

**ADDRESS BY THE PRESIDENT OF INDIA,  
SHRI RAM NATH KOVIND  
AT THE VIETNAM-INDIA BUSINESS FORUM**

**Hanoi, November 19, 2018**

1. I am delighted to address the Vietnam-India Business Forum. I am honoured to be paying a State Visit to Vietnam, a country with which we have historic and special ties. I thank the Government of Vietnam for their warmth and excellent hospitality.
2. I extend my warm wishes to the Vietnam Chamber of Commerce and Industry and Indian business chambers – the Confederation of Indian Industry, the Federation of Indian Chamber of Commerce and Industry, the Associated Chamber of Commerce and Industry and the IMC Chamber of Commerce and Industry - who have worked hard, and worked together as a team, to organize this event. I am happy that you have had a fruitful day of discussions on how to take forward our trade, technology and investment relations.

Ladies and Gentlemen,

3. India and Vietnam are old civilizations. We have ancient cultural and spiritual connections. But the story of our engagement is much broader. Traders and merchants from India brought goods and commodities to the shores of Vietnam long before the arrival of cultural thought and expression. There was a flourishing maritime connect in the days gone by. And, to our desire, trade continues to be a driving force in our contemporary partnership. In the last 8 years, we have seen almost four fold increase in bilateral trade, from US\$ 3.7 billion in 2010 to US\$ 12.8 last year. With both Vietnam and India on a strong growth path, we can expect this trend to continue apace.

4. Vietnam and India are not just special friends; we also have a similar economic vision and approach. Vietnam has seen spectacular economic growth in the last two decades. This has allowed reduction of the poverty rate from over 70% in the 1990s to less than 10% now. The increase in per capita GDP of Vietnam from less than US\$ 100 in 1990 to over US\$ 2500 today is a remarkable achievement with very few parallels in the developing world. I congratulate the people and government of Vietnam on this stupendous success.
5. Like Vietnam, India too has been focused on reforming its economy, increasing its growth rate, and realizing the full potential of its young citizens. In April-July quarter of this year, the GDP growth of Indian economy was 8.2%, highest among the large economies. By 2025, India's GDP is expected to double to US\$ 5 trillion from the current US\$ 2.5 trillion. With country wide sweep of digital connectivity, transformative economic reforms, favorable demographics and a vibrant start-up ecosystem, India is also expected to be the third largest consumer market by 2025. We have started work to build next-generation infrastructure including 100 Smart cities, 7 high-speed train corridors and nationwide broadband connectivity. Last year alone, we built 10,000 kilometers of national highways – that is an average of 27 kilometers daily!
6. Transformative reforms such as the introduction of Goods and Services Tax has made India, a country of 1.3 billion people, into One Nation, One Tax, One Market for the first time in her history. On the success of this and other reforms, India has jumped 65 places- from 142 in 2014 to 77 in 2018 - in the World Bank Doing Ease of Business Index. Our macro-economic indicators are robust: inflation well under control at 3.3%; foreign exchange reserves at a healthy US\$ 400 billion and our Foreign Direct Investment flows at over US\$ 200 billion in the last 4 years.
7. We have also been conscious to combine growth with equity. Our financial inclusion programme Jan Dhan Yojana has seen 330 million bank accounts opened for the poor and needy.

Our micro-credit scheme MUDRA has disbursed 128 million loans worth US\$ 90 billion, 74% of these beneficiaries being women! These initiatives have unleashed a new energy for the growth of microenterprises, entrepreneurship and self-employment.

Ladies and gentlemen,

8. Vietnam and India business partnership speaks for itself. With matching growth and lucrative business prospects on both sides, there is little convincing to be done. All of you are sitting in the middle of manifold possibilities. Indian growth presents opportunities for two-way engagement in financial services, IT, digital economy, hydrocarbons, defence, renewable energy, mining, healthcare, tourism and civil aviation sectors. We want Vietnam to collaborate with us in our flagship programmes - Make In India, Clean India, Start-up India and Digital India. We are also keen to learn from it in the tourism and urban infrastructure sectors.
9. On the trade front, we are doing well. We are on track to achieve our target of US\$ 15 billion bilateral trade by the year 2020. Vietnam is a very important trading partner of India in ASEAN and India is now among the top 10 trading partners of Vietnam.
10. Agriculture has been a key sector of our cooperation involving trade, investment and training. We feel privileged to have supported the Vietnamese agricultural revolution through the establishment of Cuu Long Rice Research Institute. Vietnam is a huge agricultural economy with agro-marine-forestry exports surpassing US\$ 35 billion last year. Agricultural products already occupy over 45% of our bilateral trade. Agro-processing, agro-chemicals, farm machinery, biotechnology and high-tech farming hold immense potential for bilateral cooperation. Indian industry can also learn from Vietnam's success in crops such as coffee, pepper, cashew, fruits and vegetables.

11. The Indian pharmaceuticals industry, globally speaking, is the third largest in terms of volume and the world's largest provider of generic drugs. They can partner Vietnam in providing quality healthcare, medicines and medical devices for the public health system at an affordable cost. Indian pharmaceutical companies are also looking at domestic production opportunities in Vietnam. There are huge prospects for promoting medical and wellness tourism both ways as well.
12. Both India and Vietnam are leading players in the textile industry. We must cooperate further to facilitate integration of value chains. Likewise, there are significant opportunities in the oil and gas, power, infrastructure and renewable energy sectors. In India, we have set a target to reach solar and wind energy generation capacity of 175 Gigawatt by 2022. With their global and cutting edge-expertise and experience, Indian renewable majors are ready to partner Vietnam.
13. Indian IT services including digital economy and fin-tech sector have much to offer to Vietnamese growth. We must encourage our start-up sectors and innovation based industry to leverage each other. The Indian start-up ecosystem ranks third globally. This year has been particularly successful for us, with over 1200 tech-startups taking wings. We must also learn from each other on how to improve productivity; how to approach the Fourth Industrial Revolution; how to promote innovation and entrepreneurship; and not the least, how to leverage technology for governance.

Ladies and gentlemen,

14. Vietnam-India economic relations are on a steady path. We have made significant achievement no doubt, but a lot more is waiting to happen. The energy and enthusiasm in this room, in this city and in this country are an indication of the opportunities before us. I invite Indian and Vietnamese businesses to partner in each other for trade, technology and investment collaboration. I once again thank the Government

of Vietnam and all Industry stakeholders for making today's business forum a success.

Thank you.