



NEWS LETTER



INDO-VIETNAMESE CHAMBER  
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## PRESIDENT WRITES

As reported in our last Newsletter (July-December, 1993), the Vietnamese Consul-General's Office in Bombay has started functioning since December 6, 1993. Dr. Vu Van Luu is the first Consul General and Mr. Nguyen The Phiet, the Consul. A report of the inaugural function of the Consulate appears elsewhere in this issue.

You will be happy to know that the Consulate in Bombay has started issuing visa to Indian businessmen desirous of visiting Vietnam. This would facilitate the visit by Indian entrepreneurs to Vietnam.

In the meantime, on 3rd February, 1994 the United States lifted the trade embargo on Vietnam and proposed the mutual establishment of liaison offices in the two countries. This decision which would bring about a qualitative change in the multilateral funding to Vietnam for its infrastructural projects has been welcomed by India, among other countries of the world, as also by the Vietnamese Government. This will give a boost to foreign direct investment in Vietnam which amounted to \$7,500 million at the end of December 1993. Among the countries heavily investing in Vietnam are : Taiwan, Hong Kong, France, South Korea and Australia.

India's interest in Vietnam is on the rise. During the first eight months of 1993-94 exports from India to Vietnam increased by 28.0% to \$16.8 million. Imports from Vietnam, on the other hand, declined by 21.1% to \$37.2 million. However, India still continues to have an adverse trade balance with Vietnam. With the US trade embargo lifted and a number of trade facilitation measures taken by the Indian Government, India stands a good chance of attaining balanced trade with Vietnam in the years to come.

Manuel Menezes

President

## VIETNAMESE CONSULATE IN BOMBAY INAUGURATED

December 6, 1993

"We are very pleased to note that despite complicated changes taking place in the world, pure friendship and close cooperation between Vietnam and India have been continuously consolidated and developed. Our economic and commercial cooperation, however, is far below the potential and incommensurate to the will of both sides", said His Excellency Vu Xuan Ang, Vietnamese Ambassador to India who was delivering the inaugural address at the inauguration function of Vietnamese Consulate-General in Bombay, jointly organised by the Indian Merchants' Chamber and the Indo-Vietnamese Chamber of Commerce and Industry.

The Vietnamese Government and business circles were highly appreciative of the establishment of the IVCCI and the India-Vietnam Joint Business Council as well as of their dynamic and diverse activities to promote economic and commercial contacts and cooperation among businessmen of the two countries, said His Excellency. There is an immense potential for joint ventures between our two countries in the areas of mining, processing of agriculture, forest and sea products, light industry, small and medium scale industries, chemicals and pharmaceuticals, textile machinery, mini cement and sugar plants, steel, hydro-power, paper, rubber plant and transportation sector.

His Excellency assured on behalf of the Vietnamese Embassy and the Consulate-General in Bombay to create the most favourable conditions and provide the required information to the business community to help



H E Vu Xuan Ang, then Vietnamese Ambassador to India addressing the meeting. Others in the picture (from L to R) are Shri G H Mirani, President (elect), IMC, Dr Vu Van Luu, Consul General, The Socialist Republic of Vietnam and Shri Harsh Goenka, President, IMC

promote close trade and economic cooperation

Speaking on the occasion, Dr. Vu Van Luu, First Consul-General in Bombay said that the establishment of the Consulate General in Bombay demonstrates a strong determination of the Vietnamese Government and people to further strengthen bonds of friendship and cooperation with India, particularly in trade and economic fields. Vietnam is a land of opportunities and a growing large market. The policy of "DOI MOI" or renovation adopted by Vietnam offers tremendous opportunities for enhancing our bilateral cooperation. Dr. LUU attached a great importance to boosting business contacts and partnership between private firms and enterprises of the two countries, besides promotion or links between the state-owned enterprises.

Earlier in his welcome address, Shri Harsh Goenka, President, IMC, said that at the recent meetings between business delegations of our two countries,

possibilities for barter and counter-trade in view of Vietnam's short term liquidity crunch and the extension of the Exim line of credit have been explored. The Indian Government have recycled credit of Rs. 200 crores. Another issue of relevance is the ECGC cover for exports from India to Vietnam. The absence of direct shipping lines between our two countries is a major impediment as transshipment at Singapore results in high freight rates. If these issues are tackled, exports from India to Vietnam are bound to increase thereby improving the trade balance. Already Indian investment in Vietnam has accelerated in the recent past and major Indian companies have set up or are in the process of setting up joint ventures in Vietnam. These include CIMMCO, ITC, Mafatlals, Gujarat Ambuja Cement, Harrison Malayalam and Ceat Ltd. Telco and Oberois are also trying to set up joint ventures in Vietnam, added Mr. Goenka.

Shri Manuel Menezes, President, IVCCI, proposed a vote of thanks. ●

## DOING BUSINESS WITH VIETNAM

We give below full text of a booklet, "Doing Business With Vietnam", recently prepared by the Indian Embassy in Hanoi, which gives basic socio-economic information on Vietnam as also statistical data on Indo-Vietnamese trade and economic co-operation

-Editor

### VIETNAM - FACT SHEET

#### General Features

Official Name	Socialist Republic of Vietnam
Area	332, 800 sq. kms (slightly more than the size of Maharashtra)
Length of borders	About 7000 kms, out of which approximately half is land border
Neighbouring countries	China, Laos & Cambodia
No. of Provinces	53 Administrative Units (3 cities -Hanoi, Ho Chi Minh City and Hai Phong) under direct control of Central Government and 50 Provinces). These units enjoy a significant degree of autonomy.
Capital	Hanoi (Population approx. 2.7 million)
Other important cities	Ho Chi Minh City, Hai Phong and Da Nang
Population	71.7 million (about 10% of the people belong to 60 diverse ethnic minorities)
Density of Population	178 persons per sq. km (ranging from 13 to 15000) 85% of the population live in the rural areas
Currency	Dong
Rate of exchange	Re 1 = 381.78 (GOI Official exchange rate)
Literacy rate	87.1%
Language	Vietnamese some of the other generation know French. More and more people are learning English.
Religion	No official religion but many Vietnamese continue to profess Buddhism and Christianity privately.
Constitution	Vietnam has had three Constitutions - adopted in 1946, 1959 and 1980. In keeping step with the changed domestic and international situation, a new constitution was adopted by the National Assembly in April 1992. It is intended to create the necessary legal framework for accelerating the comprehensive renovation policy propounded by the Communist Party of Vietnam. The National Assembly is unicameral and consists of 395 members.
Foreign Trade	Total Export US\$ 2.48 billion (1992) Total Import US\$ 2.58 billion (1992)

	Total Export US\$ 3.00 billion (1993 - estimates)*
	Total Import US\$ 3.31 billion (1993)*
GDP	US\$ 14.5 billion (1992) GNP Per Capita US\$ 200
GDP Growth Rate	5.3% (1992)
Rate of inflation	17% (1992)
Time	GMT plus 7 (1 & 1/2 hrs ahead of IST)
Head of State	H. E. Mr. Le Duc Anh, President of the Socialist Republic of Vietnam
Head of Government	H. E. Mr. Vo Van Kiet, Prime Minister of the Socialist Republic of Vietnam
Head of Party	H. E. Mr. Do Muoi, General Secretary of the Central Committee of the CPV
Foreign Minister	H. E. Mr. Nguyen Manh Cam, Foreign Minister of the SRVN

## INDIA-VIETNAM ECONOMIC & COMMERCIAL RELATIONS

The trade between India and Vietnam reached a peak in 1989-90 with a bilateral turnover touching US\$ 150 million mainly due to the heavy purchase of rice by India. Subsequently, it has steadily declined till it picked up again last year. Figures for the past several years are given below

( US \$ Million )

Year	Exports	Imports	Balance	Total Trade
1985-86	11.21	7.23	3.98	18.44
1986-87	11.37	2.97	8.40	14.34
1987-88	5.35	9.89	-4.54	15.24
1988-89	17.03	7.99	9.04	25.02
1989-90	8.10	141.46	-133.36	149.56
1990-91	17.14	57.85	-40.71	74.99
1991-92	12.87	38.03	-25.16	50.90
1992-93	18.63	66.03	-47.40	84.66
1993-94* (Apr-Nov.)	16.80	37.20	-20.40	54.00

\* Added by the IVCCI

"Do not waste your waste. Install Trumac Fibre Recovery Plants for Optimum Fibre Reclamation".

### Trumac Engineering Co. Ltd.,

27, Nariman Bhavan, Nariman Point, Bombay - 400 021

Tel. 243164/298714

Telex 011 85154 STOV IN

Fax 011-22-2026595

## INDIA - VIETNAM TRADE FOR 1992-93

### TOTAL IMPORTS FROM VIETNAM (1992-93)

S. No.	Major Items of Imports from Vietnam	Value in US\$ Mn.
1.	Rice	17.33
2.	Cashew Nuts	42.55
3.	Wood & Wood Products	1.25
4.	Raw Silk	0.85
5.	Metaliferous ores & metal scrap	2.11
6.	Primary steel & pig iron based items	0.55
7.	Transport Equipments	0.66
		66.03

### TOTAL EXPORTS FROM INDIA TO VIETNAM (1992-93)

S. No.	Major Items of Exports into Vietnam	Value in US\$ Mn.
1.	Drugs, Pharmaceutical and Fine Chemicals	1.88
2.	Rubber manufactured products	1.96
3.	Machinery and instruments	2.37
4.	Iron and steel bar/rod etc.	3.33
5.	Primary and semi-finished iron and steel	3.55
6.	Electronic goods	1.03
7.	Cotton yarn, fabrics, made-ups etc	0.70
8.	Man made yarn, fabrics, made ups	0.85
		18.63

Indo-Vietnam trade has been generally hampered by shortage of foreign exchange and moratoria on multilateral assistance due to American embargo (since lifted). Therefore, the Indo-Vietnamese trade was chiefly dependent upon credit facilities offered by India from time to time. However, since July 2, 1993, the US Administration has withdrawn its objection to the multilateral funding, thus bringing about a qualitative change

whereby the international financial institutions like WorldBank, IMF and ADB would be able to finance the infrastructural projects in Vietnam. On their part Vietnamese have also ushered in an era of renovation "Doi Moi" by bringing about structural changes to enter the mainstream of global economy. Over the past two to three years, Vietnamese trade with convertible currency area has also gone up considerably and forms

bulk of its total exports turn over of USD 2.4 billion last year.

The Indo-Vietnam trade balance has generally been in favour of Vietnam on account of exports of rice to India in certain years. The adverse trade balance against India is compounded by the fact that much of it has been financed through the extension of cash and commodity credits by India. However, the upward trend of exports from India is now more

than visible as the increase in export for 1992-93 over the last year is as much as 50 per cent. The upturn in Indian exports is expected to continue because of diversification of the product range now being exported from India and a number of Indo-Vietnamese joint projects in the pipeline.

## **Institutional Arrangements for Trade**

### **i) Credit Programmes**

Indian exports to Vietnam have been driven by credit extended by India. Since 1977, a total of Rs. 240 crores has been extended in credit of which Rs. 45 crores is commercial credit from Exim Bank of India and Rs 80 crores in cash credit from the Government of India, the remainder being commodity loans extended by the Government of India.

Repayments and interest payments have been perennial problem. The last rescheduledment for Government loans was done on 01.01.89 and the Exim loans in August 1987. In 1992 the outstanding interest amount on Government loans was Rs. 12.6 crores, for Exim loans Rs. 14 crores and for monetised commodity loans Rs. 16 crores. Pending final reconciliation, Vietnam agreed to make payment of outstanding interest amounting to Rs. 39 crores through supply of rice during 1992. Accordingly, Vietnam has already honoured its commitment. We, on our part, during the visit of General Secretary Do Muoi in September 1992, committed that the repayment made to us will be re-rolled as a fresh

credit to Vietnam. Accordingly, a credit Agreement between India and Vietnam has been signed in Hanoi for Rs. 39 crores (US\$ 13 million approximately) in May 1993.

We also understand that the Vietnamese Government has made a provision for repayment of US \$ 10 million during 1993 through commodities exports from Vietnam to India. Therefore, the Vietnamese Government proposes to utilise the total credit of about US \$ 23 million for purchase of textile machinery, railway equipment, continuous casting steel mill, black tea processing machinery and Indian buses for their public transport system in Hanoi and Ho Chi Minh City.

### **ii) Trade Protocol**

India and Vietnam signed a Trade Protocol on 12 September, 1990 to increase trade to a level of US\$ 100 million by identifying new areas of commercial exchanges of mutual interest. In spite of payment difficulties, a target of US\$ 85 million was attained last year though the balance of trade was again in favour of Vietnam and the major commodity traded with Vietnam was rice.

### **iii) Indo-Vietnam Joint Commission**

The 5th Indo-Vietnam Joint Commission was held in New Delhi on 25.03.92. It was agreed that both countries should make efforts to promote bilateral trade. India agreed to rescheduling of principal repayments by Vietnam and to accept the interest

payments in commodities during two consecutive years viz 1992-93. The areas of mutual interest for trade were identified and intention of both sides to increase commercial relations was reiterated. Amongst the new areas of cooperation identified was gemstone found in abundance in Vietnam. Accordingly, a team of experts from MMTC visited Vietnam in September, 1992 for prefeasibility study for mining, cutting, polishing of rough rubbies and marketing them internationally. A return team of experts from Vietnam has visited India in early 1993.

### **iv) Establishment of direct air links**

An agreement between India and Vietnam was signed in May 1993, to set up direct air links between the two countries. The respective national carriers are to work out the operational details of flights between the two countries. On our part, the Mission is in touch with Air India but the response is not encouraging because our national carrier does not consider flights to Vietnam at present as commercially viable.

### **v) Avoidance of Double Taxation Agreement**

The Ministries of Finance from respective countries have already exchanged draft agreements. The Indian delegation is expected to visit Hanoi in the later part of September 1993 to finalise this matter.

### **vi) Direct Shipping Service**

Presently most of the bilateral trade is through Singapore

where most of the cargo is transhipped thereby causing not only delay but also higher freight rate. It is in our mutual interest to have direct shipping services for strengthening commercial exchanges. The matter is under consideration by Govt. of India.

#### vii) Joint Business Council (JBC)

Pursuant to the agreement signed in New Delhi between the FICCI and ASSOCHAM from India and the Chamber of Commerce and Industry of Vietnam on November, 17, 1992, India-Vietnam Joint Business Council was set up. The first joint meeting is scheduled to be held on September 6, 1993 in Hanoi.

#### INDIAN INVOLVEMENT IN VIETNAM

In the fast changing economic environment of Vietnam, the Indian businessmen, industrialists and entrepreneurs are showing increased interest in exploring the Vietnamese market for trade as well as investment. The Indian response to the developing situation is not as quick as that of the countries in the region, viz Japan, Taiwan, Hongkong, Singapore, South Korea and Australia, who have already established considerable presence here. But considering the financial constraints and lack of state-of-the-art technology in certain sectors of the Indian economy, the Indian participation to some extent is satisfactory. The number of visiting Indian businessmen to Vietnam has more than doubled to that of previous year. Two high-level delegations from the Indian merchants' Chamber, Bombay and the State of Gujarat visited

Vietnam in October, 1992 and May, 1993, respectively. The number of leading Indian business houses in India including ITC, Mafatlal, Cimmco, Birlas, JF Trading etc. have established their operations in Vietnam. A Government undertaking PEC has been functional in Vietnam for the past twelve years though most of its business is linked to Govt. of India credits. Lately, they have also diversified to secure a major contract for exports of cotton worth USD 18 million from India against Swedish Aid Agency (SIDA) Funds. PEC has helped in export of Indian, textile machinery, railways equipment and continuous casting steel mill. ONGC VL was the first oil exploration company, besides the erstwhile Soviet Union to sign a Production Sharing Contract (PSC) with Petrovietnam in 1988. However, the difficulties in financing the exploitation project led ONGC VL to farm out 45 per cent of its interest last year to BPStatoil Alliance. The blocks No. 6 and 12, where the exploration activity is going on are expectedly quite rich in hydrocarbons. according to reliable sources the potential of oil recovery is as much as one billion barrel.

Amongst the NRI companies, Thakrals from Singapore, G Premjee from Bangkok are doing substantial trading and have also entered into joint venture agreements for major construction projects. G Premjee has also established a hybrid seed multiplication project which is quite successful. Ansals, in collaboration with G Premjee, have entered into an agreement for construction of a seventeen storey building besides 250 luxury residential units in Hanoi. Messrs Gemrusa Inc. New York has been granted a licence for cutting,

polishing and marketing Vietnamese gemstones for which purpose the company plans to bring master cutters from India to train Vietnamese.

Another success that India has met in Vietnam is signing of a contract by the KCP Ltd. from Madras for a full-fledged sugar mill worth USD 7.6 million. The special significance of this deal is that unlike past purchases of Indian equipment and machinery financed through Govt. of India credits, the KCP Ltd. is providing this turn-key project against cash payment. Telco Company is finalising its major deal to sell Tata buses to Vietnam. Ashok Leylands have already made an entry into the Vietnamese market through the Mekong Corporation of Vietnam where they are supplying complete chassis of buses for market here.

In pharmaceuticals, leading Indian companies like Ranbaxy, Torrent, Max India, Core Parenteals, UB Group, etc have registered their products for marketing and are in the process of finalising long-term investment in Vietnam.

On the banking side, the State Bank of India opened its representative office in HCMC in November 1992. The Chairman of Bharat Overseas Bank visited Vietnam and is seriously considering to open a branch office to link it with its NRI cliental in Thailand for setting up joint industrial ventures.

#### POTENTIAL AREAS FOR INDIA-VIETNAM ECONOMIC CO-OPERATION

##### 1. TRANSPORT & TELECOMMUNICATION

The Vietnamese transporta-

tion system is in a dilapidated condition. In the past, India supplied to Vietnam railways equipment including diesel engines, coaches, and rolling stock against credit. Vietnam has plans to go in for a major rehabilitation programme of strengthening bridges, railway tracks, and purchase new equipment, including introduction of an automatic signaling system. A part of the railway equipment is expected to be purchased against the Recycled Indian credit. However, India can secure an appropriate share of the growing railways business in Vietnam particularly after availability of multilateral financing from interantional institutions.

The major cities in Vietnam have also no proper means of public transportation. The Government is seriously thinking of providing bus service in cities like Hanoi, Ho Chi Minh City and Hai Phong for which the Indian buses are being considered for purchase against credit as well as cash payment. There is also a possibility of introducing Indian light commercial vehicles (LCVs) and trucks in Vietnamese market. As regards the two wheelers, one leading Indian manufacturer Hero Motors is trying to establish against the stiff competition by Japanese Honda.

In the telecommunication, India has already supplied 57 electronic telephone exchanges for rural areas. We could capture this segment of the market if the presently supplied exchanges by TCIL function well.

## 2. POWER

**Oil & Gas** : Vietnam with an established oil reserves of four billion barrels presents an opportunity for further cooperation. Capt. Satish Sharma, Minister of Petroleum and Natural Gas during his visit of Vietnam in the middle of July, 1993 expressed interest in obtaining more blocks for exploitation by ONGC-VL. A leading Indian industrial house SPIC are negotiating for setting up a fertilizer project, based on natural gas in Vietnam. India can expect sub-contracting in the first oil refinery project to be set up soon in the country by a consortium led by Total of France.

**Anthracite Coal** . The coal produced in Veitnam is extremely of high caloric value and suitable for use in thermal power stations. It could be one of the items that India can think of purchasing from Vietnam against counter-trade, for our power stations.

**Power Generations** : In Southern parts of Vietnam, there is acute power shortage for which a number of gas and coal fired power stations are needed urgently. Vietnam presently imports electrical equipment worth USD 300 million per annum including power generation equipment, transformers, transmission towers and cables etc. The Indian participation in this sector is minimal. There is a scope for making an inroad, provided the leading manufacturers of power equipment from India make efforts in this direction.

## 3. TEXTILE INDUSTRY

Vietnam is modernising its textile industry for which Japanese and Korean companies are taking a keen interest in supplying machinery against long-term credit facilities. We have also supplied machinery under Govt. of India credit, but we need to make efforts to export textile machinery outside the Indian credit scheme through concerted promotional activities. The Indian companies can also take advantage of availability of quotas of ready-made garments in the EC countries by establishing joint ventures.

## 4. SUGAR MILLS

There are plans to extend the planting area of sugar cane from 135000 to 250000 hectares by 1995. The present sugar mills have to be rehabilitated besides setting up of new promotion facilities. At present KCP from India has undertaken restoration of an old mill besides signing a contract for supplying a turnkey project involving an outlay of USD 7.6 million. The total requirement for new sugar mills in Vietnam is eight to nine mills in the near future.

## 5. PAPER AND RUBBER INDUSTRIES

Vietnam's forests produce excellent quality of bamboos, soft wood which can be used for manufacturing paper of high quality. The existing paper industry also needs modernisation of equipment. ITC is studying a proposal to take over a paper mill in North of Vietnam to be run as a joint venture for enhancing production as well as quality of paper.



The present annual production of rubber in Vietnam is approximately 60,000 tons. CEAT tyres is in the process of finalising a tyre manufacturing plant in Vietnam besides their subsidiary acquiring a suitable rubber estate in Southern part of the country.

## **6. TOURISM AND HOTEL INDUSTRY**

The tourist traffic to Vietnam is increasing rapidly including a large number of businessmen who are coming over here to seek business opportunities. This is a profitable area for the Indian hotel industry for investment as well as joint venture with Vietnamese organisations. Oberoi and ITC are in touch with Vietnamese parties for setting up five star hotels

## **7. CONSTRUCTION**

Vietnam being a war ravaged country is expected to experience a boom in the construction industry. More so, after the multilateral funding is available for infrastructural projects. The country needs steel, cement and other construction materials. So far, one cement plant is being planned to be set up at Hai Phong by a Taiwanese Company. There is considerable potential for Indian companies to set up joint ventures in cement, steel, ceramics and related industries.

## **8. LEATHER**

There is a great potential in the leather industry. Vietnam has plans to expand its leather production and export of

finished items. They would need tannery equipment and machinery for the production of shoes, hand-bags, leather garments etc. There is a scope for joint venture projects for production of shoes for domestic market as well as export. Already Bata of Malaysia has established a joint venture mainly to export footwear from Vietnam.

## **9. FOOD PROCESSING**

In Vietnam a sound agricultural base textiles exists not only for fruit and vegetables but items like oil, seeds, tea, coffee, cashews, marine products etc. Indian credits have been utilised for import of tea machinery from India. Considerable scope, however, exists for export of machinery for processing not only tea but also edible oils such as rice bran, soyabean, groundnut, copra etc. The processing and canning industry will also require inputs in the form of machinery for preserving fruits and vegetables for export. There is a scope for joint venture projects for domestic consumption and export. This sector has been receiving increasing attention both from the Vietnamese government and foreign investors. Being a tropical rain-fed country, Vietnam has a very good variety of fruits and vegetables which are presently primarily consumed domestically and partly being exported. The Indian companies interested to participating in this sector should do it sooner than later.

## **10. CHEMICALS, PESTICIDES ETC.**

In this sector there is scope for Indian participation in fields

like production of dyes, pigments, paints, toiletry, detergents, including various basic chemicals, pesticides etc.

## **11. CONSULTANCY IN COMPUTER SOFTWARE**

With the opening up of the economy of Vietnam computerisation has started in every aspect of the economy. It is time that Indian computer industry enters this market before the lifting of US embargo which may make it more difficult for Indian business to enter here. Taking advantage of low level of Vietnamese salary structure training centres for computer software in Vietnam is another area for cooperation.

## **12. PACKAGING INDUSTRY**

So far packaging industry in Vietnam is in infancy. But increasing export of packed items is necessitating expansion of this industry. This industry requires improved technologies, machineries and managerial skills. Perhaps, the Indian entrepreneurs can make use of a large number of Vietnamese trained in packaging technologies under ITEC in India to set up industrial units in this field.

## **13. PHARMACEUTICALS**

Taking advantage of low prices of Indian pharmaceutical products many leading Indian companies have entered the Vietnamese market. Besides exporting Indian medicines either as bulk or formulations they are also negotiating joint venture relationship with local manufacturers for a long term

presence in Vietnam.

#### BANNED DRUGS

1. Amphetamin
2. Secobarbital
3. Practolol
4. Methaualon
5. Zomepirac
6. Dexamfetamine
7. Fenetylline
8. Levamfetamine
9. Levomethamphetamine
10. Metamfetamine
11. Methylphenidate
12. Pemoline
13. Phenmetrazine
14. Pipradrol
15. Giafennin
16. New Pharvit cypro

H. E. Mr. Vu Xuan Aug\*, Ambassador  
Commercial Section of the Embassy of the Socialist Republic of  
Veitnam  
D-287, Defence Colony  
New Delhi  
Tel. : 4698021  
Tlx : 3166019 KD IN  
Fax : 11-4698021

Visa fee are as follows :

- Entry, exit and transit visa issue	US\$ 25
- Multiple visas issue in six months	US\$ 50
- Multiple visas issue beyond six months	US\$ 100
- Normal visa and transit visa renewal	US\$ 10
- Multiple visa renewal	US\$ 20
- Stay permit for six months	US\$ 3
- Stay permit issue for over six months	US\$ 4
- Renewal of stay permits	US\$ 2
- Domestic travel permit issue (only for restricted area)	US\$ 3
- Renewal of domestic travel permit	US\$ 2
- Changing of beyond 6 months single visa to beyond 6 months multiple visa	US\$ 75
- Changing of less than 6 months single visa to less than 6 months multiple visa	US\$ 25

#### PRATICAL INFORMATION

##### VISA

So far there is no consular agreement between India and Vietnam and therefore Indians are required to obtain visa before entry to Vietnam. In India Vietnamese Embassy is located in the following address :

Embassy of Socialist Republic  
of Vietnam  
Chanakyapuri  
Kautilya Marg,  
New Delhi 110 021  
Tel. : 3018059  
Tlx :  
Fax : 3017714  
Mr Ha Ba Khuc, Commercial  
Counsellor

##### Other Fees

If a foreigner, an overseas Vietnamese arrives in Vietnam without previous clearance, and gets entry visa from the Ministry of Interior, he/she has to pay US\$ 25 for the clearing procedures in addition to the fee listed.

Normally, the Vietnamese overseas missions do not issue visa without referring the case to Hanoi unless there are documental proof already with the application that there is a sponsor of the case in Vietnam. Therefore, visitors on business trips are requested to apply through the Vietnamese Chamber of Commerce at the following address at Hanoi.

\* Mr. Nguyen Chi Vu has taken over as Ambassador since then.

#### THE CHAMBER OF COMMERCE & INDUSTRY OF THE SOCIALIST REPUBLIC OF VIETNAM

Head Office 33 Ba Trieu Street, Hanoi  
Cable VIETCOCHAMBER HANOI  
Telex (805) 411257 VIETCO VT  
Fax (84) (4) 256446

#### INTERNATIONAL RELATIONS DEPARTMENT

Asia Tel. : (84) (4) 253023  
Japan Tel. : (84) (4) 263787  
Western and Northern Europe Tel. : (84) (4) 252962

- \* INTERNATIONAL FAIRS AND EXHIBITIONS DEPARTMENT  
Tel. : (84) (4) 259325
- \* INFORMATION DEPARTMENT  
Tel. : (84) (4) 266233

- \* LEGAL DEPARTMENT  
Tel. : (84) (4) 266230
- \* PATENT DEPARTMENT  
Tel. : (84) (4) 266232
- \* MEMBERSHIP DEPARTMENT  
Tel. : (84) (4) 266236

## BRANCHES

170 VO THI SAU STREET, HO CHI MINH CITY  
Cable HAMMERCE HOCHIMINH CITY  
Telex (805) 811215 CHAMBER VT  
Fax (84) (8) 294472

- \* INTERNATIONAL RELATIONS DEPARTMENT  
Tel. : (84) (8) 230301
  - \* GENERAL DEPARTMENT  
Tel. : (84) (8) 230339
- 172 B, BACH DANG STREET, DA NANG CITY  
Cable CHAMMERCE DANAG  
Tel. (84) (512) 22930, 21719  
Tlx (805) 515719 CHAMMER VT  
Fax (84) (512) 22930

Please send fax/telex to the above address giving the following passport particulars

1. Full Name
2. Date of Birth
3. Passport No.
4. Place of Issue
5. Date of Issue
6. Validity

The Vietcochamber, after necessary clearance with concerned authorities will make arrangement to send instructions to their mission in India to issue a visa. After reasonable time has elapsed since requesting the Vietcochamber if necessary clearance for visa is not forthcoming, Indian Embassy in Hanoi may be approached to follow up :

If you intend to leave the

country (Vietnam) from the part other than your entry point please make sure that in your visa the point of departure is mentioned

## CUSTOMS

Custom procedure is now simple. Custom declaration form given to you in the flight itself before entry be retained till departure.

## INTERNAL TRAVEL PERMIT

Previously needed now has been done away with. Now any foreigner can travel all over Vietnam without separate travel permit except certain restricted areas near border with China, Laos and Cambodia.

## FIXING APPOINTMENTS

Individual visitors may request the following organisations under the Vietnamese Chamber of Commerce for fixing appointments. (This organisation can also be requested for arranging accommodation, transport, interpreter, translation, visa etc)

Trade Service Company  
Head Office 79, Ba Trieu Street, Hanoi, SRVN  
Tel: 264259, 265667  
Tlx 411257 VIETCO VT  
Fax 266649

HCM Branch 171, VoThi Sau Street Ho Chi Minh City  
Tel 30339, 30331  
Tlx 811215 CHAMMER VT  
Fax 84 8 94472

Danang Branch 172, Bach Dang street, Danang City  
Tel 22930  
Tlx 515719 CHAMMER VT

Business delegations may if necessary request the Indian Embassy in Hanoi or Consulate General of India in Ho chi Minh

City for co-ordinating the visit. While doing so specific request may be made like purpose of visit, which kind of organisation you want meetings with, whether you want assistance in arranging accommodation and if yes what price range of rooms you want, etc Also the bio-data of each delegate and the profile of the organisation may also be faxed to the Embassy/Consulate

## TRANSPORT

In the airport as well as in the cities of Hanoi and Ho Chi Minh City now taxis are available. Taxis can be hired by telephone (addresses and tel. numbers given at the back). Unmetered taxis normally charge US\$ 5 per hour or for full day (8 hours) US\$ 30-37 depending upon the type of the vehicle.

## INTERPRETATION/ TRANSLATION

Majority of the Vietnamese officials foreign companies will be dealing with known only very little English or no other foreign language. Though many Vietnamese know a bit of French, Russian.

English or some other foreign languages without interpreters it is impossible to function. For interpreters and translators the following companies along with many other companies could be approached.

Trade Office Company  
Head Office 79, Ba Trieu Street, Hanoi, SRVN  
Tel 264259, 265667  
Tlx 411257 VIETCO VT  
Fax 84 266649

HCM Branch 171, VoThi Sau Street, Ho Chi Minh City  
Tel 30339, 30331

Tlx 811215 CHAMMER VT  
Fax 84 8 94472  
Danang Branch 172, Bach Dang  
Street, Danang City  
Tel 22930  
Tlx 515719 CHAMMER VT

## ACCOMMODATION

Hotel accommodation in Vietnam are available from about US\$ 20-300 per night for foreigners. Because there is shortage of rooms for the increasing number of visitors it is necessary that hotel bookings are done well in advance at least 2 weeks in advance. Addresses of some selected hotels are given at the back.

## MEDICAL FACILITIES/HYGIENE

As a typical tropical country Vietnam has some common diseases such as malaria, hepatitis B, tuberculosis, etc. But unfortunately Vietnam has very limited medical facilities even in the big cities such as Hanoi and Ho Chi Minh City not to speak of provincial towns and villages. Therefore, prevention is the best policy. It is highly desirable that one should be careful of what one drinks or eats. It is also advisable that visitors should bring some basic medicines for use during their stay in Vietnam.

## FOOD

When the delicacies of the local people range from fried cockroach to snake soup, there is nothing surprising that vegetarian Indian visitors will have many problems so far food is concerned. So far, except in the big hotels and restaurants, Western style food are difficult to get and fast food centres are non-existent. Indian restaurants except one at Hoi Chi

Minh City are yet to be set up. Therefore, it is advisable that diehard vegetarians should bring Indian pickles, achar etc. to be taken with plain rice in desperate situations.

## ADVERTISEMENT

If advertisement is important for commercial success in general any where and for every product, it is more so in Vietnam and for Indian products. In Vietnam there is a craze for Japanese and other developed countries' products and very few people have the idea about Indian capability and products. Therefore, systematic and persistent advertisement in the newspapers, journals, televisions, billboards, bodies of city buses etc. will go a long way in familiarising the people with Indian products. Other steps could be distribution of catalogues, organising seminars, inviting Vietnamese delegations to India to visit our factories, and to participate in trade fairs in Vietnam etc.

Indian businessmen visiting Vietnam are also requested to have with them audio visual presentation facilities in the form of Video films etc. for their companies or products preferably with Vietnamese subtitle. Transparency also will help.

## FORTHCOMING TRADE FAIRS

### HANOI

Textile and Garment Machinery 19th April, 1994

### HO CHI MINH CITY

Shoes and Leather, March 8, 1994  
Transport and Motor, March 8, 1994  
Hardware Expo, March 8, 1994  
OA, Electronics and Home Appliances, March 19, 1994

Oil and Gas Expo, October 8, 1994  
Electricity Expo, October 8, 1994  
Marble Expo, October 8, 1994  
Wood Working and Furniture Making, October 8, 1994  
Instrumentation Expo, October 18, 1994  
Packprint and Paper, October 18, 1994

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## PEC : PIONEERS OF BUSINESS IN VIETNAM

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PEC started its business with signing of a contract for supply of over 900 freight wagons, 50 passenger coaches and 15 locomotives. It was one of the largest export order for supply of railway equipment from India.

PEC established its office in Vietnam in 1979 and since then PEC has always been the biggest

exporter of Indian equipment to Vietnam. Over the years, the PEC has done considerable business in Vietnam mainly in the field of export of projects and engineering equipment from India. PEC sources its requirement from various Indian manufacturing companies. PEC's main strength is marketing skills and knowledge of Vietnamese market conditions.

Over the years PEC has supplied to Vietnam Railways equipment, modernised textile mills in Vietnam. It has supplied

over 20,000 spindles spinning machinery and has recently signed a contract for 10,000 spindles in South Vietnam.

PEC's activities also include setting up of three tea factories and modernisation of a steel plant. PEC has supplied variety of engineering equipment to Vietnam which includes items like motor cycles, batteries, defence supplies and commodities like cotton, cigarette materials etc. PEC has imported rice and silk from Vietnam.

**New Members of the IVCCI enrolled between January 1, 1994 and March 31, 1994**

1. Shri Nigel Richardson  
Gal Offshore Services Ltd.
2. Shri N. H. Israni  
Blue Cross Laboratories Ltd.

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#### Head Office :

C/o. Embassy of India, 21-122, 9-17, KIM LIEN, Hanoi, Vietnam.  
Tel.: 25 34 75 □ Fax : 0084-4-253914

### Address of the Vietnamese Consulate in Bombay

Dr. Vu Van Luu, Consul-General  
Mr. Nguyen The Phiet, Consul  
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