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ROLE OF VIETNAM IN EUROPE’S INDO-PACIFIC STRATEGY: PRESENT AND PERSPECTIVE

Nguyen Thi Hanh¹, Vo Hoang Linh²

Abstract. The Indo-Pacific has partially replaced the term Asia – Pacific and emerged as a geo-economic and geostrategic concept over the last decade, with Japan, Australia, the United States and India each launching their own respective plan. As a long-time investor and development donor, the EU did grab the chance. The European Council reached agreement on an EU Strategy for Cooperation in the Indo-Pacific in April 2021, and in September, it presented a Joint Communication providing further rationale for its strategy. This paves the way for the EU to join the other long-standing advocates of the Indo-Pacific strategy. As a member of ASEAN and an important geo-strategic and geo-economic position, Vietnam is considered a like-minded partner with the EU and expected to promote EU’s stance in the region. The study will therefore clarify the role of Vietnam in EU and its members’ strategies and how Hanoi views their engagement.

Key words: Indo-Pacific region, geopolitics, EU foreign policy, Vietnamese foreign policy, economic cooperation, foreign investment.


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¹ Nguyen Thi Hanh, PhD (International Relations), Lecturer, Director of the Center for Cooperation and Franco-Asia Pacific studies, Diplomatic Academy of Vietnam. ORCID: 0000-0002-8021-2796. E-mail: hanhnt@dav.edu.vn
² Vo Hoang Linh, a junior editor, Journal of European Law and Economy. E-mail: vohoanglinh1998@gmail.com
Introduction

The EU has long been present as an economic actor in Asia and in the wider Indo – Pacific. As of 2020, neither has the EU recognize the idea of the Indo – Pacific nor determine its policy priorities for the region. It was not until such EU members as France, Germany, and the Netherlands accepted the Indo – Pacific concept and integrate the region into their security strategies that the EU began to use Indo – Pacific region as a strategic concept.

The EU has defined its own outlook for the region, which focuses on norms of international governance, environmental protection, freedom of the seas and trade and emphasizes the ASEAN centrality.

Important questions for guiding outcomes of Europe’s efforts would be how the strategies of the EU and its member states are viewed in the Indo-Pacific region and what are the expectations of countries in the region towards EU activities?

After three decades of rapid growth driven by economic reforms and active foreign policy, Vietnam has been one of the region’s emerging economies. Also, Vietnam has always been considered a prioritized cooperation partner when the EU is rolling out a range of initiatives towards the region. Given the country’s prominent role in ASEAN, its deep involvement in maritime security and delicate links with both regional powers China and the US, Vietnam was chosen as a case study to answer the above questions.

By adopting qualitative and comparative analysis, the study will examine (i) the role Vietnam in the EU and its members’ Indo – Pacific strategies, and (ii) Vietnam’s perspective of the strategy.

Role of Vietnam in Europe’s Indo – Pacific strategy

The Indo-Pacific region is increasingly becoming strategically important for the EU. The region’s growing economic, demographic, and political significance makes it a key player in shaping the international order and in addressing global challenges.

The EU strategy for cooperation in the Indo – Pacific was officially unveiled during a State of The Union by President von der Leyen in 15 September 2021. A Joint Communication on the EU’s Indo-Pacific Strategy was then presented by the Commission and the High Representative on 16 September 2021 [European Commission:15.09.2021].

Although the official communication does not specifically mention the cooperation with Vietnam, it is shown indirectly through EU emphasis on the centrality of ASEAN in which Vietnam plays a key role. Vietnam, to some extent, helps facilitate the presence of the EU and disseminate the EU strategy in the region.

In terms of security and defense, the EU commits to “step up activities with partners under the project Enhancing Security Cooperation in and with Asia (ESIWA)”, including counter-terrorism, cyber security, maritime security and crisis management. Vietnam has been one of its partners within the project with EU military experts already in place, alongside India, Japan, Indonesia, the Republic of Korea and Singapore. The EU also concluded Framework Participation Agreements with Vietnam which enables Vietnam’s participation in Common Security and Defense Policy (CSDP) missions and operations, and support Vietnam’s peacekeeping capacity. This is of vital strategic and security significance given the growing pressure from sea disputes.
Both sides share grave concerns over the South China Sea where Vietnam is a major claimant state, and its views and actions can make remarkable impact on security there. In the context that China’s growing naval power and assertiveness may endanger freedom of navigation, the EU’s advocacy for Southeast Asia in maritime disputes clearly showed its resolute protection of a rule-based order in every waterway and an explosive seaborne trade with Asia. Since 40% of EU trade with the region is transferring through the South China Sea, they would want to prevent any disruption in maritime routes [European External Action Service: 03.06.2021].

Trade relationship with Vietnam has also been the EU’s priority. According to Head of the EU Delegation to Vietnam Giorgio Aliberti in the prime-time show themed EU’s Indo – Pacific strategy broadcasted on the national Vietnamese TV, Vietnam owns a very favorable position and potential to become the center of the region, which is the major trade crossroad [Doe 2022].

Since human security has been promoted in the strategy, the EU has provided unwavering support for Vietnam in health crisis management. Also, as Vietnam has been the bloc’s largest trade partner in Southeast Asia, EU nations has an interest in accelerating the pandemic recovery in Vietnam [COVID: Why Is Europe Donating: 03.09.2021]. As of July 2021, the EU and its member states has donated 4,176,000 doses of Covid-19 vaccines, mainly through COVAX [Delegation of the European Union: 07.01.2021].

Notably, the strategy demonstrates the EU’s further engagement in “hard” security, with initiatives and activities on regional maritime security. Despite the lack of a common defense policy, the EU are increasingly independent from its members in promoting their Indo – Pacific strategy. Vietnam is now the EU’s 15th-largest trading partner and its largest in Southeast Asia, an area where Brussels is eager to gain economic and geopolitical foothold.

Role of Vietnam in France’s Indo – Pacific strategy

Paris officially embrace the “Indo-Pacific” concept in May 2018, during President Macron’s visit to Australia, making France the first EU country to adopt this notion [Ambassade de France: 08.01.202].

French ties with Vietnam have been bolstered since the initiation of the French Indo-Pacific strategy, expanding into the area of security. According to the official strategy, Vietnam was mentioned as France’s main partner in ASEAN alongside Indonesia and Singapore. Needless to say, as France’s former colony and current strategic partner, Vietnam facilitates a greater French presence in the region, especially freedom of navigation operations, while Hanoi views an improvement in relations with Paris as part of its foreign policy objective of engaging multiple major powers and diversifying strategic partnerships, particularly with the five permanent members of the United Nations Security Council. The Vietnam-France Defense Policy Dialogue was first held in November 2016 and followed by the second one in January 2018. Defense discussions gained fruitful results, with a new Joint Vision statement for 2018-2028 maritime cooperation and calls for open sea lanes and legal compliance [Scott 2019]. In subsequent ministerial-level meetings, Vietnam was regarded by French counterparts as “key partner for our interests in South-east Asia and in the Indo-Pacific region” [Déplacement du Premier ministre: 01.10.2021].

There have been more warship touring in the region since the signing of joint declaration. From May-June 2019, the anti-aircraft frigate Forbin conducted week-long visit to Vietnam where both countries’ navy crews exchanged practice sessions [Nguyen Thanh: 28.05.2019]. In February 2021,
French minister of defense announced that a French nuclear attack submarine has completed a patrol in South China Sea. Following that, another French frigate docked at Cam Ranh port for helicopter repairs in March [Haver 2021]. The visits deliver an affirmative message in support of freedom of navigation in the air and at sea, which is long recognized in international law, and against any assertive behaviors in the region.

Other areas of cooperation have also achieved positive outcomes. Overall, bilateral trade has intensified with an average annual growth of 15 percent. Vietnam has been one of beneficiaries of the AFD’s projects in South-East Asia [Ministère de l’Europe et des Affaires étrangères 2021]. Recently, following the meeting between Vietnamese Prime Minister Pham Minh Chinh and President Macron on the sidelines of COP26, both sides signed 29 cooperation agreements between the two ministries, agencies, and businesses. Notably, French multinational company Thales and Vietnamese state-owned VNPT signed an MoU on technical collaboration in areas of telecommunication satellites, smart cities, digital identity and biometrics as well as 5G, IoT, and cybersecurity [Samuel: 11.11.2021; New Partnership: 09.11.2021]. The move shows France’s attempt to seek market share and influence in the security sector in Vietnam.

Regarding Covid-19 response, as of November 2021, France donated over two million doses of Covid-19 vaccine to Vietnam through the COVAX mechanism, which is in line with the longstanding and successful cooperation between France and Vietnam in the medical field [969,930 Doses: 30.11.2021].

Besides, France – Vietnam relations since France’s “pivot” to the Indo-Pacific have carried more security implications. As part of the Francophone community, with the potential to become a middle power, Vietnam helps expand France’s influence and involvement in the region. Meanwhile, given France’s naval superiority, its presence will exert considerable deterrence and pressure in conflict hotspots where Vietnam can enlist support in maritime disputes.

Vietnam specifically holds expectations and favorability for the French strategy and Franco – Vietnamese links. Unlike other EU members, France has its own sovereignty, citizens, military presence and broader interests at stake in the region. It also shares historical and long-standing ties with Vietnam.

Vietnam values France’s colonial legacies since they provide a legal base for Vietnam’s territorial sovereignty, and further support the establishment of codes of conduct and legal order in the region today. France’s legal system and modern cartography provide an authentic basis for Vietnam to protect its sovereignty and the potential resolution of contemporary conflicts. As early as 1885, after the Sino-French war over Tonkin, the border with China has been precisely delimited by military topographers and ratified by bilateral agreements in 1886, thus rejecting the Chinese Empire’s concept of the delineated border over the vaguer notion of unprecise margins [Journoud 2016]. When China seized the Paracels by force, the Vietnamese claims against China after 1974, using universally accepted concepts such as proximity, or actual and continuous occupation and valid evidence inherited from the French. Today’s negotiations between China and Vietnam as well as with other claimants in the South China Sea still relied on the treaties signed by France at the end of the 19th century [Niquet 2018].

Vietnam is one of the beneficiaries of the multilateral and rules-based order promoted by France, as well as the presence of the French navy in regional hotspots. In accordance with historical insights from the colonial and immediate post-colonial period, France takes a rigid stance on territorial disputes in the South China Sea, which any settlement must adhere to international law and avoid the use of force.
or unilateral decisions that may change the status quo. In an official document adopted by the French Ministry of defense in 2018, the Spratlys are described as “claimed” by Brunei, China, Malaysia, the Philippines, Taiwan and Vietnam while the Paracels are “occupied by China and claimed by Vietnam” [Ministère des Armées 2018], which reaffirms its own stance on maritime sovereignty in a region where France, as a former colonial power, played a major role in borders definition [Niquet 2018].

**Role of Vietnam in Germany’s Indo – Pacific strategy**

In September 2020, Germany published its own Indo-Pacific policy guidelines, entitled “Germany – Europe – Asia: shaping the 21st century together” and declared the region “a priority of German foreign policy”. This is mainly driven by the desire to “uphold global norms in regional structures, and strengthen its partnership in the region” [Amt Auswärtiges: 24.07.2022].

In initiatives proposed by the German, building a close bond with ASEAN members tops the list. As one of Germany’s prominent strategic partner, there is room for Vietnam to bolster ties in various fields and present itself as a reliable partner and a bridge connecting the Southeast Asia with the world. For example, Vietnam may give support for Germany’s seek of observer status at the ASEAN Defense Ministers Meeting Plus (ADMM+).

In terms of security, although Berlin is reluctant to provide security to other parts of the world, it would also like to engage more as an active player and partner as a result of growing economic importance of the region and China’s increasing clout in the area. On 6 January 2022, the frigate “Bayern” entered the port of Nha Rong in Ho Chi Minh City as part of a seven-month training and presence cruise in the Indo – Pacific. The first-ever visit of a German Navy ship to Vietnam highlighted the importance Germany attaches to the partnership with Vietnam, and a concrete implementation of the German Indo-Pacific Guidelines of 2020 [Ibid.].

Trade and investment continue to be at the heart of bilateral relations with Vietnam being a favorable environment for German businesses. In 2020, Vietnam overtook Malaysia and Singapore to become Germany’s largest trading partner in Southeast Asia, while Germany has remained Vietnam’s largest trading partner in the EU. In terms of investment, the Vietnamese market has always been highly appreciated by Germany. Germany has also spent more than 2 billion USD worth of ODA for Vietnam, focusing on such important areas as renewable energy development, environmental protection, vocational training, making practical contributions to Vietnam’s socio-economic development [Nguyen Minh Vu 2021].

Ministerial level meetings have been held more frequently to further discuss particular cooperative orientation and actions. For example, the first meeting of the Vietnam-Germany Joint Committee for Economic Cooperation was held online on January 12, 2021 during which participants discussed the cooperation possibilities in industry and trade, manufacturing-processing, energy, and education-training. [Delegate of German Industry: 12.01.2021].

Other fields also witnessed a growth in German-Vietnamese cooperation. During the Covid-19 crisis, The German government donated to Vietnam a total of 3.35 million doses of vaccine and many medical equipment with a total value of about VND 20 billion. This is the largest amount of bilaterally aided vaccines Germany has ever given to a country outside the EU to date [Nguyen Minh Vu 2021]. It is also noted in the guideline that Germany will continuously support the Vietnamese – German University as a flagship project of German science diplomacy. This is not only a mere educational
cooperation but also creates a premise for security initiatives, and Vietnam might join Germany in improving the existing cooperative model.

To sum up, Germany places more emphasis on connectivity characterized by policies that facilitate open markets, free trade, wise investment. Neither does Germany seek an increasingly geopolitical influence nor commit towards traditional security issues. Therefore, Vietnam serves mainly as a bridge for German trade flow and economic prosperity in the region.

**Role of Vietnam in the Netherlands’ Indo – Pacific strategy**

In November 2020, the Netherlands published a document entitled “Indo-Pacific: Guidelines for Strengthening Dutch and EU Cooperation with Partners in Asia, making it the third EU member state to issue a strategy on the Indo – Pacific after France and Germany [Government of the Netherlands: 13.11.2020]. The Dutch involvement in the region is not only an amplification of the EU policies but also reflects its evolving international outlook. Although its policy emphasis remains on Europe and Transatlantic links, the Netherlands has gradually expanded to the Indo – Pacific.

The Kingdom of the Netherlands was one of the first Western countries to establish diplomatic relations with Vietnam on April 9, 1973. It was not until April 2019 that both countries agreed to build up a comprehensive partnership.

Vietnam’s position and role are specifically defined in the framework of cooperation with democratic and like-minded partners in Asia: “The Netherlands will deepen its partnerships with countries such as Australia, India, Indonesia, Japan, South Korea, New Zealand, Singapore, Malaysia, and Vietnam through practical cooperation on issues where we share common interests, and through annual consultations.” [Ibid.]. This proves that the Netherlands attributes a special place to Vietnam in its vision of the Indo – Pacific.

Up to now, the Netherlands has been the EU’s largest foreign investment (FDI) partner in Vietnam with nearly 400 projects and a total capital of about USD 11 billion, accounting for nearly 50% of the total investment capital of the EU in Vietnam. Vietnam has been given technical support from Boskalis Group, the Netherlands within the framework of cooperation between the Vietnam Administration of Seas and Islands and the Netherlands in an attempt to address coastal and riverbank erosion, and soil subsidence [Nguyen Muon and Ha Le 2022]. There are also a number of research projects in collaboration with the Dutch Embassy in Hanoi to assess the potential and solutions to circular economy transition (e.g. the Interceptor plastic waste collection system on rivers in Can Tho) [Chu An 2022].

Basically, the role of Vietnam in EU countries’ Indo – Pacific strategy is characterized mainly in two dimensions: (i) Vietnam as a key member of ASEAN, and (ii) Vietnam as a bilateral partner.

Vietnam also owns the most comprehensive bilateral relationship with the EU in Southeast Asia. As an active member of ASEAN and the second country of the Association to sign a FTA with the EU, Vietnam is considered an important partner in the EU’s Indo-Pacific strategy. Through the established relationship with Vietnam, European governments seek ways to such security frameworks built around ASEAN as the ASEAN Defense Minister’s Meeting Plus (ADMM+), East Asia Summit (EAS), ASEAN Regional Forum (ARF). Vietnam was also the coordinator of the ASEAN-EU relations. At the annual ASEAN-EU Senior Officials’ Meeting (SOM) held online on July 8, 2021 Vietnam proposed the EU to continue supporting ASEAN’s efforts in maintaining peace, security and safety in the South China Sea,
fully and effectively realizing the Declaration on the Conduct of Parties (DOC), and soon complete negotiations on an effective and efficient Code of Conduct (COC).

Vietnam’s strategic position makes it natural partner for the EU especially when European countries want to play an increasing part in preserving the regional legal order regarding the law of the sea and maritime security. Along with other Southeast Asian countries, Vietnam is located on an important traffic axis of the most vibrant shipping and trade routes in Asia where there are strong and dynamic economies that provide logistical services to countries inside and outside the region. It is also in close proximity to China, and also a party involved in the South China Sea disputes.

**Vietnam’s perspective of Europe’s Indo – Pacific strategy**

Vietnam also appreciates the robust and constructive role of major EU powers in the region based on its support for the vital role of ASEAN and the promotion of rule of law and cooperation in the region. After the EU officially announced the Indo-Pacific strategy, the spokesperson of the Ministry of Foreign Affairs of Vietnam, Ms. Le Thi Thu Hang, at a regular press conference on the afternoon of September 23, 2021 said: “Vietnam highly appreciates the EU’s role and positive contributions to peace, cooperation and development in the region. […] On the basis of the comprehensive partnership and cooperation between Vietnam and the EU, Vietnam is willing to coordinate with the EU in implementing cooperation frameworks for mutual benefits, promoting ASEAN’s centrality, the Asia-Europe partnership and the ASEAN-EU strategic partnership” [Thu Phuong and Hien Hanh 2021].

EU’s approach is in line with Vietnam’s expectations. Furthermore, the EU’s emphasis on “normative aspects of a peaceful and rules-based order” could preserve stability and multilateralism from which Vietnam benefits. While how the EU manages to both cooperate and compete with China remains questionable, the presence of an EU strategy addressing these issues is highly appreciated from Vietnam’s view. As the South China Sea dispute is currently the most serious national security challenge for Vietnam, maritime cooperation activities between the EU and Vietnam or EU states’ freedom of navigation operations help curb China’s aggression in the South China Sea. Vietnam has grounds to hope that, with the EU’s concrete presence in the Indo – Pacific, territorial disputes will certainly be addressed at multilateral mechanisms and adherence to the rules of international law.

Furthermore, the EU’s positive viewpoint of “non-confrontational cooperation” is welcomed by all partner countries that have been struggling with taking side in the US-China competition [European External Action Service: 03.06.2021]. For ASEAN countries in general and Vietnam in particular, any EU efforts to narrow the differences with potential rivals will help reduce tension between major powers.

**Conclusion**

Located at the heart of Southeast Asia, facing the South China Sea and encompassed by the Southeast Asian nations, Vietnam occupies an important geostrategic position. Vietnam, therefore, is considered a like-minded partner with the EU. The relationship between the EU and Vietnam has lasted for 31 years and has witnessed remarkable developments in recent years, especially the signing and ratification of European Union–Vietnam Free Trade Agreement (EVFTA) and The Investment Protection Agreement between the European Union and the Socialist Republic of Vietnam (EVIPA).

Vietnam is one of the most vocal countries in terms of maritime dispute and one of the most prominent advocate of the efforts that seek to contain an assertive China. Over the last few years, Hanoi
actively channeling its efforts towards broadening its links with countries of the Indo – Pacific. As the major player in the ASEAN, much expectations have been placed on the country for steering the grouping activities and enhancing its centrality as well as coordination in the security areas which seem limited due to the pandemic.

For Vietnam, the EU strategy will lay the foundation for the development of the existing partnership between the EU and Vietnam and carry more security benefits. The EU’s activities in the Indo – Pacific are expected to relieve Chinese aggression and Sino – American rivalry.

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