United Nations (UN) Security Council. Mutual trust, threats emerging from a rising China, and a convergence of strategic interests have contributed to the deepening of ties between the two nations

to the extent that Vietnam now engages India as a comprehensive strategic partner, a clear indication that both nations value this critical partnership. The institutionalisation of this bilateral partnership has been rapid. The two states promulgated a Joint Declaration on Comprehensive Cooperation in 2003 in which they envisaged creating an "Arc of Advantage and Prosperity" in Southeast Asia and initiated strategic dialogue since 2009 (Pant, 2016).

India has attempted to boost economic relations with Vietnam. Modi's policy navigation from "Look East" to "Act East", which essentially aims to strengthen ties with the extended neighbourhood of the Asia Pacific region and to expand ties between India and Vietnam to the level of "Comprehensive Strategic Partnership", makes Vietnam extremely critical in India's eastward outreach (Goswami, 2016). Vietnam on its part has actively supported the Act East policy as it facilitates India's larger role in the region. Also, Vietnam is ASEAN's Coordinator for ASEAN-India Dialogue Relations from 2015 to 2018, which can be utilised to further increase the cooperation. India is now among Vietnam's top ten trading partners and during Modi's 2016 visit, the two nations have agreed to explore substantive and practical measures, like the Joint Sub-Commission on Trade, to achieve the trade target of US\$15 billion by 2020 (Thayer, 2012). They have also signed a civil nuclear agreement in 2016, which is expected to further boost bilateral trade between them. India-Vietnam economic ties date back to 1978 when both countries signed a bilateral trade agreement (Singh, 2007). By 1982, the India-Vietnam joint commission was set up for economic, technical, and scientific cooperation. The initial years saw limited trade between the two countries whereby India facilitated a line of credit worth \$400 million to Vietnam. The first major Indian investment came from OVL in 1989 off the coast of Vung Tau, located east of Ho Chi Minh City (Srivastav, 2013). Bilateral trade in the early years suffered due to the 1997 Asian financial crisis, which was marked by a slowdown in Vietnam's economy.



Source: World Integrated Trade Solution (WITS)

Figure 1: Vietnam's imports and exports from/to India (2010-2016)

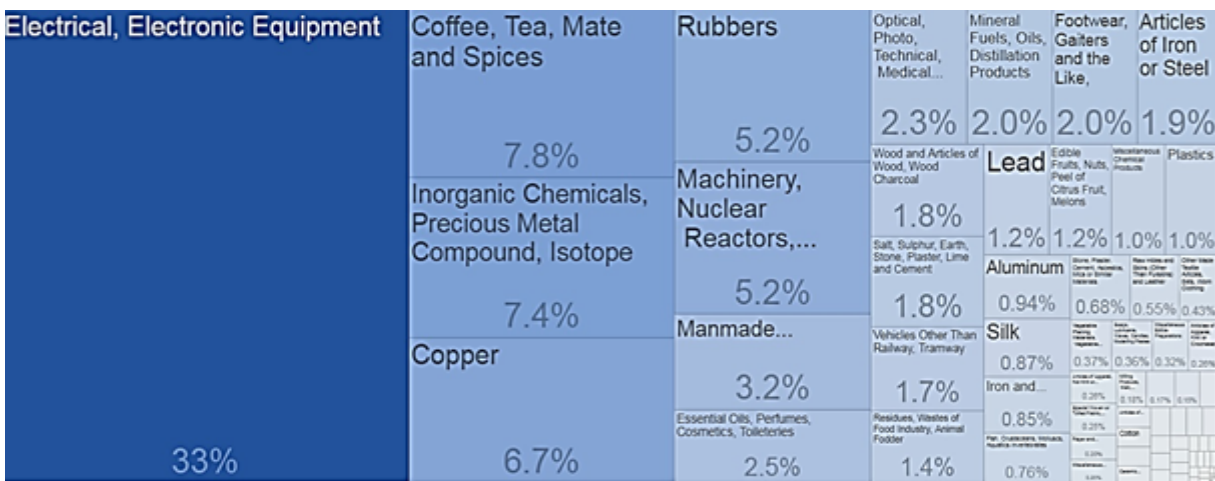
By 1999, Indian exports had contributed to 90% of the total bilateral trade of \$150 million with Indian private sectors companies like Ranbaxy and Godrej expanding their footprint in Vietnam (Pant, 2018). A major breakthrough came with the establishment of the Indian Business Chamber, which was formally licensed in February 1999. Bilateral trade touched \$1 billion in 2006, crossed the \$2 billion mark in 2009, and reached \$7.8 billion in 2016. A major impetus to economic ties came with the signing of the India ASEAN Free Trade Agreement in August 2009 (Srivastav, 2013). From 2010 to 2016, imports from India to Vietnam increased by \$1 billion (\$1.7-\$2.7 billion) and exports from Vietnam to India nearly tripled to \$2.6 billion (Figure 1). India began exporting pharmaceuticals, plastics, metals, and chemicals to Vietnam, while Vietnam exported steel, rubber, and electronic items to India. Vietnam continues to be an attractive investment destination for Indian companies (Appendix 1, 2). As of June 2013, according to the figures from Vietnam's Foreign Investment Agency, India has 73 investment projects with total registered capital of US\$ 252.21 million. If investments by Indian companies from third countries are included as well, India has 68 valid projects with an estimated total investment capital of US\$ 936.23 million. Indian companies are investing in oil and gas exploration, mineral exploration and processing, sugar manufacturing, agro-chemicals, IT, and agricultural processing. Vietnam has three investment projects in India with total investment of US\$ 23.6 million (Srivastav, 2013)

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 2nd meeting of the Joint Sub-Committee, held on 20th January 2015, five key sectors were identified as thrust areas including garment and textile,

pharmaceuticals, agro-commodities, leather & footwear and engineering (Government of India - GOI, 2017). The 3rd 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 Government of India (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 (Ministry of External Affairs, 2016).

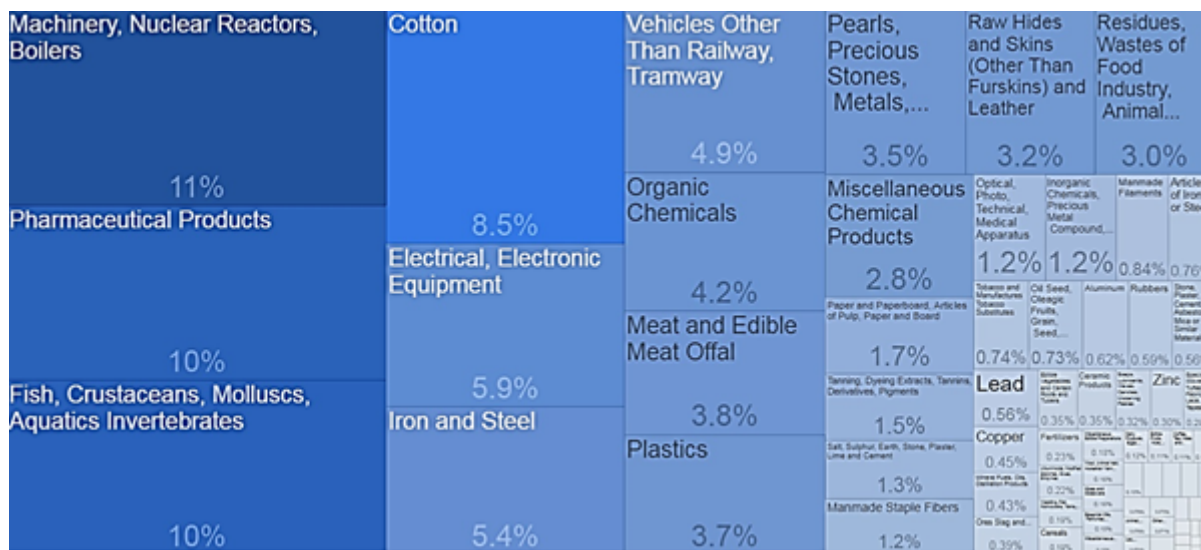
Main items of imports from Vietnam are mobile phones & accessories, computers and electronics hardware, machinery and equipments, chemicals, rubber, ordinary metals, wood and wooden products, fibres of all kinds, pepper, means of transport, products of steels, coffee, footwear, products of chemicals 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 25th 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, agroprocessing, sugar manufacturing, agro-chemicals, IT and auto components (Figure 2 and 3).



Source: tradingeconomics.com

Figure 2: Vietnam's products exports to India



Source: tradingeconomics.com

Figure 3: Vietnam's products imports to India

The two countries also expanded cooperation in areas such as space exploration and cybersecurity. New Delhi and Hanoi signed the Inter Governmental Framework Agreement for the Exploration of Outer Space for Peaceful Purposes, and agreed to conclude the Implementing Arrangement between the Indian Space Research Organisation and the Vietnam Ministry of Natural Resources and Environment on the establishment of a Tracking and Data Reception Station and a Data Processing Facility in Vietnam under the India-ASEAN Space Cooperation (Ministry of External Affairs, 2016). A Memorandum of Understanding on cybersecurity was also signed between Vietnam's Ministry of Public Security and India's Ministry of Electronics and Information Technology; and the two countries also facilitated the transfer of equipment to the Indian-funded Indira Gandhi High-Tech Crime Laboratory (Ministry of External Affairs, 2016). India has also established a satellite tracking facility in Ho Chi Minh City. Although termed a civilian facility, it could provide strategic benefits such as the tracking of Chinese movement in the sea, in case of a threat. It has been planned and implemented by the Indian Space Research Organisation.

Vietnam and India have a long traditional friendship. Historical milestones in the relationship between the two countries are the establishment of the formal diplomatic relationship (07/01/1972), the upgrade to Strategic Partnership (07/2007) and Comprehensive Strategic Partnership (09/2016). Moreover, India and Vietnam have signed Agreements for the Avoidance of Double Taxation, Agreements on Promotion and Protection of Investments... Within the framework of ASEAN-India Free Trade Area (AIFTA), there are also important agreements such as The ASEAN-India Trade in Goods (AITIG) Agreement (came into force in 2010), The Services and Investment Agreements

(became effective in 2015).

By 2018, India is Vietnam's largest FDI partner in Central and West Asian region with 208 projects with a total registered investment capital** of over USD 878 million***, mainly in manufacturing industry, information technology and mining sectors (FIA, 2019). India ranks 26th among the 129 countries and territories which have invested in Vietnam (FIA, 2019). However, the average registered capital of an Indian project in Vietnam is only about USD 4.5 million, much lower than the average amount of a FDI project in Vietnam (around USD 13.5 million).

Regarding investment sector, as of 5/2018, Indian investors had invested in 16 among 21 economic sectors in Vietnam. Manufacturing and processing industry ranks first with 52 projects having total registered capital of approximately USD 478.81 million (accounts for 58,5% of India's investment in Vietnam). The second ranking sector is wholesale, retail and repairing automobiles, motorcycles, motorbikes with 51 projects with registered capital of USD 9.67 million (make up 1,18% of India's investment in Vietnam). However, production and distribution of electricity, gas, water, air conditioning sector with only 4 projects but registered capital of USD 179.04 millions (accounts for 21,9% of India's investment in Vietnam) (FIA, 2018) (Table 1).

** Total registered capital includes: registered capital of the newly licenced projects, supplemented projects and investment by capital contribution and purchasing shares.

*** This total capital takes into account the projects' capital that is in operation only.

Table 1: Investment sectors of Indian Enterprises in Vietnam (as of May, 2018)

No.	Sector	Number of Projects	Total investment (USD million)
1	Health services and social work activities	1	0.20
2	Construction	1	2.00
3	Transportation and warehouses	3	0.28
4	Information and communication	16	4.53
5	Production and distribution of electricity, gas, water, air conditioning	4	179.04
6	Agriculture, forestry and fisheries	5	22.86
7	Mining	5	96.50
8	Real estate business	1	0.20
9	Administrative and support services	1	0.50
10	Other service activities	2	6.05
11	Professional activities, science and technology	38	16.05
12	Education and training	1	0.40
13	Accommodation and catering services	2	0.10
14	Manufacturing and processing industry	52	478.81
15	Water supply and waste treatment	1	0.05
16	Wholesale and retail; Repairing automobiles, motorcycles, motorbikes	51	9.67
	Total	184	817.24

Source: FIA (2018)

By 2018, regarding the form of investment: India's projects are mainly in the form of 100% Indian enterprises' capital, with 148 projects and USD 579.21 million of registered capital (account for 70,87% of India's investment in Vietnam). The second form of investment is Joint Venture which had attracted 30 projects with total registered capital of nearly USD 107.53 million (account for 13.2% of India's investment in Vietnam). The remaining form is Business Cooperation Contract (BCC) with 6 projects and USD 130.18 million of registered capital (make up 15,9% of India's investment in Vietnam) (FIA, 2018) (Table 2).

Table 2: Form of Indian Investment in Vietnam (2018)

No.	Form of investment	Number of Projects	Total investment (USD million)
1	100% Indian enterprises' capital	148	579.21
2	Joint Venture	30	107.85
3	Business Cooperation Contract (BCC)	6	130.18
	Total	184	817.24

Source: FIA, 2018.

India's investment is allocated in 25/63 provinces and cities in Vietnam (including offshore oil and gas area). Phu Yen ranks the first destination having 8 projects with total registered capital of USD 189.64 million (23.2% of India's investment in Vietnam). The second destination is Ninh Thuan, attracting 3 projects with total registered capital of USD 137.83 million (accounting for 16.86% of India's investment in Vietnam). Binh Duong with 11 projects and USD 111.36 million (accounts for 13.62% of India's investment in Vietnam) ranks the third in terms of India's

FDI attraction (FIA, 2018) (Table 3).

Table 3: India's investment in provinces of Vietnam in 2018

No.	Provinces	Number of Projects	Total investment (USD million)
1	Yen Bai	5	21.90
2	Vinh Phuc	2	2.20
3	Ho Chi Minh City	88	63.98
4	Tien Giang	1	6.00
5	Thua Thien Hue	1	0.05
6	Thanh Hoa	2	0.25
7	Tay Ninh	3	14.14
8	Quang Ngai	1	6.00
9	Phu Yen	8	189.64
10	Ninh Thuan	3	137.83
11	Nghe Anh	5	42.08
12	Long Anh	6	17.03
13	Hung Yen	1	0.15
14	Hoa Binh	1	3.02
15	Hai Phong	3	10.50
16	Hanoi	24	9.98
17	Đông Nai	1	2.00
18	Đắk Lắk	1	1.20
19	DaNang	2	13.50
20	Can Tho	1	0.50
21	Binh Phuoc	2	1.10
22	Binh Duong	11	111.36
23	Binh Dinh	3	2.84
24	Bac Ninh	5	68.00
25	Ba Giang	1	6.00
	Total	184	731.24

Source: FIA, 2018

From 2010 to 2016, the amount of FDI from India to Vietnam had increased continuously. After the ASEAN-India

Investment and Services Agreement came into force on July 1st 2015, India's FDI inflows to Vietnam have soared. The ASEAN-India Investment and Services Agreement mainly focuses on ensuring equity and fair treatment for investors. Indian FDI inflows increased significantly in 2015 at 281%. Despite the decline in 2016, FDI inflows from India have generally been higher than before the signing of the Agreement. In addition, within the framework of the Look East Policy of Indian government, Prime Minister N.Modi has also prioritized India's investment in Vietnam, Laos, Cambodia and Myanmar. As a result, the proportion of Indian investment in Vietnam comparing to Indian investment in ASEAN countries gradually increased from 1.55% in 2014 to 5.07% in 2016, compared to 0.1% in the previous years (Table 4).

Table 4: India's FDI inflows in Vietnam

Unit: USD million

Year	India's FDI in Vietnam	Growth (%)	India's FDI in ASEAN	% of India's FDI in Vietnam/ ASEAN
2010	4.05		3801.21	0.1
2011	10.19	151.6	-2067.87	
2012	10.08	-1.07	7311.05	0.13
2013	1.14	-88.69	2108.07	0.05
2014	18.89	1557	1216.25	1.55
2015	72.08	281.5	958.06	7.52
2016	53.09	-26.3	1046.80	5.07

Source: ASEAN secretariat- data updated on 31/10/2017

3. Prospects for Vietnam and India cooperation in trade sector

India is a large market and expected to be one of the most powerful economies with numerous comparative advantages, a scientific and technological power, particularly in information technology. Meanwhile, Vietnam possesses abundant natural resources, industrious dynamics and well-educated labor force and is also a promising market. So the potential for bilateral cooperation is still vast and needed to be further exploited. Vietnam's current process of integration into the world economy and reforms in India are creating new opportunities to strengthen bilateral ties.

India has paid special attention to comprehensive economic cooperation with the entire ASEAN as a part of 'Look-East' policy as well as with individual ASEAN countries, particularly, Vietnam which is key market for India's exports.

In the memorandum of cooperation during the visit to India by President Tran Dai Quang in 2016 and the visit of the President of India in Vietnam in November 2018, both leaders emphasized the prospects of long-term cooperation

of the two countries between India and Vietnam as follows:

- Enhancing strong trade and economic engagement is a strategic objective, a core element of the Comprehensive Strategic Partnership and are essential for strengthening bilateral ties.
- Realizing potential to both increase the volume of trade and diversify its composition.
- Requesting the relevant ministries and agencies on both sides to explore substantive and practical measures to achieve the trade target of \$15 billion by 2020, including but not limited to utilising established mechanism, strengthening exchanges of trade delegations, business-to-business contacts, regular organization of trade fairs and events.
- Leaders of business and industry of both countries to explore new trade and investment opportunities in identified priority areas of cooperation: hydrocarbons, power generation, renewable energy, energy, conservation, infrastructure, textiles, footwear, pharmaceuticals, machine tools, agriculture and agro-products, tourism, chemicals, ICT and other service sector industries.
- Cooperating to increase productivity, quantum and content of science and technology in agricultural products.
- Encouraging greater two-way investment between Vietnam and India. Two countries establish to concrete plans to effectively implement the signed agreements in order to promote bilateral trade, including measures for trade promotion.
- Promoting bilateral investment, including cooperation projects between Vietnam Oil and Gas Group (PVN) and Oil and Natural Gas Corporation Limited (ONGC) in oil and gas exploration on land, continental shelf and Exclusive Economic Zone (EEZ) of Vietnam, and encouraged the two sides to be more active in identifying models for cooperation, including those involving third country. The Vietnamese side welcomed and agreed to create facilitating conditions for Indian companies to invest into new thermal energy and renewable energy projects in Vietnam.
- Referring to the Plan of Action 2018-2020 between the two Ministries of Agriculture request for market access for their agricultural, fruit and food products.

Besides the opportunities, the two countries still face many challenges in bilateral trade cooperation such as:

- The legal environment plays important role in two countries' trade cooperation. However, the two governments have created a favorable legal environment for businesses of both sides recently. Some of the documents are still overlapping, conflicting and lack of feasibility.
- Next difficulty is that enterprises do not really know each other's market. Vietnamese enterprises, exporting to Indian market, are lack of understanding Indian

market. For better implementation of their advantages, enterprises need to step up market research, timely grasp the needs and tastes of consumers, innovate designs and packages, and give competitive strategies on prices, application of scientific and technical advances in farming, agricultural and aquatic production, paying special attention to food hygiene and safety standards in order to improve the competitiveness of goods of the two countries.

- The development and consolidation of a national brand of products has begun to be of interest to Vietnamese and Indian businesses and registration for each type of product, especially the preparation of investment in resources for activities and registering brand and trademark protection in foreign countries. Therefore, to improve the quality of trade promotion activities, the image building strategy and business investment environment of the two countries are extremely necessary.
- The infrastructure system connecting trade development between the two countries has not really been paid attention. This is seen as a big resistance to the development of cooperation and trade between the two countries in the previous periods.
- Human resources of both countries are not suitable for the international labor market. Therefore, the two countries need to urgently train qualified international economic and business staff; attach special importance to training the contingent of foreign economic forces who are politically and steadfast in the environment of both cooperation and struggle.

4. Conclusion

Collaborating on trade engagements, India and Vietnam have managed to build a strong partnership over the last few years. Given their mutual convergence, it is likely that this relationship will only grow stronger. There remains much to do, for instance India can help Vietnam develop its defence sector by investing and working. Vietnam is also a prospective market for India's defence exports, which still remains under-exploited. Beyond that, there is significant scope to explore in the economic realm on areas such as energy, mineral exploration, agro-processing, healthcare, IT, and education, among others, which will help to boost existing ties. Overall, this is a relationship that is poised to take off in the coming years, led by political leaderships in the two countries determined to make this relationship truly strategic in orientation. In order to gradually develop the trade cooperation relationship between Vietnam and India, the two countries should have effective solutions such as: (i) perfecting the legal system, creating a favorable legal environment for the two countries' enterprises, (ii)

strengthening market research in the two countries, (iii) promoting trade promotion activities and focus on introducing goods of the two countries, (iv) building and developing infrastructure systems and (v) developing human resources, especially high-quality human resources.

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Appendix 1: Vietnam's products exports to India

No	Items	Value	Year
1	Electrical, electronic equipment	\$900.04M	2016
2	Coffee, tea, mate and spices	\$208.59M	2016
3	Inorganic chemicals, precious metal compound, isotope	\$197.61M	2016
4	Copper	\$179.63M	2016
5	Rubbers	\$139.88M	2016
6	Machinery, nuclear reactors, boilers	\$139.11M	2016
7	Manmade filaments	\$87.07M	2016
8	Essential oils, perfumes, cosmetics, toileteries	\$68.13M	2016
9	Optical, photo, technical, medical apparatus	\$60.59M	2016
10	Mineral fuels, oils, distillation products	\$53.55M	2016
11	Footwear, gaiters and the like,	\$53.48M	2016
12	Articles of iron or steel	\$51.64M	2016
13	Wood and articles of wood, wood charcoal	\$48.26M	2016
14	Salt, sulphur, earth, stone, plaster, lime and cement	\$47.33M	2016
15	Vehicles other than railway, tramway	\$44.34M	2016
16	Residues, wastes of food industry, animal fodder	\$38.84M	2016
17	Lead	\$33.59M	2016
18	Edible fruits, nuts, peel of citrus fruit, melons	\$31.90M	2016
19	Miscellaneous chemical products	\$27.92M	2016
20	Plastics	\$26.98M	2016
21	Aluminum	\$25.34M	2016
22	Silk	\$23.46M	2016
23	Iron and steel	\$22.86M	2016
24	Fish, crustaceans, molluscs, aquatics invertebrates	\$20.33M	2016
25	Stone, plaster, cement, asbestos, mica or similar materials	\$18.24M	2016
26	Raw hides and skins (other than furskins) and leather	\$14.76M	2016
27	Other made textile articles, sets, worn clothing	\$11.64M	2016
28	Vegetable plaiting materials, vegetable products	\$9.90M	2016
29	Soaps, lubricants, waxes, candles, modelling pastes	\$9.72M	2016
30	Miscellaneous edible preparations	\$8.59M	2016
31	Articles of apparel, knit or crocheted	\$6.97M	2016
32	Articles of apparel, not knit or crocheted	\$6.89M	2016
33	Special woven or tufted fabric, lace, tapestry	\$6.73M	2016
34	Paper and paperboard, articles of pulp, paper and board	\$5.51M	2016
35	Miscellaneous articles of base metal	\$5.40M	2016
36	Milling products, malt, starches, inlin, wheat gluten	\$4.93M	2016
37	Impregnated, coated or laminated textile fabric	\$4.67M	2016
38	Miscellaneous manufactured articles	\$4.09M	2016
39	Albuminoids, modified starches, glues, enzymes	\$3.20M	2016
40	Articles of leather, animal gut, harness, travel good	\$3.16M	2016
41	Cotton	\$3.00M	2016
42	Furniture, lighting signs, prefabricated buildings	\$2.99M	2016
43	Ceramic products	\$2.60M	2016
44	Wadding, felt, nonwovens, yarns, twine, cordage	\$2.53M	2016
45	Oil seed, oleagic fruits, grain, seed, fruits	\$2.21M	2016
46	Base metals not specified elsewhere, cermets.	\$2.09M	2016
47	Beverages, spirits and vinegar	\$2.02M	2016
48	Organic chemicals	\$1.62M	2016
49	Manufacturers of plaiting material, basketwork	\$1.53M	2016
50	Glass and glassware	\$1.31M	2016
51	Knitted or crocheted fabric	\$1.15M	2016
52	Toys, games, sports requisites	\$1.07M	2016
53	Tools, implements, cutlery of base metal	\$932.45K	2016
54	Tanning, dyeing extracts, tannins, derivatives, pigments	\$899.45K	2016
55	Ships, boats, and other floating structures	\$743.90K	2016

56	Manmade staple fibers	\$722.66K	2016
57	Tin	\$694.09K	2016
58	Cereal, flour, starch, milk preparations and products	\$615.14K	2016
59	Ores slag and ash	\$495.84K	2016
60	Lac, gums, resins	\$490.69K	2016
61	Fertilizers	\$486.15K	2016
62	Pharmaceutical products	\$470.59K	2016
63	Photographic or cinematographic goods	\$289.60K	2016
64	Vegetable, fruit, nut food preparations	\$286.45K	2016
65	Zinc	\$274.33K	2016
66	Headgear and	\$263.62K	2016
67	Meat and edible meat offal	\$141.29K	2016
68	Aircraft, spacecraft	\$106.37K	2016
69	Railway, tramway locomotives, rolling stock, equipment	\$55.31K	2016
70	Pearls, precious stones, metals, coins	\$53.50K	2016
71	Pulp of wood, fibrous cellulosic material, waste	\$40.49K	2016
72	Printed books, newspapers, pictures	\$29.65K	2016
73	Products of animal origin	\$23.97K	2016
74	Live trees, plants, bulbs, roots, cut flowers	\$20.85K	2016
75	Furskins and artificial fur, manufactures	\$18.13K	2016
76	Cocoa and cocoa preparations	\$16.82K	2016
77	Commodities not specified according to kind	\$9.97K	2016
78	Musical instruments, parts and accessories	\$8.24K	2016
79	Vegetable textile fibers not specified elsewhere, paper yarn, woven fabric	\$6.53K	2016
80	Sugars and sugar confectionery	\$4.05K	2016
81	Works of art, collectors' pieces and antiques	\$3.72K	2016
82	Carpets and other textile floor coverings	\$3.12K	2016
83	Umbrellas, walking-sticks, seat-sticks, whips	\$2.75K	2016
84	Clocks and watches	\$858	2016
85	Animal, vegetable fats and oils, cleavage products	\$6.03M	2015
86	Edible vegetables and certain roots and tubers	\$93.92K	2015
87	Bird skin, feathers, artificial flowers, human hair	\$4.55K	2015
88	Tobacco and manufactures tobacco substitutes	\$35.9K	2014
89	Wool, animal hair, horsehair yarn and fabric thereof	\$4.13K	2014
90	Cereals	\$2.12K	2013
91	Dairy products, eggs, honey, edible products	\$66.13K	2012
92	Meat, fish and seafood preparations	\$10.49K	2011
93	Explosives, pyrotechnics, matches, pyrophorics	\$839.58K	2010
94	Live animals	\$500	2007
95	Arms and ammunition, parts and accessories	\$1.38K	2006

Source: tradingeconomics.com

Appendix 2: Vietnam's products imports to India

No	Items	Value	Year
1	Machinery, nuclear reactors, boilers	\$310.00M	2016
2	Pharmaceutical products	\$276.97M	2016
3	Fish, crustaceans, molluscs, aquatics invertebrates	\$275.42M	2016
4	Cotton	\$232.48M	2016
5	Electrical, electronic equipment	\$162.05M	2016
6	Iron and steel	\$147.01M	2016
7	Vehicles other than railway, tramway	\$135.84M	2016
8	Organic chemicals	\$116.28M	2016
9	Meat and edible meat offal	\$103.21M	2016
10	Plastics	\$100.30M	2016
11	Pearls, precious stones, metals, coins	\$96.97M	2016
12	Raw hides and skins (other than furskins) and leather	\$88.33M	2016
13	Residues, wastes of food industry, animal fodder	\$82.36M	2016

14	Miscellaneous chemical products	\$76.42M	2016
15	Paper and paperboard, articles of pulp, paper and board	\$47.29M	2016
16	Tanning, dyeing extracts, tannins, derivatives, pigments	\$41.55M	2016
17	Salt, sulphur, earth, stone, plaster, lime and cement	\$36.32M	2016
18	Manmade staple fibers	\$33.97M	2016
19	Optical, photo, technical, medical apparatus	\$31.73M	2016
20	Inorganic chemicals, precious metal compound, isotope	\$31.61M	2016
21	Manmade filaments	\$23.04M	2016
22	Articles of iron or steel	\$20.74M	2016
23	Tobacco and manufactures tobacco substitutes	\$20.24M	2016
24	Oil seed, oleagic fruits, grain, seed, fruits	\$20.16M	2016
25	Aluminum	\$16.90M	2016
26	Rubbers	\$16.10M	2016
27	Stone, plaster, cement, asbestos, mica or similar materials	\$15.48M	2016
28	Lead	\$15.30M	2016
29	Copper	\$12.44M	2016
30	Mineral fuels, oils, distillation products	\$11.89M	2016
31	Ores slag and ash	\$10.59M	2016
32	Edible vegetables and certain roots and tubers	\$9.65M	2016
33	Ceramic products	\$9.60M	2016
34	Soaps, lubricants, waxes, candles, modelling pastes	\$8.92M	2016
35	Zinc	\$8.25M	2016
36	Special woven or tufted fabric, lace, tapestry	\$7.93M	2016
37	Fertilizers	\$6.41M	2016
38	Albuminoids, modified starches, glues, enzymes	\$6.11M	2016
39	Wadding, felt, nonwovens, yarns, twine, cordage	\$5.34M	2016
40	Cereals	\$5.15M	2016
41	Miscellaneous edible preparations	\$4.99M	2016
42	Wool, animal hair, horsehair yarn and fabric	\$4.31M	2016
43	Glass and glassware	\$4.29M	2016
44	Essential oils, perfumes, cosmetics, toileteries	\$4.09M	2016
45	Miscellaneous manufactured articles	\$3.52M	2016
46	Dairy products, eggs, honey, edible products	\$3.35M	2016
47	Edible fruits, nuts, peel of citrus fruit, melons	\$3.13M	2016
48	Coffee, tea, mate and spices	\$2.99M	2016
49	Knitted or crocheted fabric	\$2.80M	2016
50	Sugars and sugar confectionery	\$2.79M	2016
51	Wood and articles of wood, wood charcoal	\$2.74M	2016
52	Articles of apparel, not knit or crocheted	\$2.74M	2016
53	Cocoa and cocoa preparations	\$2.60M	2016
54	Tools, implements, cutlery of base metal	\$2.45M	2016
55	Commodities not specified according to kind	\$2.17M	2016
56	Animal, vegetable fats and oils, cleavage products	\$2.10M	2016
57	Lac, gums, resins	\$2.03M	2016
58	Footwear, gaiters and the like,	\$1.97M	2016
59	Other made textile articles, sets, worn clothing	\$1.94M	2016
60	Miscellaneous articles of base metal	\$1.83M	2016
61	Toys, games, sports requisites	\$1.38M	2016
62	Milling products, malt, starches, inlin, wheat gluten	\$1.33M	2016
63	Articles of apparel, knit or crocheted	\$1.16M	2016
64	Impregnated, coated or laminated textile fabric	\$960.03K	2016
65	Furniture, lighting signs, prefabricated buildings	\$682.59K	2016
66	Vegetable plaiting materials, vegetable products	\$638.32K	2016
67	Printed books, newspapers, pictures	\$638.13K	2016
68	Railway, tramway locomotives, rolling stock, equipment	\$515.95K	2016
69	Carpets and other textile floor coverings	\$479.88K	2016
70	Articles of leather, animal gut, harness, travel good	\$447.52K	2016

71	Vegetable, fruit, nut food preparations	\$410.06K	2016
72	Meat, fish and seafood preparations	\$377.28K	2016
73	Clocks and watches	\$317.96K	2016
74	Bird skin, feathers, artificial flowers, human hair	\$287.65K	2016
75	Vegetable textile fibers not specified elsewhere, paper yarn, woven fabric	\$189.87K	2016
76	Base metals not specified elsewhere, cermets.	\$147.29K	2016
77	Cereal, flour, starch, milk preparations and products	\$81.56K	2016
78	Silk	\$69.35K	2016
79	Nickel	\$61.61K	2016
80	Furskins and artificial fur, manufactures	\$43.38K	2016
81	Products of animal origin	\$41.04K	2016
82	Beverages, spirits and vinegar	\$39.69K	2016
83	Works of art, collectors' pieces and antiques	\$37.36K	2016
84	Live trees, plants, bulbs, roots, cut flowers	\$23.79K	2016
85	Headgear and	\$10.36K	2016
86	Musical instruments, parts and accessories	\$2.51K	2016
87	Photographic or cinematographic goods	\$2K	2016
88	Tin	\$1.54K	2016
89	Aircraft, spacecraft	\$684	2016
90	Manufacturers of plaiting material, basketwork	\$248	2016
91	Ships, boats, and other floating structures	\$14.41M	2015
92	Pulp of wood, fibrous cellulosic material, waste	\$7.92K	2015
93	Umbrellas, walking-sticks, seat-sticks, whips	\$2.70K	2014
94	Explosives, pyrotechnics, matches, pyrophorics	\$827.2K	2009
95	Cork and articles of cork	\$1.32K	2009
96	Live animals	\$9.62K	2007

Source: tradingeconomics.com