Chandrawat & Partners



BILATERAL RELATIONS

INDIA - VIETNAM

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INTRODUCTION

ndia and Vietnam share traditionally close and warm relations rooted in centuries-old civilisational, cultural, and historical linkages. Cultural exchanges between the two societies date back to ancient times, with the Cham civilisation reflecting enduring Indian cultural influences in Vietnam. The shared legacy of Buddhism—acting as an enduring civilisational bridge—alongside historical interactions and robust people-to-people ties, continues to provide a rock-solid foundation for contemporary bilateral relations.

Diplomatic relations between India and Vietnam have steadily evolved over the decades since full diplomatic ties were formally established on 7 January 1972. The relationship was elevated to a Comprehensive Strategic Partnership in 2016. In a historic milestone, the bond was further elevated to an Enhanced Comprehensive Strategic Partnership (ECSP) during the landmark State Visit of Vietnamese President To Lam to India, reflecting deep strategic convergence, mutual trust, and a shared vision for India's Viksit Bharat 2047 and Vietnam's Vision 2045. The year 2027 marks the historic 55th anniversary of diplomatic relations, a milestone celebrated through deep multi-sectoral integration under the ECSP framework.

India and Vietnam today cooperate across a wide range of sectors, including political engagement, defence, maritime security, space exploration, digital transformation, and critical mineral supply chains. Driven by strong commercial synergies, bilateral merchandise trade reached USD 18.28 billion in FY 2025–26, moving the two nations closer to their accelerated target of USD 25 billion in annual bilateral trade by 2030. This economic synergy is further underscored by mutual market access expansions, such as the entry of Indian grapes and Vietnamese durians into respective domestic markets.

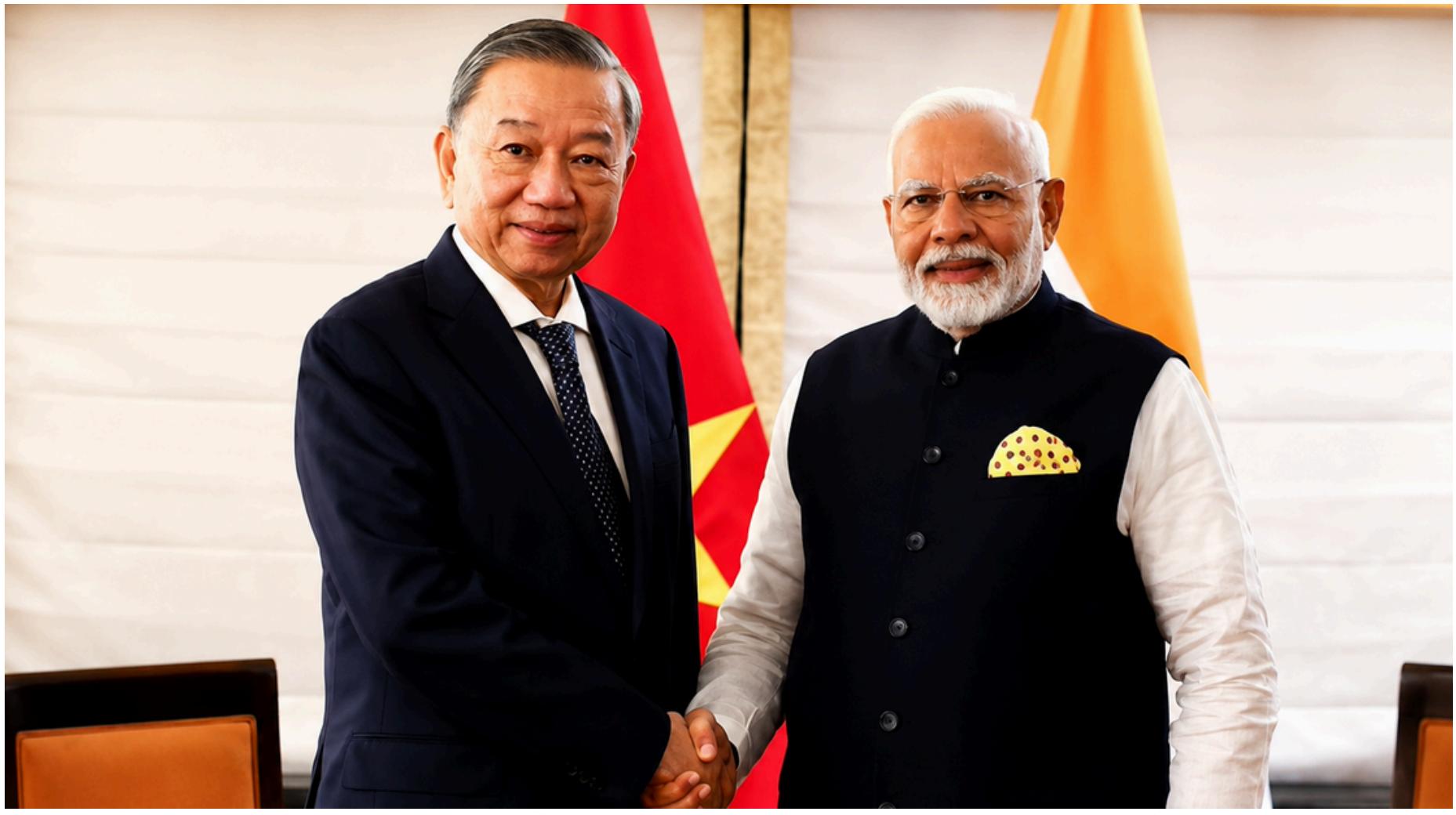


BACKGROUND

India and Vietnam share a long history of friendship shaped by their respective struggles for national independence and freedom. The relationship was strengthened by the close regard between leaders such as Mahatma Gandhi and President Ho Chi Minh, who exchanged messages and helped establish a foundation of mutual respect and understanding between the two countries.

India played an important role in the post-Geneva process in Indochina. Following the Geneva Accords of 1954, India served as the Chairman of the International Commission for Supervision and Control, which was established to monitor the implementation of the agreements and support the peace process. India subsequently maintained Consulate-level relations with both North Vietnam and South Vietnam before establishing full diplomatic relations with Vietnam on 7 January 1972.

The historical solidarity between India and Vietnam during Vietnam's struggle for independence created a strong foundation of political trust. Over the decades, this relationship has evolved from early diplomatic engagement into a broad and multifaceted partnership based on shared interests, strategic convergence and close cooperation at regional and international levels under their Enhanced Comprehensive Strategic Partnership.



PEOPLE-TO-PEOPLE, CULTURAL AND EDUCATIONAL COOPERATION

India and Vietnam share centuries-old civilisational and cultural connections rooted in Buddhism, trade, art, architecture and knowledge traditions. These historical links continue to strengthen contemporary people-to-people relations. The Swami Vivekananda Cultural Centre in Hanoi promotes Indian culture through yoga, dance, music, Hindi, literature and philosophy. India and Vietnam have also adopted a Cultural Exchange Programme for 2026–2030 to expand cultural cooperation.

Educational cooperation has grown through scholarships, academic exchanges, research partnerships and capacity-building programmes. For 2025–26, 78 Vietnamese students and scholars received Indian Government scholarships, while Vietnam continues to benefit from India's ITEC training programmes. New academic collaborations involving Nalanda University and Vietnamese institutions are further promoting knowledge and research exchanges.

Buddhist heritage remains an important bridge between the two societies. In 2025, the exhibition of the Holy Relics of Lord Buddha from India across Vietnam attracted more than 14 million devotees. India is also supporting the conservation of the My Son UNESCO World Heritage Site. Yoga, tourism and youth exchanges further contribute to closer people-to-people ties and mutual understanding between India and Vietnam.

India and Vietnam are also strengthening cooperation in tourism, wellness and youth exchanges. Direct air connectivity between major Indian and Vietnamese cities, along with growing interest in Buddhist pilgrimage, heritage tourism and wellness travel, is supporting greater mobility and interaction between the two peoples. The two countries have also expanded exchanges involving youth, universities, cultural institutions and research organisations.

Looking ahead, the growing emphasis on education, cultural heritage, tourism, yoga, academic research and knowledge-sharing is expected to further deepen mutual understanding. These initiatives complement the broader Enhanced Comprehensive Strategic Partnership and provide a strong people-centred foundation for India's long-term engagement with Vietnam.

India and Vietnam are strengthening people-to-people connectivity through expanding air links, tourism, youth exchanges and cultural mobility. Direct flights between major cities have made travel more accessible, while Buddhist pilgrimage, heritage tourism, wellness tourism and cultural tourism are emerging as important areas of cooperation. The two countries are also promoting youth delegations, academic exchanges and institutional partnerships to build greater awareness and understanding among younger generations.

The growing movement of students, professionals, tourists, researchers and cultural groups between the two countries is helping transform the historic civilisational relationship into a stronger contemporary people-to-people partnership.

DEVELOPMENT OF BILATERAL AND COMMERCIAL TIES

India and Vietnam have steadily expanded their economic and commercial engagement through bilateral agreements, institutional mechanisms and increasing business-to-business cooperation. Important frameworks include the 1997 Agreement for the Promotion and Protection of Investments and the Agreement on Trade and Economic Cooperation. Economic cooperation has subsequently broadened across agriculture, information technology, healthcare, energy, manufacturing, infrastructure and other emerging sectors.

The ASEAN–India Trade in Goods Agreement (AITIGA), which provides a preferential trade framework between India and Vietnam, has contributed to the growth of bilateral commerce. Its ongoing review is expected to create a more contemporary, trade-facilitative and mutually beneficial framework for businesses across India and ASEAN.

Economic ties have grown substantially over the past decade. According to the latest official data, total merchandise trade between India and Vietnam reached US$18.28 billion in FY 2025–26, reflecting a year-on-year increase of nearly 16%. India's exports to Vietnam amounted to approximately US$6.67 billion, while Vietnam's exports to India stood at approximately US$11.62 billion.

Major Indian exports to Vietnam include meat and marine products, aluminium, iron and steel, machinery and equipment, electrical equipment, cereals, animal feed ingredients and auto components. India's principal imports from Vietnam include mobile phones and electronic products, machinery and equipment, iron and steel, copper, plastics, inorganic chemicals, coffee, tea and spices.

Investment cooperation is also an important pillar of the economic partnership. Indian investments in Vietnam are estimated at around US$2 billion, including investments routed through third countries, across sectors such as energy, mineral exploration, agro-processing, information technology and auto components. Vietnamese investments in India have expanded in sectors including automobiles, aviation, pharmaceuticals, information technology, chemicals and building materials.

In May 2026, India and Vietnam agreed to explore substantive and practical measures to achieve a new bilateral trade target of US$25 billion by 2030. The Enhanced Comprehensive Strategic Partnership is expected to further strengthen cooperation in high technology, manufacturing, logistics, renewable energy, smart agriculture, electric vehicles, healthcare, agro-processing, tourism and digital technology.

Beyond trade and investment, India and Vietnam are increasingly focusing on new areas of economic cooperation, including digital transformation, artificial intelligence, fintech, renewable energy, critical minerals, supply-chain resilience and emerging technologies. These expanding areas of collaboration are expected to create new opportunities for businesses, strengthen economic connectivity and support the long-term growth of the India–Vietnam economic partnership.

India and Vietnam have witnessed steady growth in bilateral and commercial ties, supported by expanding trade, investment and business-to-business engagement. Cooperation is increasingly diversifying into emerging sectors, creating new opportunities for stronger economic integration and long-term commercial partnership.

STRATEGIC COOPERATION

India and Vietnam share a strong and expanding strategic partnership founded on mutual trust, growing strategic convergence and a shared commitment to peace, stability and a rules-based order in the Indo-Pacific. Following the elevation of bilateral ties to an Enhanced Comprehensive Strategic Partnership in May 2026, defence and security cooperation continues to remain a key pillar of the relationship.

The Joint Vision Statement on India–Vietnam Defence Partnership towards 2030 provides an important framework for strengthening cooperation across defence policy dialogue, military exchanges, training, capacity building, maritime security, defence industry and peacekeeping. Regular high-level engagements and institutional dialogues have further contributed to the steady expansion of strategic cooperation.

Maritime cooperation has emerged as an important area of engagement. The two countries conduct naval interactions, port calls and professional exchanges, while their navies completed an inaugural joint hydrographic survey off the coast of Vietnam in May 2025. India and Vietnam have also agreed to continue similar cooperation in the future.

Defence industrial cooperation is gaining further momentum through joint research, technology transfer, co-development and co-production. The two countries signed a Letter of Intent to strengthen defence industry collaboration in November 2025 and have continued cooperation under India's defence Lines of Credit. The partnership also includes the Mutual Logistics Support Agreement and the Memorandum of Agreement on Mutual Submarine Search and Rescue Support and Cooperation.

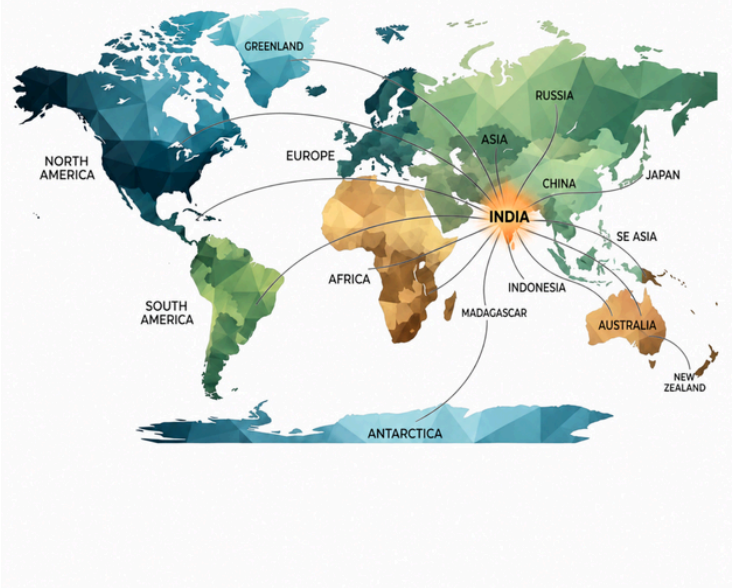
Capacity building remains a significant component of the defence partnership. India provides training to Vietnamese defence personnel through specialised programmes and training teams across the Indian Army, Navy and Air Force. The countries also cooperate in United Nations peacekeeping, with the India–Vietnam Bilateral Army Exercise VINBAX serving as an important platform for strengthening interoperability and professional cooperation.

Strategic cooperation is increasingly expanding into emerging areas such as cybersecurity, artificial intelligence, quantum technology, real-time information sharing, military medicine and advanced defence technologies. Both countries are also expected to co-chair the ASEAN Defence Ministers' Meeting-Plus Experts' Working Group on Cyber Security for the 2027–2030 cycle.

Through enhanced maritime cooperation, stronger defence industry collaboration, emerging technology partnerships and regular military engagement, India and Vietnam continue to deepen their strategic partnership while contributing to peace, security and stability across the wider Indo-Pacific region.

The strategic partnership is also reinforced by close coordination on regional and international security issues, particularly in support of ASEAN centrality, freedom of navigation, peaceful settlement of disputes and adherence to international law. India and Vietnam continue to engage through multilateral platforms and regional security mechanisms, strengthening their shared vision of an open, inclusive and stable Indo-Pacific. This growing convergence further enhances the role of bilateral cooperation in addressing traditional and emerging security challenges across the region.

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