

## **Sri Lanka - Vietnam Relations**

Sri Lanka – Vietnam relations have roots in the two countries affinity to Buddhism and were nurtured through the solidarity of Sri Lanka during the Vietnam’s struggle against colonialism. Sri Lanka has firmly favoured Vietnam during the Vietnamese struggle for freedom and also the recognized provincial Revolutionary Government of the Republic of South Vietnam. Later following the unification Sri Lanka was one of the first countries to establish relations with the Socialist Republic of Vietnam.

Following the establishment of formal diplomatic relations in 1970, Vietnam opened a resident mission in Colombo in May 1971 while Sri Lanka’s Ambassador in China was concurrently accredited to Vietnam. Later accreditation was from Thailand. As Vietnam withdrew its resident representation from Sri Lanka in 1982 due to economical reasons, the Vietnamese Ambassador in India is concurrently accredited to Sri Lanka.

In January 2001, demonstrating Sri Lanka’s interest to strengthen bilateral relations with Vietnam, the Cabinet decided to open a resident Sri Lankan Mission in Hanoi. Accordingly, the Sri Lanka Embassy was opened in Hanoi on 16th January 2003 and the first resident Ambassador of Sri Lanka to Vietnam presented credentials to H.E. Mr. Tran Duc Luong, President of Vietnam on 17th February 2003. This was an opening of a new chapter aimed at reinvigorating traditional relationship between the two countries.

Since the establishment of diplomatic ties in 1970, Sri Lanka and Vietnam have signed a number of agreements and MoUs in many fields for co-operation between the two countries.

Vietnam has been benefited by the South South Technical Co-operation programme of the Ministry of Foreign Affairs introduced in 2001 and a considerable number of Vietnamese nationals continue to undergo training and skill development programmes in selected centers of excellence in Sri Lanka.

There are also a considerable number of Sri Lankans living and working in Vietnam. Mostly, professionals attached to multinational organizations, hospitality sector etc. A several Sri Lankan companies have investments in garments and desiccated coconut industries and service sectors such as shipping.

### **Economic Relations**

With the opening of the Vietnam economy and the lifting of trade embargo on Vietnam by the U.S., Vietnam has recorded a number of encouraging achievements in the fields of trade and economic development in the recent past. Liberalisation of the Vietnam economy and economic progress have been further accelerated following its admission into World Trade Organization (WTO) in November 2006.

There is a growing potential for further co-operation between the two countries specially in trade, investments and tourism and the business community of both countries should make use of these opportunities. Vietnam tariff structure is currently under review and more liberalized tariff in accordance with WTO regulations are expected. There are opportunities for Sri Lanka business community for the promotion of intermediate goods for industries such as construction, hospitality, plantation and garments etc. Sri Lanka could also offer consultancy/professional services in the fields of engineering, architecture, construction, hotel management and business management. Export market for consumable products such as Confectionery, Tea and other beverages including herbal drinks, Cosmetics, Rubber products and Gem and jewellery etc. are also growing as a result of the rising purchasing power among the 83 million Vietnamese population due to the fast economic growth. Currently Sri Lanka enjoys favourable import duties for Sri Lankan products as Vietnam extends MFN status to Sri Lanka. Possibilities of these opportunities have to be explored by the Sri Lankan business community.

Today Vietnam has emerged as one of the most promising destination for foreign investments especially in the areas of manufacturing as well as services.

## **Exchange of High Level visits between Sri Lanka and Vietnam**

### **1976**

1. H.E. Mrs. Nguyen Thi Binh, Vice Foreign Minister of Vietnam visited Sri Lanka

### **1978**

1. H.E. Mr. Pham Van Dong, Prime Minister of Vietnam visited Sri Lanka.

### **2003**

1. A seven-member delegation led by H.E. Mr. Nguyen Dy Nien, Minister of Foreign Affairs visited Sri Lanka from 19th – 22nd July 2003.
2. Hon. Tyronne Fernando, Minister of Foreign Affairs of Sri Lanka visited Vietnam from 25th to 28th October 2003.
3. A ten-member delegation led by H.E. Mr. Do Nhu Dinh, Vice Minister of Trade visited Sri Lanka from 11th to 14th November 2003.
4. Hon. Keheliya Rambukwella, Minister of Science & Technology visited Hanoi to Conference from 27th to 30th November 2003.

### **2004**

1. Hon. Anura Bandaranaike, Minister of Industry, Tourism & Investment Promotion visited Vietnam to participate at the World Tourism Conference with 03 other delegation members from 10<sup>th</sup> - 13<sup>th</sup> June 2004.
2. Hon. Anura Kumara Disanayake, Minister of Agriculture, Livestock, Lands and Irrigation made a five day study tour from 15 - 20 December 2004.
3. Hon. M.C. Gopallawa, Governor of the Central Province made a 05-day visit from 22-26 October 2004 at the invitation of the Vietnam Union of Friendship organizations (VUFO).

4. A four-member Buddhist delegation led by Most. Ven. Thic Tu Nhon, Standing Vice President of the Vietnam Buddhist Sangha visited Sri Lanka to attend the 64<sup>th</sup> Upasampada Ceremony of Ramanna Nikaya from 14-24 July 2004. The relations between Sri Lanka and Vietnam Sangha have further strengthened due to this visit.
5. A five-member delegation led by Mr. Pham Van Chuong, Vice President of the Vietnam Union of Friendship Organizations, President of Vietnam Committee for Solidarity and Cooperation with Afro-Asia and Latin America visited Sri Lanka from 19-26 September 2004 at the invitation of Sri Lanka - Vietnam Solidarity Association.

## **2005**

1. Hon. Anura Priyadarshana Yapa, Minister of Plantation Industries led a 14-member delegation and visited Ho Chi Minh City, Vietnam from 06 - 11 June 2005 for a study tour at the invitation of the Vietnam General Rubber Corporation (GERUCO). Mr. Y.G. Wijeratne, Additional Secretary, Ministry of Plantation Industries, Mr. D.M.A.P Dissanayake, Chairman, Rubber Smallholder Programme and leading members of Sri Lankan plantation industry accompanied Hon. Minister.
2. Vietnamese Fisheries Minister H.E. Mr. Ta Quang Ngoc visited Sri Lanka and signed a MoU between Sri Lanka and Vietnam on bilateral cooperation in the fields of Fisheries and Aquaculture.

## **2006**

1. A four-member Sri Lankan delegation led by the Hon. Speaker of Sri Lankan Parliament made a five day official visit to Vietnam from 20 to 24 February 2006 at the invitation extended by the Chairman of the Vietnam National Assembly.
2. A five-member Sri Lankan delegation led by Hon. Mrs. Sumedha G. Jayasena, Minister of Child Development & Women Empowerment attended the “Regional Seminar of the Inter Parliamentary Union” held in Vietnam from 14 to 19 February 2006.

3. Visit of the seven-member Vietnamese delegation to Sri Lanka led by Hon. Deputy Minister of Agriculture of Vietnam from 8 – 10 June 2006.
4. Six-member Sri Lankan delegation led by Hon. Mithreepala Sirisena, Minister of Agriculture, Mahaweli Development and Irrigation visited Vietnam for a study tour from 19-25 June 2006. The Ministry of Agriculture and Rural Development and the JICA organized this event in Vietnam.
5. A twelve-member Sri Lankan business delegation from the Ceylon Chamber of Commerce visited Vietnam from 4 – 8 September 2006.
6. Hon. Ratnasiri Wickramanayake, Prime Minister accompanied by Hon. Chamal Rajapakse, Minister of Agricultural Development made an official visit to Vietnam from 26th to 29th November 2006.

### **Bilateral Agreements between Vietnam and Sri Lanka**

1. Trade Agreement signed on 03.03.1978
2. Agreement for Air Services Between and Beyond Their Perspective Territories signed on 29.07.1992
3. MoU on Cooperation in the Fields of Culture, Education and Sports signed on 22.05.1999
4. Agreement on Economic, Scientific and Technological Co-operation signed on 22.05.1999
5. Agreement on Visa Exemption for Holders of Diplomatic and Official Passports signed on 21.07.2003
6. MoU between the Ceylon Chamber of Commerce and Vietnam Chamber of Commerce and Industry- Ho Chi Minh City Branch signed on 21.05.2004
7. Agreement on Cooperation in the Field of Tourism signed on 11.06.2004
8. MoU on bilateral Cooperation in the Fields of Fisheries and Aquaculture signed on 19.03.2005
9. Agreement on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income signed on 26.10.2005
10. MoU on Agriculture Development Co-operation signed on 27.11.2007