

# India, Vietnam formulate new action plan to strengthen ties

**STRATEGIC PARTNERSHIP.** Two countries sign six MoUs; New Delhi to extend \$300 million credit line

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India and Vietnam have adopted a new plan of action to strengthen and implement the bilateral 'comprehensive strategic partnership' over the next five years.

The two countries are also set to establish a digital payment connectivity and favour speedy conclusion of the ASEAN-India Trade in Goods Agreement review, Prime Minister Narendra Modi said, following his bilateral meeting with Vietnamese Prime Minister Pham Minh Chinh in New Delhi on Thursday.

The two countries signed six MoUs for greater co-operation in areas including agricultural research, customs capacity building, law and justice, radio & television and traditional medicines, according to the Ministry of External Affairs. India also agreed to extend two credit lines to Vietnam, amounting to \$300 million.

"In the last 10 years (since the BJP-led NDA came to power), we have turned our



**EXPLORING NEW AREAS.** Prime Minister Narendra Modi and Vietnam PM Pham Minh Chinh inaugurated the Army Software Park at the Tele-Communications University in Nha Trang, Vietnam, at a joint press statement, at Hyderabad House in New Delhi on Thursday ANI

relations into a comprehensive strategic partnership. There has been an over 85 per cent increase in two-way trade and an expansion in co-operation in energy, technology and development partnership. Co-operation in the areas of defence and security have speeded up," Modi said in a statement to the media in the presence of the Vietnamese PM.

## PLAN OF ACTION

The plan of action for implementation of the 'compre-

hensive strategic partnership' will roll out in the 2024-2028 period, the two leaders decided.

In a further leg-up to India's digital payments initiative, the Central Banks in both India and Vietnam have reached an agreement to establish digital payment connectivity between the two nations, Modi announced. Like India, Vietnam, too, is embracing digital payments in a significant way. The country has already committed to developing cross-bor-

der payment connectivity for retail transactions, including quick response (QR) codes and instant payments, with a number of other ASEAN countries, per local media reports.

## DEFENCE & SECURITY

Highlighting new steps taken to increase co-operation in the area of defence and security, Modi mentioned the Army Software Park inaugurated in Nayachang on Thursday. "The agreement reached on the \$300 million

credit line will strengthen Vietnam's military security," the PM said. The two nations have also decided to focus on terrorism and cyber security, he added.

Chinh, who is on a three-day official visit to India, had proposed an annual bilateral trade target of \$20 billion, up from the current \$14.8 billion, in an industry interaction on Wednesday.

In the leaders' meeting, both sides agreed that an early completion of the ongoing review of the ASEAN-India Trade in Goods Agreement would help the countries reach their bilateral trade potential, Modi said.

Both sides will continue co-operation for a free, open, rules-based and prosperous Indo-Pacific, the PM said, adding that Vietnam was India's important partner in our Act East Policy and Indo-Pacific vision.

"We support development, not expansionism," Modi said, without directly referring to China which has been trying to expand its presence in the Indo-Pacific region and the South China Sea.