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FILE TITLE: Relations		SERIES VIETNAM
PART BEGINS: March 1988		PART: 1
PART ENDS: 1 MAY 1997	CAB ONE:	

~~PART
CLOSED~~

~~1 MAY 1997.~~

PREM 19/6341

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SERIES CLOSED

**END OF
CONSERVATIVE
ADMINISTRATION**

1 MAY 1997

Pre 1996 papers not on the computer

DATE	FROM	TO	SUBJECT	S/TS
13.2.96	FCO		Tel :28	
15.2.96	Hanoi		Tel : 57	
			Brief : Vietnamese prime Minister	
3.3.96	FA/PS	FCO	(M) : Vietnamese Prime Minister	
2.4.96	FCO	FA/PS	Development of bilateral trade	
2.4.96	FCO	FA/PS	Draft letter from PM	
3.4.96	PM	PM Viet	(H) - Visit of MOS FCO to Vietnam	
22.4.96	Vietnam PM	PM	(H) Cooperation between Countries	
14.5.96	FCO	FA/APS	Covering Letter to Vietnam PM	
13.8.96	FCO		Tel No 437 Vietnamese Migrants	
15.8.96	Wton		Tel No 1696 Vietnamese Migrants	



cc-JEH
MC

Foreign &
Commonwealth
Office

London SW1A 2AH

Telephone: 0171

16 December 1996

NBMM
Dear Edward, + file. kb 20 /kin

Message to the Prime Minister from the Vietnamese
Prime Minister

... You will recall that the Foreign Secretary, when he called on the Vietnamese Prime Minister in Hanoi on 1 November, delivered a message from the Prime Minister. The message welcomed the striking increase in bilateral contacts which has recently taken place and pressed particularly for a more flexible approach to the problem of those Vietnamese migrants in Hong Kong whom the Vietnamese decline to accept for repatriation on the grounds that they are not Vietnamese nationals. The Vietnamese Prime Minister has now sent a reply, which I attach.

Vo Van Kiet's response is couched in typically anodyne terms - it is strong on atmospherics but fails to highlight the real progress which recently has been made. The Vietnamese have agreed to consider a list of migrants they judge to be non-nationals for repatriation on humanitarian grounds. They have been particularly flexible over repatriation flight scheduling and have begun to permit flights to land additionally in Ho Chi Minh City for returnees whose links are with southern Vietnam. The Vietnamese Prime Minister has also recently issued instructions to all central and local Government authorities to step up measures to prevent new departures for Hong Kong. Vo Van Kiet cited the importance of relations with the UK as his principal motivation. The new measures include a mass media campaign to deter new departures and faster clearance for repatriation from Hong Kong of those who slip through the net. The instructions were published in the state-run press.

These positive developments increase the chances of meeting our objective of clearing the Hong Kong camps before the handover. But significant substantive and logistic problems remain. The Vietnamese response to our list of



non-nationals with strong humanitarian grounds for repatriation will be an important indication of the future progress we can expect on this element of the problem. We will continue to work in the coming months to keep the Vietnamese up to the mark.

Yours ever,

Sam

(S J Sharpe)
Private Secretary

Edward Oakden Esq
10 Downing Street

Unofficial translation

Hanoi, November 28, 1996

To: **H.E. Mr. JOHN MAJOR**
Prime Minister
United Kingdom of Great Britain
and Northern Ireland

Your Excellency Mr. Prime Minister,

I am very delighted to have received Your letter forwarded by Your Foreign Secretary Mr. Malcolm Rifkind. I would like to share joys with you at the fine development in the political, economic and trade ties between our two countries. The visit to Vietnam by H.E. Mr. Malcolm Rifkind has helped further deepening and advancing forward this mutual relationship.

With regard to the Vietnamese immigrants in Hongkong, I am, just like you, very pleased with the cooperation between our two sides and the results recorded in recent time. Concerning the issue that You mentioned in the letter, I have given instruction to the Foreign Ministry of Vietnam to work with the Ambassador of the United Kingdom of Great Britain and Northern Ireland to Hanoi. On this occasion, I would like to confirm that the Government of Vietnam will continue to work closely with Your Government, the Hongkong Authorities and the UN High Commissioner for Refugees with the view to early bringing to an end the issue of Vietnamese immigrants in Hongkong in the spirit of goodwill, humanity and mutual understanding.

I wish, once again, to express my desire to have the opportunity of welcoming You in Hanoi. I also wish to sincerely thank Your Excellency for the invitation extended to me to visit London where the fond memories of my last visit are still fresh in my mind.

Please, accept, Excellency the assurances of my highest consideration.

VO VAN KIET



10 DOWNING STREET
LONDON SW1A 2AA

THE PRIME MINISTER

24 October 1996

File to/ Vietnam
SUBJECT
MASTER
Filed on:

Dear Prime Minister,

I remember warmly our meeting in Bangkok last March, when we were able to discuss a range of important issues and agreed to intensify our bilateral relations following our meeting.

I wrote to you on the occasion of a visit to Vietnam by the Minister of State at the Foreign and Commonwealth Office, Mr Jeremy Hanley. I was very glad to receive your reply of 22 April. I am delighted that only six months later the Foreign and Commonwealth Secretary, Mr Malcolm Rifkind, is able to visit Vietnam and pursue our political dialogue with you.

The intervening period has seen further intensification of our bilateral political, economic and commercial links. We have also been pleased to welcome in London a number of senior Vietnamese representatives, including Vice Foreign Minister Mr Nguyen Dy Nien.

Meanwhile we have made further substantial progress on the problem of migrants in Hong Kong. I very much appreciate the co-operation of your Government. The repatriation programme has gone smoothly and well over recent months, and I am most grateful. As we redouble our own efforts to resolve the problem before the handover of Hong Kong, I hope we can count

2

on you to maintain this cooperation in the spirit of partnership which is fast developing between our two countries. I would particularly welcome your assistance in expediting clearances for the remaining migrants to return to Vietnam, and in reconsidering migrants who have been rejected as "non-nationals" but for whom there are strong humanitarian grounds for repatriation to Vietnam.

I have great pleasure in renewing my invitation to you to visit London. You would be very welcome.

*Yours Sincerely,
John H. King*

His Excellency Mr Vo Van Kiet



~~CC/DET~~

Foreign &
Commonwealth
Office

23 October 1996

London SW1A 2AH

Dear Edward,

Vietnamese Migrants in Hong Kong

In my letter of 27 September, we undertook to consider after Vietnamese Vice Foreign Minister Nien's visit to London whether the Foreign Secretary should carry on his visit to Vietnam later this month a message from the Prime Minister to the Vietnamese Prime Minister.

Nien called on the Foreign Secretary on 15 October and subsequently had talks with the Director for South and South East Asia. These exchanges were moderately encouraging: the Vietnamese undertook to expedite outstanding clearances for migrants in Hong Kong (currently some 4,500 cases) and to look again at the difficult problem of 'non-nationals'. But we need to sustain this momentum. The Foreign Secretary believes that a message from the Prime Minister would send a further clear signal to the Vietnamese that we are pulling out all the stops to solve the migrants problem before the handover of Hong Kong and that we look to them to do likewise. I enclose a possible text. The Ambassador in Hanoi's view, with which we agree, is that the letter would have maximum impact if handed over during the Foreign Secretary's meeting with Vo Van Kiet.

It would be very helpful to have a signed letter on Friday 25 October, so that the Secretary of State can carry it with him.

Yours ever,

SJ

(S J Sharpe)
Private Secretary

Edward Oakden Esq
10 Downing Street

**DRAFT LETTER FROM THE PRIME MINISTER TO THE PRIME MINISTER
OF VIETNAM, MR VO VAN KIET**

I last wrote to you on 3 April, on the occasion of a visit to Vietnam by the Minister of State at the Foreign and Commonwealth Office, Mr Jeremy Hanley. I was very glad to receive your reply of 22 April. I am delighted that only six months later the Foreign and Commonwealth Secretary, Mr Malcolm Rifkind, is able to visit Vietnam and pursue our political dialogue with you.

The intervening period has seen further intensification of our bilateral political, economic and commercial links. During that time, we have been pleased to welcome in London a number of senior Vietnamese representatives, including Vice Foreign Minister Mr Nguyen Dy Nien. And we have made further substantial progress on the problem of migrants in Hong Kong. I very much appreciate the co-operation of your Government. As we redouble our own efforts to clear the camps before the handover of Hong Kong, I hope we can count on you also to do so in the spirit of partnership which is fast developing between our two countries. I would particularly welcome your assistance in expediting clearances for the remaining migrants to return to Vietnam, and in re-considering migrants who have been rejected as 'non-nationals' but for whom there are strong humanitarian grounds for repatriation to Vietnam.

I have great pleasure in renewing my invitation to you to visit London. You would be very welcome indeed.



CCED
140P

Foreign &
Commonwealth
Office

23 October 1996

London SW1A 2AH

Dear John,

Visit of the President of Poland: Helicopters

You wrote on 21 October enclosing a letter to you from Sir Geoffrey Pattie, MP, asking the Prime Minister to raise with President Kwasniewski the Anglo-American bid to equip the Polish Huzar helicopter.

We had, in fact, already decided to advise the Prime Minister to raise this issue with Kwasniewski, together with two other bids by British companies to supply defence equipment to the Polish Armed Forces. All three bids, including the Huzar programme, are covered in the briefing enclosed with my letter to you of 22 October. Sir G Pattie's approach reinforces the case for the Prime Minister to raise Huzar.

We shall let you have a draft reply to Sir G Pattie after the Prime Minister's meeting with Kwasniewski.

Yours truly,

Dominick

(D J Chilcott)
Private Secretary

John Holmes Esq
10 Downing Street



CC 1014

Foreign &
Commonwealth
Office

23 October 1996

London SW1A 2AH

Edward
OK in general,
if a bit uninspired.
One suggested change.
We will need to get
this signed quickly - before
PM leaves for Huntington.
John
24/10

Dear Edward,

Vietnamese Migrants in Hong Kong

In my letter of 27 September, we undertook to consider after Vietnamese Vice Foreign Minister Nien's visit to London whether the Foreign Secretary should carry on his visit to Vietnam later this month a message from the Prime Minister to the Vietnamese Prime Minister.

Nien called on the Foreign Secretary on 15 October and subsequently had talks with the Director for South and South East Asia. These exchanges were moderately encouraging: the Vietnamese undertook to expedite outstanding clearances for migrants in Hong Kong (currently some 4,500 cases) and to look again at the difficult problem of 'non-nationals'. But we need to sustain this momentum. The Foreign Secretary believes that a message from the Prime Minister would send a further clear signal to the Vietnamese that we are pulling out all the stops to solve the migrants problem before the handover of Hong Kong and that we look to them to do likewise. I enclose a possible text. The Ambassador in Hanoi's view, with which we agree, is that the letter would have maximum impact if handed over during the Foreign Secretary's meeting with Vo Van Kiet.

It would be very helpful to have a signed letter on Friday 25 October, so that the Secretary of State can carry it with him.

Yours ever,

Sam

(S J Sharpe)
Private Secretary

Edward Oakden Esq
10 Downing Street

GR - (T) P.

24
WB/10

DRAFT LETTER FROM THE PRIME MINISTER TO THE PRIME MINISTER OF VIETNAM, MR VO VAN KIET

(Remember warmly our meeting in Bangkok last December when we

I ~~last~~ wrote to you on 3 April, on the occasion of a visit to Vietnam by the Minister of State at the Foreign and Commonwealth Office, Mr Jeremy Hanley. I was very glad to receive your reply of 22 April. I am delighted that only six months later the Foreign and Commonwealth Secretary, Mr Malcolm Rifkind, is able to visit Vietnam and pursue our political dialogue with you.

able to discuss a range of important issues and agreed

The intervening period has seen further intensification of our bilateral political, economic and commercial links.

During that time, ~~we~~ ^{also} have been pleased to welcome in London a number of senior Vietnamese representatives, including Vice Foreign Minister Mr Nguyen Dy Nien. ^{negotiate} And we have made further substantial progress on the problem of migrants in Hong Kong. I very much appreciate the co-operation of your Government.

to intensify our bilateral relations following ~~the~~ our meeting

As we redouble our own efforts to clear the ^{human} camps before the handover of Hong Kong, I hope we can count on you ^{maintain this cooperation} also to do so in the spirit of partnership which is fast developing between our two countries. I would particularly welcome your assistance in expediting clearances for the remaining migrants to return to Vietnam, and in re-considering migrants who have been rejected as 'non-nationals' but for whom there are strong humanitarian grounds for repatriation to Vietnam.

The repatriation programme has gone smoothly and we are re-cent results, and I am most grateful.

I have great pleasure in renewing my invitation to you to visit London. You would be very welcome. ~~And so~~.

RESTRICTED



Foreign &
Commonwealth
Office

London SW1A 2AH

27 September 1996

Dear Edward, ^h
10/30/9

Vietnamese Boat People PPS

Thank you for your letter of 20 September about the possibility of the Prime Minister sending a message to the Vietnamese Prime Minister urging rapid clearance for repatriation of the outstanding uncleared migrants.

We believe that such a message could be effective and improve the prospects of the Vietnamese having good news on this subject for the Foreign Secretary when he visits Hanoi at the beginning of November. However we have invited a Vietnamese Vice-Foreign Minister here early next month, and we should like to hear what he has to say before advising on the exact timing and drafting of the proposed message. I shall write again thereafter. Meanwhile we are naturally keeping in close touch with the Governor of Hong Kong.

yours m,

Dominick

(D J Chilcott)
Private Secretary

Edward Oakden Esq
10 Downing Street

RESTRICTED



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

20 September 1996

VIETNAMESE BOAT PEOPLE

I noticed that, in his report of Mr. Hanley's visit to Hong Kong (Hong Kong tel. no. 713), the Governor raises the possibility of the Prime Minister writing to his Vietnamese opposite number to press the Vietnamese Government to clear rapidly the list of 6,000 outstanding uncleared migrants.

This is simply to say that, if you agree that this ^{is} was worth doing, I am sure that the Prime Minister would be content to write.

EDWARD OAKDEN

S. J. Sharpe, Esq.,
Foreign and Commonwealth Office.

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Redford

Letter over. + file (Vietnam) 156534

156534

MDHIAN 3571

John

(only)

M. see x para 4j: I might free the for that

Ensure the PM wd. be ready to write to the

Vietnamese if they (to) agreed this wd. be

worthwhile.

19/9

CONFIDENTIAL
FM HONG KONG
TO IMMEDIATE FCO
TELNO 713
OF 190245Z SEPTEMBER 96
AND TO IMMEDIATE HANOI
INFO IMMEDIATE PEKING, UKMIS NEW YORK
INFO PRIORITY UKREP JLG HONG KONG, BTC HONG KONG

SUBJECT: Mr Hanley's visit to Hong Kong: 13-16 September 1996

Summary

1. Mr Hanley briefed key Hong Kongers on his recent talks in China and discussed objectives for your forthcoming meeting with Qian in New York. Choice of Chief Executive-Designate and establishment of Provisional Legislature key preoccupations of ExCo and LegCo which gave the Ministers the opportunity to set out HMG's clear stance on these issues. Press coverage limited but not unfavourable. A helpful and well-timed visit, underlining Britain's continuing commitment to Hong Kong.

Detail

2. Mr Hanley arrived in Hong Kong from Mongolia on the evening of 13 September in time to attend my dinner for the Lord Mayor and Lady Mayoress of London. He then had a briefing from the Ad Hoc Group on Saturday morning before joining me on a tour of the Hong Kong University of Science and Technology and Sai Kung District. I hosted a dinner for the Minister on the evening of 15 September at which five LegCo members, including Martin Lee, were among the guests.

3. The main meat of the visit came on 16 September when Mr Hanley met ExCo in the morning and a delegation of LegCo members privately at Government House in the early evening. In between he called at the new Consulate General to review progress; attended a lunch hosted by the Senior British Trade Commissioner for prominent members of the business community; had a meeting with the General Committee of the British Chamber of Commerce; opened David Tang's community English Language Lab offering free ELT; had a private meeting with the Chief Secretary, and was briefed on Vietnamese migrants by the Secretary for Security. He gave three stand-up

press interviews during the course of the visit.

Vietnamese Migrants

X || 4. Mr Hanley's visit coincided with the start of an exercise to close one of the three remaining camps, Tai A Chau, and move its 5,500 inmates to the Whitehead Centre. Thus far this exercise has attracted little publicity and is proceeding smoothly. This closure reflects the steady reduction in VM numbers, but we shall have trouble ahead if we do not now tackle the problems posed by the hard core. Peter Lai, Secretary for Security, made a plea for further Ministerial intervention to help persuade the Vietnamese government to clear rapidly the list of 6,000 outstanding uncleared migrants. If your proposed visit to Vietnam at the end of October goes ahead, this would provide an excellent opportunity to bring some pressure to bear. The Prime Minister might wish to consider writing to his opposite number, again as he did in April before Mr Hanley's visit. Lai also said that unless Britain was prepared to resettle a few (20-30) of the remaining 1300 refugees, it would be virtually impossible to persuade even the traditional countries of resettlement such as the Nordics to help out again. Selina Chow also pressed Mr Hanley on this during his session with LegCo.

Business Sentiment

5. Mr Hanley had lunch with a cross section of British and Hong Kong business people, most of whom were in fairly good heart. One concern that emerged was that much of the international press coverage Hong Kong is getting at present is negative. Some potential investors with limited knowledge of Hong Kong might take this at face value and in the worst case the doom and gloom scenario could become a self-fulfilling prophecy. Mr Hanley was asked to take every opportunity to promote and communicate a more balanced picture, a request to which he readily acceded. [We have developed a series of points here (follows by fax) countering various commonly-held misconceptions about Hong Kong and its future autonomy. Ministers and others may wish to draw on these whenever it is necessary to set the record straight]

6. At a subsequent meeting with the Committee of the British Chamber of Commerce, Mr Hanley was asked to lobby the Hong Kong Government strongly to ensure that there would be no uncomfortable vacuum for British business people between the current position whereby they do not require work permits, and that post-handover

when they will. Their prime wish was for an end to the current uncertainty: better a more complex procedure soon if need be to obtain the permits, than a simpler one later, the details of which would be unclear for several more months. They claimed that some would-be new arrivals from Britain were being put off at present by this uncertainty.

Press

7. The question of sovereignty over the Diaoyu (or Senkaku) Islands continued to preoccupy the press and protesters during Mr Hanley's visit. When questioned about this, the Minister deployed the agreed line that it was a matter for the parties concerned, not HMG, and that he hoped the situation would be resolved peacefully through dialogue.

8. At the stand-up following his meeting with ExCo, Mr Hanley was pressed about what action HMG would take once the Provisional Legislature was set up. He held the line that HMG remained firm in its resolve to try to persuade the Chinese not to go ahead; that to do so would be unnecessary and very damaging, and that it was for the Chinese to explain how a Provisional Legislature would be consistent with the Joint Declaration. He was also able to refute claims in the Oriental Daily that Britain was seeking to interfere in the choice of Chief Executive Designate, emphasising that Britain's role was to impress on the Chinese the need to choose someone acceptable to the people of Hong Kong, not to discuss particular individuals.

ExCo

9. Mr Hanley had a useful and frank session with ExCo at which he was exposed to a broad span of opinion on the outlook for Hong Kong politically and economically. Views on how to deal with the PL should the Chinese carry out their threat to set it up (and this was virtually taken as given) ranged from Raymond Chi'en's line that we should "agree to disagree" and focus on trying to ensure the PL did as little as possible before the handover, to Denis Chang who thought it dangerous to concede yet on our principled opposition to the PL's establishment. Jimmy McGregor accused HMG of letting down the ethnic minorities and again pressed for legislation. Mr Hanley repeated HMG's position along standard lines.

LegCo

10. Mr Hanley was faced with a difficult hour of questioning by a dozen members of LegCo including the Democrats' Leader, Martin Lee. Once again, the extent to which Britain should cooperate with or confront the Chinese over the establishment of the PL, was uppermost in members' minds. Mr Hanley was pressed by Martin Lee, Margaret Ng and Christine Loh to state HMG's position on whether the establishment of the PL would constitute a breach of the JD. Mr Hanley stuck to the line that our efforts were currently being channelled into persuading the Chinese not to take the step of setting it up, and that you intended to explain our objections firmly again to Qian Qichen in New York on 26 September, focusing in particular on the numerous practical problems a PL would pose. Both Lee and Ng argued that the best way to stop the Chinese setting the PL up would be to tell them that if they were to do so we would accuse them of breaching the JD. They asked whether we already had legal advice on this question. Mr Hanley said he was not prepared to go into this before the establishment of a PL.

11. Other issues raised by Legislators included right of abode, Vietnamese migrants, ethnic minorities and UN human rights covenants. The only criticism that the session was not being held in public came from Emily Lau.

Comment

12. I am grateful to Mr Hanley for making this visit and for entering so energetically into his full programme here. Press coverage was for the most part factual and reasonably positive bearing in mind the usual tendency to be grudging towards visiting Minister from Britain. His firm words on the provisional legislature, in particular, were well covered and will have served to counter stories that Britain was about to go soft on this issue. This has helpfully laid the ground for your forthcoming discussion with Qian in New York.

PATTEN

YYYY

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FM WASHINGTON
TO IMMEDIATE FCO
TELNO 1696
OF 150003Z AUGUST 96
AND TO IMMEDIATE HONG KONG
INFO PRIORITY HANOI, UKMIS GENEVA, BANGKOK, JAKARTA
INFO PRIORITY KUALA LUMPUR, MANILA, ACTOR

file

10/18/8

SUBJECT: VIETNAMESE MIGRANTS: ROVR: YOUR TELNO 437

SUMMARY

1. Action taken with State and NSC. State unsurprised. NSC do not take the news badly, but reiterate arguments: "some risk" of difficulties with Congress. Reactions from other countries of first asylum still awaited. Possibility of implementing ROVR extension in some countries, but not others, not yet considered. NSC float idea of ROVR without interviews in countries of first asylum. UNHCR appear not yet to have spoken to NSC.

DETAIL

2. We spoke to Heck (Director for Regional Security, East Asia and Pacific, State) on 13 August, and Schwartz (Special Assistant to the President and Senior Director for Democracy, Human Rights and Humanitarian Affairs, NSC) on 14 August, as instructed in TUR.

3. Heck was not surprised (nor, we suspect, entirely disappointed).

4. Schwartz did not take the news badly, but reiterated his arguments. Some within the Administration thought NSC was overestimating the possible political problems. But, if the Administration was unable to offer something to the anti-repatriation lobby, there was "some risk" that Congress would make difficulties. They could, for example, try to tack onto the Foreign Operations Appropriations Bill, which would be going through Conference in September, a provision denying funds for refugee assistance unless ROVR was extended. We should be in no doubt that, if the issue got as far as the

PAGE 1
RESTRICTED

White House, "political calculations" would prevail.

5. The U.S. still awaited substantive reactions from other countries of first asylum. The Administration had not yet considered whether it would extend ROVR in some, but not all, of the countries of first asylum, if some refused and others agreed.

6. It might be possible to extend ROVR in an amended form, without interviews in the countries of first asylum (i.e. just interviews in Vietnam), if the Vietnamese agreed. But the U.S. had not yet broached extension in any form with the Vietnamese.

7. Schwartz did not appear to have been approached yet by UNHCR. He let slip (and then asked us to forget: please therefore protect) that the UNHCR Assistant High Commissioner had indicated to him three weeks ago, on a personal basis, that UNHCR might be "neutral to moderately favourable" about ROVR extension. But Schwartz would not be surprised if UNHCR was in fact negative. (Comment: UKMis Geneva might check with UNHCR whether their representative has now spoken to NSC.)

LOGAN

YYYY

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UND//HD
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HONG KONG TELNOS 606 AND 610 AND WASHINGTON TELNO 1673

SUBJECT: VIETNAMESE MIGRANTS: ROVR

SUMMARY

1. Agreement that US initiative more likely to act as a brake on repatriation than to speed it up. But this will need to be presented carefully to the Americans. Instructions for Washington to speak again to State and NSC in advance of formal notification to the US by Hong Kong.

DETAIL

2. We share your scepticism (first TUR) about the probable effect of this US initiative. ROVR has, to date, enjoyed only limited success. At a policy level, there seems to us a serious risk that an extension of the initiative will encourage migrants to remain in Hong Kong in the belief that they might benefit from further schemes, rather than return now to Vietnam. The logistic difficulties you highlighted, coupled with UNHCR's concerns (second TUR) reinforce our assessment.

3. US sensitivities will need careful handling. Washington should inform their State and NSC interlocutors of our thinking, underlining that they are doing so in advance of a formal response to the Acting US C-G by Hong Kong. Washington should emphasise that, while a temporary brake on repatriation might be tolerable for some countries of first asylum, the Vietnamese Migrant problem in Hong Kong is quite distinct: the number of migrants in Hong Kong is substantially greater than elsewhere and we are confronted with the immovable deadline of 30 June 1997 for clearing the camps. Our projections for repatriation of Vietnamese migrants before the transfer of sovereignty indicate that we stand a good chance of

meeting our objective of clearing the camps. But it will be a close run thing. Any initiative which led migrants to question the finality of deadlines or criteria (para 2 of second TUR) would stand to jeopardise our own efforts. If necessary, Washington could illustrate our concerns by pointing to the uncertainty caused by the Gilman/Smith initiative, which led to the establishment of ROVR.

4. Grateful if Washington could report when this action has been taken as a trigger for Hong Kong then to respond formally to the Acting US C-G.

RIFKIND

YYYY

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MAIN

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.VIETNAMESE MIGRANTS IN HK
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PRESS SECRETARY/PM
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HO//MR D A L COOKE

HKGOL
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PS/NO 10

NNNN



Foreign & Commonwealth Office

London SW1A 2AH

File
H
28/5.

14 May 1996

JEH
16/5.

Prime Minister (4)

ti.

Good. 16/5

Dear Edward,

Vietnam

I enclose the reply from the Vietnamese Prime Minister, Vo Van Kiet, to the Prime Minister's message of 3 April (copy enclosed for ease of reference) which arrived in this week's bag.

Mr Hanley delivered the Prime Minister's message during his visit to Hanoi from 8 - 10 April. The atmospherics of the visit were most constructive. The Vietnamese Government made it plain that they value the good relations which have developed between Britain and Vietnam, and wish to see these expand further.

One particularly important outcome from Mr Hanley's visit was increased cooperation over the repatriation of Vietnamese migrants from Hong Kong. Mr Hanley's interlocutors agreed to an accelerated orderly repatriation programme (ORP) within an increased number of monthly returns, and undertook to expedite the clearance of outstanding names as soon as possible. The Vietnamese are already delivering: there will be five ORP flights this month (the previous monthly maximum was two). Against expectations, the Vietnamese Foreign Minister also promised to study the problem of non-nationals again.

Last week there was a further outbreak of violence at Whitehead Detention Centre, as the Hong Kong authorities prepared to transfer migrants for orderly repatriation. The situation has been brought back under control, with no apparent implications for the repatriation programme.

Yours ever,
Sam

(S J Sharpe)
Private Secretary

Edward Oakden Esq
10 Downing Street

**SUBJECT
MASTER**

Filed on:

Unofficial Translation

**Mr. John Major
Prime Minister,
The United Kingdom of
Great Britain and Northern Ireland.**

April 22, 1996

Your Excellency, Mr. Prime Minister,

Thank you for your letter dated April 3, 1996 sent to me through Mr. Jeremy Hanley, British Minister of State for Foreign and Commonwealth Affairs. I have been reported that Mr. Hanley's recent visit to Vietnam has furthered the cooperation between our countries.

I fully share your view that the relations of friendship and cooperation between Vietnam and the United Kingdom have seen excellent progress over the recent years. The political exchange of high-level official visits as well as the relations in economic cooperation and trade have continuously developed. Our cooperation in solving the problem of repatriation have led to satisfactory results. I see these developments as a good basis so that we can further strengthen our partnership in all fields to keep in line with the potentials and wishes from both sides.

The Vietnamese Government welcome and highly value the assistance and cooperation of the Government of the United Kingdom as an important member of the European Union and the host country of ASEM II in 1998. Our Government will make active efforts to increase Vietnam - EU relations as well as those between the ASEAN and the EU. Vietnam highly appreciate and welcome a significant role of the United Kingdom in contributing to peace, stability and development in Southeast Asia and Asia-Pacific as a whole.

I sincerely thank you for your invitation to visit the United Kingdom and look forward to meeting you again in a near future.

**Vo Van Kiet
Prime Minister
Socialist Republic of Vietnam.**



10 DOWNING STREET
LONDON SW1A 2AA

SUBJECT
MASTER

Filed on:

file
2 Vietnam. mem

cc Jeremy
Hanley, FCO
FCO

THE PRIME MINISTER

3 April 1996

Dear Prime Minister,

I much enjoyed our meeting in Bangkok on 2 March. It was a good opportunity to review how far relations between Britain and Vietnam have developed in recent years. Like you, I am keen to see our commercial links flourish and political dialogue thrive.

These will be important objectives for the visit to Vietnam by Jeremy Hanley, Minister of State at the Foreign and Commonwealth Office. I know he is looking forward to discussions with your government, which I am sure will further enhance the good cooperation and understanding between Britain and Vietnam. I welcome the progress that has been made since our meeting in Bangkok on the problem of migrants in Hong Kong. I hope that Jeremy Hanley will be able to discuss in particular the problem of non-nationals following the recent Privy Council decision here.

I regret that I have not yet been able to take up your kind invitation to visit Vietnam. I know that it must be difficult for you too to find time for overseas visits. But, as I mentioned when we met, if your travel plans bring you to Europe again in the near future, I hope that you will be able to include London in your itinerary. We much enjoyed your last visit in 1993, and it would give me great pleasure to welcome you to Britain again.

*Yours sincerely,
John Major*

His Excellency Mr Vo Van Kiet



Foreign &
Commonwealth
Office

2 April 1996

London SW1A 2AH

See letter at

File
JH 3/4

Dear John,

Vietnam

... Following our telephone conversation, I attach a revised draft letter from the Prime Minister to Vo Van Kiet.

If we are going to refer to the non-nationals problem, officials here favour referring to the recent Privy Council decision. The Vietnamese have been briefed carefully on this, and it would be worth ensuring that Vo Van Kiet fully appreciates its significance.

Yours ever,

Sam

(S J Sharpe)
Private Secretary

John Holmes Esq
10 Downing Street

Mr. Tyler for
Prime Minister's
signature
J.H.

DRAFT LETTER FROM THE PRIME MINISTER

TO: His Excellency Mr Vo Van Kiet
Prime Minister
Socialist Republic of Vietnam

I ~~very~~ much enjoyed our meeting in Bangkok on 2 March. It was a good opportunity to review how far relations between Britain and Vietnam have developed in recent years. Like you, I am keen to see our commercial links flourish and political dialogue thrive.

These will be important objectives for the visit to Vietnam by Jeremy Hanley, Minister of State at the Foreign and Commonwealth Office. I know that he is looking forward to discussions with your government, which I am sure will further enhance the good cooperation and understanding between Britain and Vietnam. I welcome the progress that has been made since our meeting in Bangkok on the problem of migrants in Hong Kong. I hope that Jeremy Hanley will be able to discuss in particular the problem of non-nationals following the recent Privy Council decision here.

I ~~greatly~~ regret that I have not yet been able to take up your kind invitation to visit Vietnam. I know that it must be difficult for you too to find time for overseas visits. But, as I mentioned when we met, if your travel plans bring you to Europe again in the near future, I hope that you will be able to include London in your itinerary. We much enjoyed your last visit in 1993, and it would give me great pleasure to welcome you to Britain again.

R2/4



Foreign & Commonwealth Office

London SW1A 2AH

Signed letter sent to Mr. Hanley's office Prime Minister

File The following info

02 April 1996

John 3/4 Vietnamese migrants is going reasonably well. I have put a version of the letter to Vo Van Kiet in the signature folder. John 2/4.

Dear John,

Content

Vietnam

When the Prime Minister met the Vietnamese Prime Minister, Vo Van Kiet, in the margins of the Asia-Europe Meeting on 2 March (Bangkok telno 002 to Hong Kong), the conversation covered the developing bilateral relationship and the outstanding problem of Vietnamese migrants in Hong Kong. Mr Hanley will be visiting Vietnam from 8 - 10 April to take forward discussions on both fronts.

This is a critical period for the issue of Vietnamese migrants in Hong Kong; there are still some 19,000 to repatriate to Vietnam. There were serious setbacks to repatriation last year caused by an unhelpful initiative in the US Congress. There are now signs of voluntary repatriation picking up again. Securing Vietnamese cooperation in the coming months will be crucial if we are to achieve our objective of having the camps in Hong Kong cleared by the time sovereignty is transferred in July 1997.

At the Prime Minister's request, Mr David Dain, Assistant Under-Secretary, had talks in Hanoi on 20 March to prepare for Mr Hanley's visit (Hanoi telno 96). He found that the Vietnamese were resolved to be helpful on most outstanding issues. However, they have not yet agreed to take back those migrants (mainly ethnic Chinese) who they regard as non-nationals. This could cause us serious problems; there are nearly 5,000 ethnic Chinese among the Vietnamese migrants in Hong Kong who have not yet been cleared for return to Vietnam. Any uncertainty over whether they will return risks discouraging voluntary repatriation by other categories of migrant. In a test case the Privy Council have just ruled that keeping non-nationals detained in Hong Kong is unlawful, given that Vietnam's policy is not to accept back non-nationals. The Hong Kong Government have concluded in the light of the ruling that they must release about 100 Vietnamese migrants who have already been rejected for return by the Vietnamese. There is therefore considerable urgency in resolving this problem with the Vietnamese. Any change in Vietnam's policy would almost certainly have to be decided by the Politburo, where the attitude of Vo Van Kiet is likely to be decisive.



The Foreign Secretary sent a message to the Vietnamese Foreign Minister on 18 March about Vietnamese migrants. He believes that it would be helpful for the Prime Minister also to send a message to Vo Van Kiet for Mr Hanley to hand over during his visit - not least because this may help secure Mr Hanley a call on Vo Van Kiet. I enclose a draft. This confirms the invitation which the Prime Minister issued to Vo Van Kiet in Bangkok (Bangkok telno 2 to Hong Kong); we understand that he may be planning to visit Europe this autumn. We recommend that the message should not focus in detail on the problem of non-national migrants, but should set the problems of Vietnamese migrants in the broader context of our desire for improved relations across the board.

Yours ever,

Sam

(S J Sharpe)
Private Secretary

John Holmes Esq
10 Downing Street

OK

P.S. With apologies for the short notice, it would be very helpful to have a signed original before Easter, so that Mr Hanley can take it with him on Monday.

18 March 1996



Foreign &
Commonwealth
Office

London SW1A 2AH

From The Secretary of State

Dear Mr. Cam,

Some very encouraging progress has been made on Vietnamese migrants since I wrote to you on 9 February. I was pleased with the outcome of the Seventh Steering Committee Meeting on Indo-Chinese Refugees in Geneva on 5-6 March, and hope this will help to overcome the recent setbacks to voluntary repatriation. I have also been most grateful for the very helpful spirit in which your government have offered to accelerate the orderly repatriation programme, and clear outstanding names for return to Vietnam.

As you will know from the discussions which you had with Jeremy Hanley, and the meeting between our two Prime Ministers, we attach great importance to the speedy removal of all remaining obstacles to the repatriation programme. My Prime Minister is taking a personal interest in this. He has asked David Dain, Assistant Under-Secretary of State, to visit Vietnam to discuss this in advance of Jeremy Hanley's visit in April. One particular issue which I am anxious to see resolved is that of the cases you have so far found difficult to accept back. I fear that failure to resolve this problem could cause further setbacks to voluntary repatriation. Our delegation in Geneva explained the gravity of this problem to Vice-Minister Phuc. I should be grateful for anything you can do to find a solution.

HE Mr Nguyen Manh Cam



A great deal has been accomplished under the Comprehensive Plan of Action, and we are close to the achievement of all its objectives. I remain committed to this, and hope we can continue to work closely together on finding pragmatic solutions to outstanding problems.

Sincerely,
Malcolm Rifkind

MALCOLM RIFKIND

SCANNED

(Vietnam)

DRAFT LETTER FROM THE PRIME MINISTER

TO: His Excellency Mr Vo Van Kiet
Prime Minister
Socialist Republic of Vietnam

REVISED VERSION
IN THE BOX
FOR SIGNATURE

I ~~very~~ much enjoyed our meeting in Bangkok on 2 March. It was a good opportunity to review how far relations between Britain and Vietnam have developed in recent years. Like you, I am keen to see our commercial links flourish and political dialogue thrive.

These will be important objectives for the visit to Vietnam by Jeremy Hanley, Minister of State at the Foreign and Commonwealth Office. I know that he is looking forward to discussions with your government, which I am sure will further enhance the good cooperation and understanding between Britain and Vietnam. I hope too that we can make further progress on the problem of migrants in Hong Kong.

I greatly regret that I have not yet been able to take up your kind invitation to visit Vietnam. I know that it must be difficult for you too to find time for overseas visits. But, as I mentioned when we met, if your travel plans bring you to Europe again in the near future, I hope that you will be able to include London in your itinerary. We much enjoyed your last visit in 1993, and it would give me great pleasure to welcome you to Britain again.

ZCZC

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MASTER

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TO DESKBY 030900Z HONG KONG

TELNO 002

OF 030746Z MARCH 96

AND TO DESKBY FCO 040800Z

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HONG KONG FOR PRIME MINISTER'S PARTY

ISLAMABAD FOR PS/MR HANLEY

SUBJECT: ASEM: PRIME MINISTER'S MEETING WITH VO VAN KIET

SUMMARY

1. The two Prime Ministers agree on potential for development of economic cooperation. Prospects for BP. Prime Minister agrees to take personal interest in search for solution to problem of Vietnamese Migrants (VMs).

DETAIL

2. The Prime Minister met the Vietnamese Prime Minister Vo Van Kiet for about 45 minutes in the margins of the ASEM in Bangkok on 2 March. Vo Van Kiet was accompanied by Foreign Minister Cam.

3. The Prime Minister said that Anglo-Vietnamese relations were as good as they had ever been. For her part Vietnam had registered some impressive successes in the last twelve months: membership of ASEAN, the establishment of diplomatic relations with the US and the signature of the EU/Vietnam Cooperation Agreement. Britain wanted to be in the forefront of EU relations with Vietnam. We had the most liberal views on trade and investment of any EU member. We wanted to develop a two-way trading relationship with all ASEM countries: the EU itself must be open to Asian exports. Trade barriers should be dismantled. The ASEM process would play an important role.

4. The potential for economic cooperation was immense: so far it had been good. The Prime Minister mentioned the John Laing joint venture with Than Long Investment and Balfour Beatty's interest in airport contracts. He stressed the importance of BP's role in development of the gas sector. If BP were granted the licence for Block 15.1 off Ho Chi Minh City, there would be promising opportunities for PetroVietnam. Our policy was to increase the scope of our links with Asia: we were especially keen to build a closer relationship with Vietnam.

5. Vo Van Kiet said that his desire was for long term economic cooperation. There was already good momentum but the potential was real. Vietnam particularly appreciated the UK's help in science and technology training. He hoped that this could be broadened. The Prime Minister said it would. Vo Van Kiet said that 1996 was the first year of the next 5-year development plan. It should offer opportunities for large and smaller companies to benefit from Vietnam's industrialisation. He strongly encouraged BP to increase its investment 'not only in exploration but in assisting Vietnam to industrialise not merely its petroleum sector, but also other areas'. UK companies could help in developing Vietnam's transport sector by providing technology and other expertise. The British Council's role in English Language training and teaching had been valuable. There was a huge demand for ELT. This created the right conditions for the UK's long term access to the Vietnamese market. He hoped the Prime Minister would take a personal interest in bilateral economic cooperation. The Prime Minister said that he would and told Vo Van Kiet that he should place faith in the capabilities of Britain's industrial companies.

VIETNAM MIGRANTS (VMs)

6. The Prime Minister said he was on his way to Hong Kong where he would be closely questioned on the problem of VMs. We thought we had had everything in place for a successful conclusion of the Comprehensive Plan of Action (CPA). But we had been thwarted by the US Congress. What did the Vietnamese think of the so-called Track II proposals? Vo Van Kiet said that Vietnam wished to cooperate with the UK to solve the problem. There had been progress. But the main problems were not of our making. He appealed for the UK to play a more important role, in particular in providing assistance for returning migrants, and for the Prime Minister to take an early personal interest. The conditions for repatriation were now favourable. The US Track II proposals involved repatriating the VMs and then rescreening them. That would cause Vietnam 'much inconvenience'. The US proposals 'would not help'. Vietnam had responded by suggesting rescreening in Hong Kong.

7. The Prime Minister said there was no need for rescreening. He was angry with Congressman Gilman. But he would certainly take a close personal interest. He would ask an official (Mr Dain) to visit Hanoi in advance of Mr Hanley's visit in April. He hoped that after careful preparation decisions might be taken during Mr Hanley's visit.

8. The Prime Minister said he would be very glad if Vo Van Kiet or Foreign Minister Cam came to London for further discussion on economic cooperation.

ADAMS

YYYY

BDLNAN 2531

Background**Vietnam Internal**

1. In 1986 Vietnam embarked on a programme of economic reform (*doi moi*) along market economy lines. Since then Vietnam has approved over \$10 billion of foreign investment, and has seen greatly improved economic performance. Annual average growth since 1991 has been 8.2%, and reached 9.5% in 1995. But Vietnam still ranks among the world's poorest economies (GDP \$200 per capita), with an urgent need for infrastructure development.
2. Economic reform has not been accompanied by the same degree of political liberalisation. The Communist Party remains omnipotent. The main political debate is over the pace of economic reform, with the old guard worrying that proceeding too quickly will undermine the primacy of the party. This theme is likely to dominate the Eighth Party Congress this year, but *doi moi* is not likely to be seriously challenged.

Vietnam External

3. Since the withdrawal of Vietnamese troops from Cambodia in 1989, Vietnam has been seeking closer ties with its neighbours and the West. 1995 saw the achievement of three important objectives - full ASEAN membership, diplomatic relations with the US, and an EC Cooperation agreement. We have emphasised to the Vietnamese that it is in their interests to make an ally of the EU member most committed to liberal trade.

Bilateral relations

4. UK/Vietnam relations have increased substantially this decade. The Vietnamese Prime Minister, Vo Van Kiet, visited the UK in 1993. Douglas Hurd paid the first visit by a British Foreign Secretary in 1994. Last year the Chancellor of the Exchequer, Minister for Construction (Lord Ullswater) and Minister for Trade (Lord Fraser) all visited Vietnam. Mr Hanley is due to go this April, and the Transport Secretary in the autumn. The Prime Minister has been invited to Vietnam.
5. British exports to Vietnam were £60 million in 1995. For a number of British companies Vietnam remains a difficult market (bureaucracy, lack of legal framework). But the country offers significant potential, and several UK firms are pursuing opportunities.
6. UK investment amounts to \$470 million, mainly in the offshore sector. BP is the largest British investor (well over \$200 million so far). BP have made some important gas discoveries, and are bidding for another licence (15.1) in a consortium with Exxon, Mitsubishi and Statoil. If successful they would involve PetroVietnam (the state oil company). BP have also

BB:ner
7/11/7

contributed to the ODA-funded Gas Master Plan along with British Gas and Mott Ewbank Preece. They hope that the Vietnamese Government will take strategic decisions on the development of Vietnam's gas sector which will give them opportunities to become involved in power generation as well as gas exploration and production.

7. John Laing has recently taken a 60% stake in a construction joint venture with Thang Long Investment (the first UK/Vietnam construction jv). Balfour Beatty is tendering for a contract to redevelop Ho Chi Minh City airport - worth £60 million to the UK, and to supply equipment to Hanoi airport (worth £35m).

8. ECGD cover (in place since 1994) has been used to support a number of recent contracts - Rolls Royce Tay engines for Fokker aircraft, a cement plant worth £176 million, and fishing vessels worth \$61 million.

9. British aid was resumed in 1990. Technical cooperation is currently worth some £5 million a year. The programme, mainly in the form of consultancies, focuses on infrastructure (transport, energy, construction) and helping with the transition to a market economy. English Language Training is also a high priority. Vo Van Kiet has personally stipulated that senior officials under 45 must learn a foreign language - particularly English. The British Council have won high level praise for their ELT courses for ASEAN officials. A £50 million mixed credit agreement was signed in September 1994. None of this has yet been taken up; the Vietnamese have complained the terms are too hard. We have now offered soft loans and are awaiting their response.

Vietnamese Migrants

10. There are still some 21,000 Vietnamese in Hong Kong, of which over 19,000 have been screened out as non-refugees (ie with no well-founded fear of persecution for repatriation to Vietnam under the Comprehensive Plan of Action (CPA) - the international blueprint for resolving the Vietnamese boat people problem. Last March there seemed a good chance that the camps in Hong Kong would be cleared before July 1997. Vietnam agreed to take back increased monthly numbers of migrants under simplified repatriation procedures.

11. But there have been setbacks since then. US Congressmen Gilman and Smith have been seeking to have all non-refugees re-screened, which has seriously curtailed voluntary repatriation by giving migrants the false hope that they may avoid return to Vietnam after all. Compromise proposals (Track II) devised by the US administration to overcome this setback have not been accepted by Vietnam. At the same time Vietnam has been slow to implement simplified procedures. They have still to clear about half the remaining names for repatriation. One particular problem has been Vietnam's refusal to accept back certain migrants (mainly ethnic

5/10/94

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Chinese) on the grounds that they are not Vietnamese nationals.

12. The Foreign Secretary sent messages on 9 February to his US and Vietnamese counterparts in an effort to remove current obstacles to the repatriation programme before the final Steering Committee meeting on 5-6 March. The Prime Minister's intervention at this stage could be an important key to unlocking the cumbersome Vietnamese bureaucracy on this issue. He is also likely to be tackled on Vietnamese migrants during his visit to Hong Kong, when it will be helpful for him to say that he has raised the matter personally with Vo Van Kiet.

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ASIA-EUROPE MEETING, BANGKOK, 1-2 MARCH 1996

BRIEF NO: 5

MEETING WITH VIETNAMESE PRIME MINISTER

Objectives

Yuk!

- To highlight thickening relations between Britain and Vietnam, and our wish to see this continue.

- To underline the importance of early resolution of the problem of Vietnamese migrants in Hong Kong.

// The point of the meeting.

Points to Make

Bilateral

- UK/Vietnam relations never better. Keen to see this continue.

- Regret that I have not yet been able to take up your kind invitation to visit Vietnam. Welcome this opportunity for discussion.

- 1995 a historic year for Vietnam. Congratulations on ASEAN membership, and establishing diplomatic relations with the US. UK attaches great importance to ASEAN. Pleased that EC/Vietnam Cooperation Agreement was signed last year. UK most committed to liberal trade within EU.

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Moal co-op,

Petrovietnam

Si-entific Co-op,

- British companies showing considerable interest in Vietnam. Believe they have valuable contributions to make. John Laing's construction joint venture and Balfour Beatty's interest in airport projects evidence of this; both world-class companies. Glad several ECGD-backed contracts have recently been signed.

*
- BP a substantial investor, and eager to do more. Currently leading an international consortium bidding for 15.1 exploration licence off Ho Chi Minh City. A favourable outcome would offer an important opportunity to PetroVietnam, and strengthen BP's long-term commitment to Vietnam.

- Hope you are finding UK aid beneficial.

- Attach great importance to European engagement in Asia. UK has special security links with region; hope to gain national membership of ARF.

- We have much to offer, would make European contribution much more effective. Hope our bid will be successful in forthcoming review of criteria for future ARF membership.

Vietnamese Migrants in Hong Kong

197

- Grateful for all Vietnam's cooperation on issue of Vietnamese migrants in Hong Kong.

- Very important issue for us. Hope we can count on Vietnam's continued help in efforts to complete repatriation of all remaining migrants as soon as possible.

*welcome the agreement at this point...
in dealing with...
clearly, the...*

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FM HANOI
TO IMMEDIATE FCO
TELNO 57
OF 152344Z FEB 96
INFO IMMEDIATE BANGKOK

Now Confirmed

file ho¹⁶/2

FOR SEAD

YOUR TELNO 28

SUBJECT: VIETNAM: BILATERAL BETWEEN THE PRIME MINISTER AND MR VO
VAN KIET AT ASEM

1. The MFA have contacted us separately to propose that the
bilateral between the Prime Ministers take place on the afternoon
of 2 March. We told them that this was also a good time for Mr
Major. It will be difficult however to confirm exact timing as Vo
Van Kiet and key members of his staff are in the south and will not
return to Hanoi until shortly before ASEM, if at all.

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YYYY

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OF 131142Z FEBRUARY 96
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file
1672

FROM SEAD

SUBJECT: VIETNAM: BILATERAL WITH VO VAN KIET AT ASEM

1. No 10 have agreed that we should seek a bilateral between the Prime Minister and Vo Van Kiet in the margins of ASEM. We understand from the Vietnamese Ambassador that he also has instructions to seek a meeting with the Prime Minister (minute Guest/Runacres of 12 February, now copied to you by faxlok). We have told him that we will be asking you to set this up.

2. Grateful if you would therefore explore with Vo Van Kiet's staff possible times for a bilateral between the two Prime Ministers of 30-45 minutes. On current planning the best time for the Prime Minister to hold bilaterals is 1415-1600 on 2 March but we are seeking meetings with other leaders in that session and will not be able to go firm on a time until we have a clear position on the various bids. An early indication of Vo Van Kiet's availability would be valuable in planning terms.

RIFKIND

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HMT//VON HINTEN-REED
HMT//PS/CHANCELLOR
PS/NO 10.

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PAGE 2
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FM HANOI
TO ROUTINE FCO
TELNO 316
OF 190312Z AUGUST 93
AND TO ROUTINE DTI

*Prime Minister
Spill by the
blatant appeal for
more cash for the embassy!*
Alex

Good!

VIETNAM/UK: ASSESSMENT OF THE IMPACT OF VIETNAMESE PRIME
MINISTER'S VISIT TO THE UK

SUMMARY

1. IT IS CLEAR FROM COMMENTS AND ACTIONS HERE THAT MR VO VAN KIET'S VISIT TO THE UK HAS BEEN A MARKED BENEFIT TO OUR POSITION HERE.

DETAIL

2. I HAVE HAD IN RECENT WEEKS AMPLE OPPORTUNITY TO CONFIRM AT FIRST HAND THE GENERAL IMPRESSION GIVEN BY MR VO VAN KIET HIMSELF TO ME ON DEPARTURE THAT HIS VISIT HAD BEEN A SUCCESS. FROM HIS REMARKS ON RETURN TO VIETNAM SINCE REPEATED TO ME, IT IS CLEAR THAT MR VO VAN KIET WAS PARTICULARLY STRUCK BY BRITISH TECHNOLOGY AND ORGANISATION AND BY THE QUOTE FRIENDLINESS UNQUOTE WHICH GREETED HIM THROUGHOUT HIS TOUR. HE HAS SAID TO SEVERAL SENIOR COLLEAGUES THAT HIS CALL ON THE PRIME MINISTER WAS BY FAR THE FRIENDLIEST ON ALL HIS EUROPEAN TOUR.

3. VIETNAMESE PUBLIC OPINION HAS ALSO BEEN FAVOURABLY AFFECTED. THE VIETNAMESE MEDIA GAVE PREDICTABLY LENGTHY COVERAGE TO ALL THE EUROPEAN VISITS BUT, PERHAPS BECAUSE OF THE PHOTO OPPORTUNITIES PROVIDED IN THE UK, EG, OUTSIDE NUMBER 10, REVIEW OF GUARD, A VISIT TO BP PLATFORM, THE IMPACT WAS MUCH GREATER THAN THE BONN AND PARIS VISITS. VIETNAM TV TELL ME THE NEED TO AVOID FILMING HOSTILE DEMONSTRATORS IN THESE TWO CAPITALS ALSO HAMPERED COVERAGE. THE WRITTEN PRESS GAVE FAR MORE ATTENTION TO THE UK VISIT THAN THE OTHERS AND PAPERS COUNTRY-WIDE CARRIED ARTICLES ON THE UK, OUR ROLE IN VIETNAM'S OIL AND GAS SECTOR (PLACED BY THIS EMBASSY) AS WELL AS INTERVIEWS WITH ME, ETC.

4. MORE IMPORTANT IT IS NOW CLEAR THAT THIS SUCCESSFUL VISIT AND PARTICULARLY THE CALL AT NUMBER 10 HAVE PRODUCED A SERIES OF BREAKTHROUGHS OF ISSUES OF MAJOR IMPROVEMENT TO UK INTERESTS HERE:

PAGE 1
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- (A) THE ANNOUNCEMENT OF THE INTENTION TO AWARD JOHN LAING THE JOINT VENTURE CONTRACT TO BUILD THE NEW HANOI AIRPORT.
- (B) THE NEWS THAT WILL BE GRANTED BRANCH LICENCES FOR HANOI AND HO CHI MINH-CITY TO STANDARD CHARTERED BANK. THESE APPLICATIONS HAD BEEN STALLED FOR OVER A YEAR AND ARE CURRENTLY THE ONLY NEW FOREIGN BANK APPLICATIONS BEING GRANTED.
- (C) CONFIRMATION THAT WE WILL BE HANDED BACK OUR FORMER EMBASSY PREMISES IN HCMC IN THE VERY NEAR FUTURE.

5. THERE ARE OTHER SIGNS THAT THE FAVOURABLE RESULTS OF THE VISIT ARE BENEFITING OUR INTERESTS. A UK CONSULTANCY LOOKS WELL PLACED TO OBTAIN THE FEASIBILITY CONTRACT FOR A MAJOR HYDRO ELECTRIC PROJECT, COOPERATION ON DIFFICULT AND LONG STANDING CONSULAR CASES HAS MARKEDLY IMPROVED.

COMMENT

6. ALTHOUGH THE ABOVE IS GOOD NEWS IT IS CLEAR THAT THERE IS MUCH MORE THAT WE CAN DO IN THE LIGHT OF THE STRENUOUS EFFORTS OF OUR COMPETITION, THE IMINENT LIFTING OF THE US EMBARGO AND THE PENDING US AND JAPANESE TRADE ONSLAUGHT, IT IS CRUCIAL THAT ECGD COVER SHOULD COME ON STREAM AS SOON AS POSSIBLE TOGETHER WITH APT. IN THE SAME CIRCUMSTANCES IT IS FRUSTRATING THAT WE ARE STILL HAMPERED BY OUR LACK OF RESOURCES IN THIS EMBASSY TO MAKE THE MOST OF THE OPPORTUNITIES THAT ARE NOW OPEN TO US. I KNOW THAT THE DEPARTMENT ARE ACTIVELY CONSIDERING WHAT CAN BE DONE TO HELP. AS SEEN FROM HERE REINFORCEMENT CANNOT BE TOO SOON.

WILLIAMS

YYYY

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

SUBJECT
MASTER

5 July 1993

Filed on:

**PRIME MINISTER'S MEETING WITH THE
VIETNAMESE PRIME MINISTER: 5 JULY**

The Vietnamese Prime Minister had a 45-minute discussion with the Prime Minister on 5 July. He was accompanied by his Foreign Minister and by the Vietnamese Ambassador. Mr. Goodlad and Peter Williams attended and Gavin Hewitt kindly took the note.

In welcoming Vo Van Kiet, the Prime Minister said he came at a time of good news. We were delighted by the change in American policy on Vietnam's access to the international financial institutions. We had been pressing Washington for some time. The lifting of the American veto would allow the conclusion of an IMF programme and renewal of ECGD cover.

Vo Van Kiet said that this was his first visit to Britain. He was grateful for what we had done to help normalisation of Vietnam's relations with the IMF. The improvement in bilateral relations had happened against the background of more general global and regional developments. Vietnam was trying to reintegrate itself into the world economy. The visit to Britain was timely. He welcomed especially the growth in the investment and trade, with two-way trade rising to £32 million in 1992, twice the 1991 figure. British investment had been significant in developing Vietnam's economy. The United Kingdom led the field in investment in the oil and gas sectors. Vietnam especially appreciated their co-operation with BP. If Hong Kong investment was also taken into account, we ranked as the investment leader in the Vietnamese market.

Vo Van Kiet said there was great potential for co-operation in the civil aviation field, mentioning in particular British Aerospace interests and airport

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- 2 -

development along the lines of the Birmingham Eurohub, which he had visited on 4 July. He had had an opportunity in Scotland to meet businessmen interested in developing mini hydro-stations for the mountainous regions of Vietnam. He hoped his accompanying Ministers would be able to make many contacts during the visit to develop other potential areas for co-operation. The United Kingdom was well placed. It had contacts throughout the region, enhanced by its excellent relations with Australia, New Zealand, Malaysia and India.

Vo Van Kiet regretted that the two sides would not be able to conclude the double taxation and investment protection agreements during the visit. Only technical matters remained to be resolved. The Vietnamese side would do its best to finalise the texts.

Vo Van Kiet expressed thanks for the training and technical assistance we had already given in management and economic reform, as well as the training given by some of the major oil companies. He mentioned that BAe also wanted to train Vietnamese pilots. He acknowledged the progress made on the repatriation of Vietnamese migrants and the financial assistance we had given to reintegrate returnees into the community.

Vo Van Kiet said that he appreciated British efforts to develop relations between the European Community and Vietnam, as well as our efforts to persuade the Americans to lift their trade embargo. He hoped that we would continue to press the Americans. Vietnam's debt to the United Kingdom had been reduced to £15 million. He hoped that both sides could find ways of solving the remaining problems, including help with measures to reduce the debt. The Vietnamese economy had made good progress, but there were still real difficulties. He hoped that we would look again at development assistance for Vietnam.

The Prime Minister said he was pleased with the growth in trade. A number of major British companies were doing business in Vietnam. British Petroleum and British Gas were world leaders in their field, as was British Aerospace. A lot of British companies were keen to have a much better relationship with Vietnam, including John Laing, Babcock Energy and ABB Transportation. He was interested to hear of the interest of Scottish companies in the mini hydro scheme.

Britain had been at the forefront in developing Vietnam's relations with the Community. During our Presidency, we had secured agreement on an EC/Vietnam textiles agreement. We were also pressing our partners to

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- 3 -

conclude an EC/Vietnam co-operation agreement. We were the strongest advocate of free trade in Europe. We wanted to achieve early completion of the Uruguay Round and lift protectionist barriers. Artificial trade barriers did real harm to developing countries.

The Prime Minister shared Vo Van Kiet's disappointment that we would not be able to sign the double taxation and investment protection agreements during the visit. He saw no reason why they could not be concluded very soon.

On Vietnam's bilateral relations with the United States, the Prime Minister said that we understood the review of the trade embargo came up in September. We would continue to try to ease the Americans towards a solution.

The Prime Minister said that we were ready to offer an increased package of aid, amounting to a programme of £10 million in technical co-operation. The details were set out in an aide memoire. The British Council would open in Hanoi later this year. We had agreed that the Commonwealth Development Corporation could extend its operations to include Vietnam. We had made a further contribution of £1 million to the EC's International Reintegration Programme, bringing the British share of contributions so far to some £10 million.

The Prime Minister said he would have a look at the position of Vietnam's trade debts to the United Kingdom. Overall the prospects for wider relations were very good. He knew that our Ambassador in Hanoi would be keen to do his best to extend that cooperation. He also recognised that there was growing confidence among British businessmen about future prospects in Vietnam. Like HMG, they were impressed by Vietnamese economic reforms. We understood the difficulties, but hoped that the reform process would be continued. We could offer help in two particular areas, notably plans to establish a stock exchange and for privatisation, drawing on British expertise.

He also looked for early progress on recovering our premises in Ho Chi Minh City for our new Consulate General. Our Ambassador mentioned that Standard Chartered Bank were already at work on the stock exchange and privatisation proposals. The Prime Minister recalled his own time at Standard Chartered Bank.

Vo Van Kiet thanked the Prime Minister for his warm words of welcome and for British interest in and assistance to Vietnam. He appreciated the help we could offer in shifting Vietnam to a market economy. Vietnam had little

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- 4 -

expertise. He fully agreed with the Prime Minister on the Consulate General in Ho Chi Minh City. He would make arrangements to have it up and running as quickly as possible. Vo Van Kiet, in conclusion, said that he hoped the Prime Minister himself would visit Vietnam. The Prime Minister said that he would be glad to make such a visit, when circumstances permitted.

I am sending copies of this letter to Jeremy Heywood (HM Treasury), Peter Smith (Department of Trade and Industry), and Melanie Leech (Cabinet Office).

Handwritten signature

RODERIC LYNE

Stephen Smith Esq
Foreign and Commonwealth Office

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Foreign &
Commonwealth
Office

London SW1A 2AH

3 July 1993

Private Secretary
No 10 Downing Street

Dear Private Secretary,

CALL BY VIETNAMESE PRIME MINISTER

1. President Clinton announced last night that the US would end its opposition to the efforts of other countries to clear Vietnamese debts, thereby enabling the Vietnamese to regain access to the international financial institutions.
2. The exact details are unlikely to become clear until the IMF Executive Directors meet on 12 July. But now that the Americans have taken this step, we can expect negotiations in the autumn on the IMF programme for Vietnam, which should lead to early rescheduling of Vietnam's debts in the Paris Club.
3. I suggest that the line for the Prime Minister to take with the Vietnamese Prime Minister contained in Stephen Smith's letter of 2 July be amended to:
 - delighted by news of change in US policy. It is long overdue.
 - have pressed Americans repeatedly over last 18 months to lift their embargo and to allow normalisation of relations between Vietnam and the IFIs.
 - once IMF programme in place, we will urge early agreement on rescheduling Vietnam's debts in Paris Club.
 - we will resume ECGD cover when IMF programme for Vietnam is in place, and agreement is reached on the treatment of ECGD arrears.

Yours ever,
N J Guckian

N J Guckian
Resident Clerk

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PRIME MINISTER

PRIME MINISTER OF VIETNAM

Not the jolliest way to start the week! As with most of your recent foreign visitors, your main reason for seeing the Vietnamese PM is trade.

Vietnam is still very poor, but is expected to be the next fast-riser in the Pacific. A key factor in its economic take-off will be the lifting of the American embargo. If I understood him correctly, Tony Lake told me this evening that Clinton was taking it off today. There is already the beginnings of a scramble for business, in which British companies are participating. As a result, the price of up-market property in Hanoi has risen dramatically. Several large British companies and trading organisations have written to us about the visit.

Vo Van Kiet's programme

Before seeing you, the Prime Minister will have spent Saturday visiting a BP oil rig in the Forties Field, and then dining at Edinburgh Castle with Allan Stewart. On Sunday morning, he will have attended a presentation by John Laing at Birmingham Airport. In the afternoon, he was due at the Men's Final at Wimbledon.

His engagements after the meeting with you include Lady Chalker, Lord Wakeham, Eddie George, John MacGregor, and Robert Evans of British Gas. He leaves early on Tuesday morning.

The Guard of Honour in King Charles Street will be formed by the Second

Battlion of the Cold Stream Guards, supported by the Band of the Grenadier
Guards.

RmyL.

RL

2 July 1993

f\vo.jd



CALL BY THE VIETNAMESE PRIME MINISTER, 5 JULY

Points to Make

Vietnam's Economy

- Impressed by economic reforms. Hope they can be continued. Our economic and management training programme is a key element of our support.
- UK has experience second to none in privatisation. Hope Vietnam will be able to benefit from British expertise in this area. Can we help with Vietnamese plans to establish a stock exchange?

UK/Vietnam Trade and Investment

- Glad to see the great increase over the last 18 months in the number of British companies doing business in Vietnam.
- UK is the natural leading partner for Vietnam in Europe. We are firmly against protectionist measures which impede world trade. EC/Vietnam textiles agreement finalised during our Presidency. We have pressed vigorously for conclusion of an EC/Vietnam cooperation agreement.
- UK has enormous expertise in financial sector. British companies also world leaders in those areas (oil and gas, power generation, transport) which are priority sectors for Vietnam's development.

E.C.



- You have seen the skills and capabilities of some British companies during your programme. I would like to make particular mention of:

- a) **John Laing** (who made a presentation to you yesterday at Birmingham Airport) are pursuing the contract to develop Hanoi Airport. I hope you will give them the opportunity to show their skills.
 - b) **British Gas** is tendering for the pipeline to transport gas ashore from the White Tiger Field (South Vietnam). They are keen to become major investors in Vietnam.
 - c) Hope that **Babcock Energy** will be included in any consortium offered contracts for the Phu My II and Pha Lai power stations.
 - d) Understand that **ABB Transportation** are also in early discussions with Vietnam Railways for the upgrading/rehabilitation of their Gia Lam workshop in Hanoi and their diesel locomotive fleet.
 - e) [If raised] The ODA team due to visit Vietnam in July has given serious consideration to the mini-hydro scheme proposed by Scottish Enterprise, a group of Scottish companies. Hope discussions will continue.
- [If raised] Keen to conclude Investment, Promotion and Protection Agreement but disappointed at continued impasse on key provision for equal treatment of UK investors with domestic companies.
- [if raised] Hope to conclude Double Taxation Agreement very soon.

X

X

X



ECGD International Financial Institutions

- Delighted by news of change in US policy. It is long overdue.
- Have pressed Americans repeatedly over last 18 months to lift their embargo and to allow normalisation of relations between Vietnam and the IFIs.
- Once IMF programme in place, we will urge early agreement on rescheduling Vietnam's debts in Paris Club.
- We will resume ECGD cover when IMF programme for Vietnam is in place, and agreement is reached on the treatment of ECGD arrears.

British Aid to Vietnam

(Rev. April)

- We have been helping Vietnam's development since 1990.
- Pleased to offer a further package of up to £10 million in technical co-operation. Details in Aide Memoire which my staff will hand over.
- Have made additional pledge of £1 million to the international reintegration programme for migrants (bringing British share of total to some £10 million).
- Welcome your personal support for our programme to train key officials in economics and management.
- Have agreed that Commonwealth Development Corporation should extend its operations to Vietnam. British Council also plans to open this year in Hanoi.



Consular Matters

- HMG is strongly opposed to drug trafficking. But we hope that Mr Wong's appeal for clemency, supported by us, will receive early and sympathetic consideration.

Vietnamese Migrants

- Grateful for Vietnam's co-operation over returning illegal immigrants from Hong Kong. We still continue to need to work together closely.
- Your views on what more we or Hong Kong can do to help increase the rate of returnees?

Human Rights

- Welcome progress Vietnam has made in improving human rights record. But continuing Parliamentary and public concern in UK.
- Believe that the Vietnamese government should respond to international concern and put more stress on respect for human rights. Important that there should be visible progress in this area.

Cambodia

- Grateful for your positive contribution to bringing peace to Cambodia. A peaceful Cambodia will, we hope, lead to future stability in indo-China and the region as a whole.

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Foreign &
Commonwealth
Office

ABU/p
RB
CL

2 July 1993

London SW1A 2AH

Dear Rodric,

CALL BY THE VIETNAMESE PRIME MINISTER

The Prime Minister has agreed to give Vo Van Kiet a Guard of Honour at 9 am on Monday 5 July followed by ~~about~~ ^{less than} an hour of talks. Vo Van Kiet will be accompanied on the call by the Vietnamese Foreign Minister, Nguyen Manh Cam, an interpreter and three others. Mr Goodlad, who visited Vietnam last September is available to attend the call, as is Peter Williams, our Ambassador in Hanoi, who is accompanying Vo Van Kiet throughout the visit, and Thorold Masefield, the responsible Under-Secretary.

Vo Van Kiet is the driving force behind Vietnam's economic reforms. His visit to Britain, the first by a Vietnamese Prime Minister, is part of a European tour (he will have visited France, Germany and Belgium) to emphasise Vietnam's interests in rejoining the international community. He will be seeing the Lord Privy Seal (in the President of the Board of Trade's absence) and the Transport Secretary later on 5 July. He will also meet many British industrial leaders. With BP's help he will visit British offshore oil installations on 3 July, and will travel to London via Birmingham International Airport (which is of interest to Laings) on 4 July. I enclose biographical notes on Vo Van Kiet and Nguyen Manh Cam.

Our bilateral relations with Vietnam have improved greatly over the last two years with progress on Cambodia and the Vietnamese migrant problem. The Vietnamese will be grateful for our offer of further aid, but will continue to press for the early resumption of ECGD cover, which they (and British business) see as a major obstacle to further increases in trade, and for access to international finance. We are pushing the Vietnamese hard to return our former Embassy in Ho Chi Minh City to house our new Consulate General. The Lord Privy Seal will raise this issue with Vo Van Kiet.

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Vietnam's Economy

Since 1986, Vietnam has been pursuing economic reform on free market lines (British aid includes economic and management training). This is producing results: in 1992, growth was more than 5.5%. With a well-educated population of 71 million, considerable natural resources and easy access to Asia Pacific markets, Vietnam has the potential to be another economic "tiger". Once Vietnam has access to funds from the international financial institutions, its economy is expected to boom and those already established in Vietnam will reap the benefits. The Prime Minister might say:

- Impressed by economic reforms. Hope they can be continued. Our economic and management training programme is a key element of our support.
- UK has experience second to none in privatisation. Hope Vietnam will be able to benefit from British expertise in this area. Can we help with Vietnamese plans to establish a stock exchange?

UK/Vietnam Trade and Investment

Our competitors - most prominently France, Germany, Japan, Korea, Taiwan and Australia - are already trying to buy their way into the market before it takes off with substantial aid programmes (but not officially supported export credits). In the absence of substantial aid resources and ECGD cover, the UK strategy has been to stimulate interest from firms sufficiently robust to negotiate effectively on commercial terms in the areas of highest priority to Vietnam (oil and gas, power, transport and construction).

British firms have invested some \$307 million in Vietnam and are strongly represented in the oil and gas sector (BP (who are encouraged by initial results), Enterprise Oil, Castrol and British Gas all have substantial interests). Activity on the ground is beginning to increase as banks (most notably Standard Chartered, but also Barclays and others), consultants, power and construction companies set up representation (John Brown have won a £30 million contract for gas turbines and Laings are competing for development of Hanoi airport). BAT and Coats Viyella are among recent investors. Direct exports from the UK were £21.4 million in 1992 compared with £6.9 million in 1991 - a 210% increase. The Prime Minister might say:

- Glad to see the great increase over the last 18 months in the number of British companies doing business in Vietnam.



- UK is the natural leading partner for Vietnam in Europe. We are firmly against protectionist measures which impede world trade. EC/Vietnam textiles agreement finalised during our Presidency. We have pressed vigorously for conclusion of an EC/Vietnam cooperation agreement.

- UK has enormous expertise in financial sector. British companies also world leaders in those areas (oil and gas, power generation, transport) which are priority sectors for Vietnam's development.

- You have seen the skills and capabilities of some British companies during your programme. I would like to make particular mention of:

a) **John Laing** (who made a presentation to you yesterday at Birmingham Airport) are pursuing the contract to develop Hanoi Airport. I hope you will give them the opportunity to show their skills.

b) **British Gas** is tendering for the pipeline to transport gas ashore from the White Tiger Field (South Vietnam). They are keen to become major investors in Vietnam.

c) Hope that **Babcock Energy** will be included in any consortium offered contracts for the Phu My II and Pha Lai power stations.

d) Understand that **ABB Transportation** are also in early discussions with Vietnam Railways for the upgrading/rehabilitation of their Gia Lam workshop in Hanoi and their diesel locomotive fleet.

e) [If raised] The ODA team due to visit Vietnam in July has given serious consideration to the **mini-hydro scheme** proposed by Scottish Enterprise, a group of Scottish companies. Hope discussions will continue.

- [If raised] Keen to conclude Investment, Promotion and Protection Agreement but disappointed at continued impasse on key provision for equal treatment of UK investors with domestic companies.

- [if raised] Hope to conclude Double Taxation Agreement very soon.

ECGD/International Financial Institutions

Trade with Vietnam is seriously constrained by the lack of ECGD medium and long-term cover. This was withdrawn in 1982 following a default on payments. A formal rescheduling of Vietnam's debt through the Paris Club is blocked by the



lifted, on 2 July?

continuing US trade embargo against Vietnam and the US veto on normalisation of Vietnam's relations with the International Financial Institutions. The Americans have recently conducted a review of their policy, which is closely linked to their MIA/POW concerns, and, we believe, the Administration have recommended to President Clinton that he drop the embargo. A decision may be taken before the 12 July IMF meeting. The Prime Minister might say:

- Have pressed the Americans repeatedly to lift their embargo and to allow normalisation of relations between Vietnam and the international financial institutions. It is long overdue.
- [Once US veto lifted] we will urge early agreement on rescheduling Vietnam's debts in Paris Club.
- We will resume ECGD cover when Vietnam's relations with the IMF are normalised and agreement is reached for the treatment of ECGD arrears.

British Aid to Vietnam

Our aid programme, resumed in 1990, has so far been largely dictated by the need to repatriate economic migrants from Hong Kong. We are the principal bilateral contributor to the EC International Reintegration Programme (some £10 million) and we support voluntary agency activities in the areas from which most boat people came (over £2 million). The second strand of our aid strategy seeks to generate commercial benefits for Britain by focusing on consultancy studies for infrastructure investment. The Foreign Secretary has agreed that we should offer the Vietnamese up to £5 million Aid and Trade Provision Technical Co-operation in addition to an earlier pledge for consultancy, making £10 million in all. The aide memoire at annex sets out our offer in detail. We suggest that you hand this over to Vo Van Kiet's party on the Prime Minister's behalf. The balance of our existing aid supports an economic and management training programme for key Vietnamese officials (£1 million) which has Vo Van Kiet's personal endorsement. Baroness Chalker has agreed that the Commonwealth Development Corporation should be allowed to operate in Vietnam. The British Council will open in Hanoi later this year. The Prime Minister might say:

- We have been helping Vietnam's development since 1990.
- Pleased to offer a further package of up to £10 million in technical co-operation. Details in Aide Memoire which my staff will hand over.



- Have made additional pledge of £1 million to the international reintegration programme for migrants (bringing British share of total to some £10 million).
- Welcome your personal support for our programme to train key officials in economics and management.
- Have agreed that Commonwealth Development Corporation should extend its operations to Vietnam. British Council also plans to open this year in Hanoi.

Consular Matters

Mr Wong Chi Shing of Hong Kong is under sentence of death in Vietnam for drug trafficking. He was arrested on 11 March at Ho Chi Minh City airport in possession of 5 kgs of heroin. We have appealed for clemency through our Embassy in Hanoi. A decision is unlikely before the Vietnamese Prime Minister's visit. The Prime Minister might say:

- HMG is strongly opposed to drug trafficking. But we hope that Mr Wong's appeal for clemency, supported by us, will receive early and sympathetic consideration.

Vietnamese Migrants

The outflow of migrants from Vietnam has been capped. The UK/Hong Kong Orderly Repatriation Programme (ORP) has been running successfully for 18 months. We are looking with UNHCR at ways of increasing the rate of voluntary repatriation which has slowed over the last six months. Recent difficulties with the Vietnamese over the ORP have been mostly overcome, but a few minor bureaucratic problems (including advance clearance of names) remain. The Prime Minister might say:

- Grateful for Vietnam's co-operation over returning illegal immigrants from Hong Kong. We still continue to need to work together closely.
- Your views on what more we or Hong Kong can do to help increase the rate of returnees?

Human Rights

Since 1986, the Vietnamese Government has enacted reforms to guarantee the legal and human rights of its citizens. The new Constitution (agreed in 1992) contains other human rights provisions and allows, for the first time, for freedom of belief. But we remain concerned about Vietnam's record on human rights. The regime holds a significant number of political prisoners; religious freedoms are hampered by



administrative measures. Mr Goodlad raised four specific cases with the Vietnamese during his visit last September, but they remain unanswered. We will press for a response during the visit. The Prime Minister might say:

- Welcome progress Vietnam has made in improving human rights record. But continuing Parliamentary and public concern in UK.
- Believe that the Vietnamese government should respond to international concern and put more stress on respect for human rights. Important that there should be visible progress in this area.

Cambodia

Vietnam has scrupulously fulfilled its commitments under the 1991 Paris Agreements. (If raised) the Prime Minister might say:

- Grateful for your positive contribution to bringing peace to Cambodia. A peaceful Cambodia will, we hope, lead to future stability in Indo-China and the region as a whole.

I am copying this letter to Peter Smith (Department of Trade and Industry), Paul Cody (Department of Transport) and Melanie Leech (Cabinet Office).

Yours ever,

Stem

(J S Smith)

Private Secretary

Roderic Lyne Esq CMG
10 Downing Street



CALL BY THE VIETNAMESE PRIME MINISTER, 5 JULY

Points to Make

Vietnam's Economy

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ECGD/International Financial Institutions

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- Once US veto lifted, we will urge early agreement on rescheduling Vietnam's debts in Paris Club.
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e) [If raised] The ODA team due to visit Vietnam in July has given serious consideration to the **mini-hydro scheme** proposed by Scottish Enterprise, a group of Scottish companies. Hope discussions will continue.

- [If raised] Keen to conclude Investment, Promotion and Protection Agreement but disappointed at continued impasse on key provision for equal treatment of UK investors with domestic companies.

- [if raised] Hope to conclude Double Taxation Agreement very soon.

VO VAN KIET

Prime Minister

Member of CPV Politburo (Ranks No.3)

Member of National Defence and Security Council

Member of National Assembly for Ho Chi Minh City

Born 23 November 1922, Cuu Long Province (South Vietnam). Comes from a family of poor farmers. Joined the revolutionary movement in 1938 and the ICP in 1939. Took part in the uprising of 1940 and fled to the U Minh jungle when it collapsed.

A Viet Minh cadre in the South from 1945, provincial Secretary for Rach Gia, then Political Commissar for the Forces in Bac Lien Province. Member of the Party committee for South Vietnam (Nam Bo) and Deputy Secretary of the Western Nam Bo Party Committee. Secretary of the Regional Party Committee and Political Commissar for the Saigon area, 1958 (the start of armed resistance to the Diem regime). Lived clandestinely for years as a wanted man.

Became Alternate Member of Central Committee in 1960 and full Member in 1972. Became a leading member of COSVN, 1960. Secretary and Political Commissar of Western Nam Bo 1971.

Appointed Chairman of the committee to take over the running of Saigon when it fell in 1975. Deputy Secretary of the Saigon Party Committee, 1976, Secretary, 1977. Became Alternate Politburo Member in 1976.

A specialist in Southern affairs; he was moved to Hanoi to become Chairman of the State Planning Commission at the end of 1981. Elected a full member of the Politburo and made a Deputy-Chairman of the Council of Ministers in March 1982. At a session of the National Assembly in June 1987 he was re-appointed a Deputy-Chairman of the Council of Ministers and Chairman of the State Planning Commission. Served as Acting Chairman of the Council of Ministers in March 1988 following the death of Pham Hung and relinquished the post of Chairman of the State Planning Commission, but at the National Assembly session in June 1988 Do Muoi (q.v) was elected Chairman of the Council of Ministers. Kiet continued to serve as Deputy Chairman of the Council of Ministers and was also noted in July 1991 as Head of the State Committee for Population and Family Planning (a Minister of Population and Family Planning was appointed for the first time in May 1992).

Elected Chairman of the Council of Ministers in August 1991, replacing Do Muoi who had become Party General Secretary. Following introduction of new constitution was elected Prime Minister in September 1992. At same time he was elected the Deputy-Chairman of the newly established National Defence and Security Council.

oted as an economic reformer. Since becoming Chairman of Council of the Council of Ministers has visited all the ASEAN countries, being the first Chairman of the Council of Ministers to visit any since 1978. Also visited China in November 1991 and Japan, South Korea, New Zealand and Australia in 1993.

He is friendly and open in manner, but extremely shrewd and quick to understand. Something of a talker (in a very southern Vietnamese accent) he can be equally impressive in a dialogue as in addressing a crowd. Has a keen interest in sport and, in spite of his workload and age, tries to play tennis every day. Has surrounded himself with a group of younger, extremely bright technocrats (from the North mainly) and uses the Office of the Government (which he largely created) as a Cabinet office, to the irritation of some of his ministerial colleagues. An economic reformer, but nonetheless a political survivor and operator he will probably pursue political reform only if it serves his own purposes, rather than from deep conviction.

Married for second time (his first wife and family were wiped out by a US bomb) to a physicist, who is considerably younger than him

Due to visit the UK from 4 to 6 July 1993.

MAI KY

Minister, Chairman of the National Population Committee.

First noted in 1980 as Deputy Minister of Engineering and Metals. In 1984 he visited Algeria as Deputy Chairman of the State Planning Commission, a post he held until he became Chairman of the National Population Committee, with the rank of Minister, in May 1992.

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NGUYEN MANH CAM

Member of National Defence and Security Council

Minister of Foreign Affairs

Member of CPV Central Committee

Member of National Assembly for Nghe An Province

Born in 1929 in Nghe Tinh province, which was birth place of Ho Chi Minh.

At end of second World War was involved in clandestine political activities directed against the French, and joined the communist party of Vietnam in 1946 where he was responsible for youth work as a party cadre in the central provinces. Joined the MFA in 1952, trained as a Russian interpreter and subsequently served in the Soviet and East European Departments of the Foreign Ministry. In 1973 was appointed Ambassador to Hungary (concurrently to Austria and Iran) and then posted as Ambassador to Bonn in 1977. He returned to Hanoi in 1981 as Vice-Minister of Foreign Trade and in 1987 was appointed Ambassador to the Soviet Union.

Was elected to the CPV Central Committee at the 6th Party Congress in 1986, which marked the beginning of the process of economic reform. He was re-elected to the CC at the 7th Congress in July 1991. He was elected as Foreign Minister at the August 1981 session of the National Assembly. Elected member of National Assembly for Nghe An Province in July 1992. Elected member of newly established National Defence and Security Council in September 1992.

Visited UK from 4 to 5 June 1992 as Category I visitor, during tour which included France, Belgium, Holland, Germany, Poland and Hungary. In July 1992 in Manila he signed the Bali Treaty of Amity and Co-operation. Since mid 1992-he has visited Laos, India, Japan, USA and South Korea.

Always regarded as a very competent professional diplomat, Cam has grown into his post as Foreign Minister, showing increasing self-confidence. A quietish man by nature he can nonetheless be forceful and, with those he knows, amusing. His English has improved markedly (evening classes) since he became Minister, but his French is still better. Charming wife. speaks

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23 JUN 1993	
NOVA	
	BK 28/6

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CONFIDENTIAL

FM HANOI

TO DESKBY 251000Z FCO

TELNO 263

OF 250841Z JUNE 93

UK/VIETNAM: SCENE SETTER: VISIT OF THE VIETNAMESE PRIME MINISTER

SUMMARY

1. VO VAN KIET IS THE FIRST VIETNAMESE PRIME MINISTER TO VISIT THE UK. HE HAS ESTABLISHED HIMSELF AS A STRONG AND SUCCESSFUL PRIME MINISTER WITH A MORE STABLE AND GROWING ECONOMY AND GENERAL POLITICAL SUPPORT. VIETNAM HAS GREAT POTENTIAL BUT STILL FACES PROBLEMS. VO VAN KIET WILL BE LOOKING FOR BOTH PUBLICITY AT HOME AND SUPPORT ASSISTANCE IN LONDON. WE HAVE MAJOR COMMERCIAL INTEREST IN WORKING TO DEVELOP OUR BILATERAL RELATIONSHIP

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5 July 1993

AIDE MEMOIRE

Her Majesty's Government is pleased to announce its intention to make available additional finance for technical cooperation with the Government of Vietnam to support Vietnam's reform process.

In March 1993 Her Majesty's Ambassador conveyed Her Majesty's Government's intention to finance a number of projects to contribute to a future International Monetary Fund Support Group programme. Her Majesty's Government intends to increase the level of finance available in order to support a greater number of projects in the area of studies, to be arranged in detail between our two Government, for infrastructural investment.

It is intended that the funds will be allocated in the areas of macro-economic management, policy reform, investment planning and studies for infrastructural investment where a likely source for funding implementation has been identified. A project identification mission in July 1993 will discuss and agree upon precise areas of cooperation.

Her Majesty's Government now confirms that it intends to make available up to a total of £10 million for the purposes referred to above, subject to detailed project arrangements between the two Governments.

Her Majesty's Government is also pleased to announce that the Commonwealth Development Corporation has been authorised to extend its operations to include Vietnam, and that the British Council expects to open later this year.

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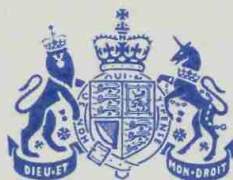
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14 June 1993

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✓ S/I have spoken
to FC
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Dear Rodric,

VISIT BY THE VIETNAMESE PRIME MINISTER

I am afraid we are running into protocol problems with the Vietnamese over arrangements for Vo Van Kiet's visit in early July.

In your letter of 13 May you indicated that the Prime Minister would not object to a Guard of Honour for the Vietnamese Prime Minister, Vo Van Kiet, as long as we were satisfied that it would be appropriate in this case. We had hoped that this honour would have ensured that the Vietnamese did not compare Vo Van Kiet's reception here unfavourably with his treatment elsewhere during his European tour (Balladur, Delors and Kohl all intend to host lunches for Vo Van Kiet when he is in Paris, Brussels and Bonn). However, the Vietnamese are insistent that Vo Van Kiet's official programme in London must begin with the call on the Prime Minister and are threatening to put the whole programme at risk if we are unable to accommodate this (ie they would cancel most of that day's engagements including several high level commercial calls; a lunch hosted by the President of the Board of Trade; and calls on the Governor of the Bank of England and the Secretary of State for Transport).

Vo Van Kiet will have spent most of Saturday and Sunday with British business, including a visit to a BP platform in the North Sea, a dinner in Edinburgh to include offshore suppliers and a visit to Birmingham airport in support of Laings' wish to obtain the contract to refurbish the Hanoi airport.

The Vietnamese are acutely conscious of their new-found and hard-won nationhood and are proving extremely prickly on protocol issues. Despite our efforts, they have refused to change their position. Delaying the start of the official programme until 5 pm on 5 July would reduce the impact of the visit and could have repercussions for our efforts to develop trade relations with Vietnam. British

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Mon 5/7
Sandra
Comments?

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business, with the prospect of good orders in Vietnam, would be dismayed if the visit were to be disrupted in this way.

Difficulties over Vo Van Kiet's visit could also put at risk our close co-operation over the return of Vietnamese Migrants from Hong Kong. We cannot afford to alienate the Vietnamese now with over 40,000 migrants still to be returned.

We believe that the situation could be retrieved if it were possible to advance the talks with the Prime Minister to the morning, of 5 July. I fully appreciate the problems such late changes present for the diary, but in view of the circumstances, could the Prime Minister consider reordering his engagements on 5 July to allow a call in the early morning?

I am copying this letter to Peter Smith (DTI), Paul Coby (Department of Transport) and John Trundle (Bank of England).

Yours ever,

Stephen

(J S Smith)
Private Secretary

Roderic Lyne Esq CMG
10 Downing Street

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Vietnam Rel



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2 MARSHAM STREET
LONDON SW1P 3EB
071-276 3000

My ref:
Your ref:

J S Smith Esq
Private Secretary to
The Rt Hon Douglas Hurd CBE MP
Foreign and Commonwealth Office
Whitehall
London SW1

8 June 1993

Dear Sir

VISIT BY THE VIETNAMESE PRIME MINISTER

I refer to the recent correspondence about the visit to the UK by Mr Vo Van Kiet. My Secretary of State is content to offer a meeting at some time during the afternoon of 5 July.

This Department, in conjunction with DTI, is lending support to the UK construction industry's commercial efforts in Vietnam. We are currently exploring a number of ways of providing some technical assistance to complement the library of British construction standards and technical literature established in Hanoi last year following the visit by Sir George Young. A meeting with the Vietnamese Prime Minister may be helpful in maintaining momentum.

/ I am copying this letter to Roderic Lyne at 10 Downing Street and Peter Smith at DTI.

Yours
AL

ALAN RIDDELL
Private Secretary



The Rt. Hon. Michael Heseltine MP
President of the Board of Trade

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SL

Secretary of State

Department of
Trade and Industry

Ashdown House
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Direct line
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DTI Enquiries
071-215 5000

J S Smith Esq
Private Secretary to the
Secretary of State for Foreign
and Commonwealth Affairs
Foreign and Commonwealth Office
King Charles Street
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1) Jansva
2) file.

21 May 1993

Dear Stephen

VISIT BY THE VIETNAMESE PRIME MINISTER

Thank you for copying to me your letter of 13 May to Roderic Lyne.

I understand that the Prime Minister has now agreed to see the Vietnamese Prime Minister on 5 July. I can also now confirm that the President of the Board of Trade will be available to host a lunch for Vo Van Kiet on 5 July. We will liaise at departmental level on timings, venue and guest list.

I am copying this letter to Roderic Lyne (No 10).

Yours ever

David

DAVID MELVILLE
Assistant Private Secretary

JW5185

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the department for Enterprise





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① GC. PS/No. 10.

CC SC/SP

② G W Hewitt, SEAD

File

Thanks

21 MAY 1993

24/5

From: G W Hewitt
South East Asian Dept

Date: 20 May 1993

cc: PS/PUS
Sir J Coles
Mr Masefield o/r
Protocol Dept
Planners
News Dept
Special Advisers

~~Private Secretary~~

The Minister agrees.

G.J. Jones 24/5

PS/Mr Goodlad

PS

AM 22/5

VISIT BY THE VIETNAMESE PRIME MINISTER

1. We spoke about the proposed Guard of Honour for the Vietnamese Prime Minister (PS/No 10's letter of 13 May).

2. We have checked again with those concerned and are satisfied that a Guard of Honour for the Vietnamese Prime Minister would be entirely appropriate in these circumstances. We are particularly keen to make something of a splash of the visit to help develop our relations with Vietnam and the opportunities there for export growth. Vo Van Kiet is the key to our success.

G W Hewitt

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10 DOWNING STREET
LONDON SW1A 2AA

LETTER NUMBER:

100959

Wespau about 'X'. Pls.
check that we are not at
risk of any embarrassment.

for PS
PS / Mr. Goodlad
B / PVS
13 May 1993

From the Private Secretary

Sir J. C. Cox
Mr. Mansfield
Prof. 026
Planners
news
Sp. Admin

Dear Stephen,

VISIT BY THE VIETNAMESE PRIME MINISTER

Thank you for your letter of 13 May, which we discussed.

[Handwritten signature]
14
5

Your letter implicitly answers the question I have put separately about the relative importance to the FCO of the Vietnamese and Indonesian visitors bidding for space in the Prime Minister's diary on 5 July.

X Given that you are not proposing to expand the length of the Vietnamese Prime Minister's entry in the diary, I am confident that the Prime Minister would not object to the Guard of Honour proposal, so long as you in turn are sure that this is an appropriate level of treatment for a regime which is only just beginning to re-establish its international respectability. I note that Guards of Honour are a relatively infrequent occurrence, but you presumably measure them by some careful protocol yardstick.

I am copying this letter to Peter Smith (Department of Trade and Industry).

Yours ever,
Roderic

RODERIC LYNE

J.S. Smith, Esq.,
Foreign and Commonwealth Office.

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PG



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

13 May 1993

Dear Stephen,

VISIT BY THE VIETNAMESE PRIME MINISTER

Thank you for your letter of 13 May, which we discussed.

Your letter implicitly answers the question I have put separately about the relative importance to the FCO of the Vietnamese and Indonesian visitors bidding for space in the Prime Minister's diary on 5 July.

Given that you are not proposing to expand the length of the Vietnamese Prime Minister's entry in the diary, I am confident that the Prime Minister would not object to the Guard of Honour proposal, so long as you in turn are sure that this is an appropriate level of treatment for a regime which is only just beginning to re-establish its international respectability. I note that Guards of Honour are a relatively infrequent occurrence, but you presumably measure them by some careful protocol yardstick.

I am copying this letter to Peter Smith (Department of Trade and Industry).

Yours ever,
Roderic

RODERIC LYNE

J.S. Smith, Esq.,
Foreign and Commonwealth Office.

RW

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Foreign &
Commonwealth
Office

13 May 1993

London SW1A 2AH

Dear Roderic,

VISIT BY THE VIETNAMESE PRIME MINISTER

In his letter of ^{top enc} 8 February, Stephen Wall said that the Prime Minister could see the Vietnamese Prime Minister for up to an hour on 5 July if a visit could be worked around that date.

Vo Van Kiet has now confirmed his plans to visit Britain from 4-6 July, as part of a European tour including France and Germany. I should be grateful therefore if you would confirm the appointment in the Prime Minister's diary for 5 July.

Both the French and Germans are likely to lavish much attention on Vo Van Kiet to advance their commercial interests in an increasingly attractive, but still undeveloped, market. President Mitterand paid a highly publicised visit to Vietnam in February and was appropriately feted then. We run the risk that the Vietnamese may compare Vo Van Kiet's reception in the UK unfavourably with that received elsewhere in his tour with possible consequences for our commercial relationship. The Prime Minister may therefore wish to consider offering Vo Van Kiet the opportunity to receive a Guard of Honour before the talks. This could still be fitted within an hour of the Prime Minister's time. I should be grateful to know if this would be possible.

Separately, we hope to offer Vo Van Kiet an official lunch or dinner. The Foreign Secretary will be en route to Singapore and therefore unable to host. But we are exploring whether the President of the Board of Trade, or another Cabinet Minister, could do so.

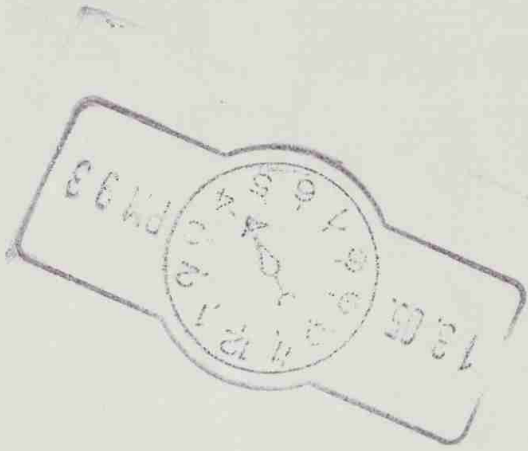
I am copying this letter to Peter Smith (DTI)

Yours ever,
J S Smith
(J S Smith)
Private Secretary

Roderic Lyne Esq CMG
10 Downing Street

RESTRICTED

Vietnam: Luat Su, Ma 88



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F/Vietnamese. ds

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

8 February 1993

POSSIBLE VISIT BY THE VIETNAMESE PRIME MINISTER

Thank you for our letter of 22 January about a possible visit to the UK by the Vietnamese Prime Minister, Vo Van Kiet.

The Prime Minister could find time to see the Vietnamese Prime Minister on 26 May, 16 June, or 5 July for up to an hour.

The way is therefore clear for you to go ahead and see whether a visit can be built around one of those dates.

J. S. WALL

Stephen Smith Esq
Foreign and Commonwealth Office

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H

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ARB

Foreign &
Commonwealth
Office

London SW1A 2AH

22 January 1993

Prime Minister

In call find time to see him on
26 May, 16 June or 5 July for
update on loan. Agree?

✓
Dear Stephen,

AM
SR

POSSIBLE VISIT BY THE VIETNAMESE PRIME MINISTER

The Vietnamese Prime Minister, Vo Van Kiet, is considering a visit to Western Europe in the late Spring/early Summer. There are strong reasons to bring him to the UK.

With the Vietnamese withdrawal from Cambodia in 1989 and progress on resolving the Vietnamese migrants issue, we have been seeking to expand our relations with Vietnam, particularly in the commercial field. Vietnam is committed to economic reform aimed at a transition to a free market economy. With a large, low-cost, well-educated workforce, it has great potential. Its natural resources (oil, coal, fertile deltas) and a liberal business regime offer rich pickings for well placed foreign firms.

Our trade with Vietnam is relatively low, but it is increasing rapidly. The UK is also the fifth largest foreign investor in Vietnam with some \$218 million now invested largely in the oil and gas sectors. BP in particular is heavily involved in oil exploration with a good prospect of success. This will lead to further investment.

We have been encouraging a programme of high-level visits in both directions. The Secretary of State for Energy paid a successful visit to Vietnam in November 1991 - the first by a Cabinet Minister since 1975. The Vietnamese Foreign Minister, Nguyen Manh Cam visited London in June 1992. Lord Caithness and Alistair Goodlad both visited Vietnam in 1992.

Vo Van Kiet is one of the architects of Vietnam's economic reform programme and a key figure in deciding Vietnam's economic strategy. An invitation for him to visit the UK (as a sponsored visitor, not a guest of government) would be warmly received. We understand he is delaying finalising his plans for his European tour in the

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hope that such an invitation would be forthcoming. A visit would also demonstrate our interest in developing relations with Vietnam, a country that is likely to become a significant market for British exports in the coming decade.

The Foreign Secretary recommends that the Prime Minister agree to meet Vi Van Kiet during such a visit. If the Prime Minister agrees, it would be helpful to have an indication of dates which might be suitable.

Yours ever,

Stephen Smith.

(J S Smith)
Private Secretary

J S Wall Esq CMG LVO
10 Downing Street

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SUBJECT
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FILED ON:

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FM FCO
TO IMMEDIATE HANOI
TELNO 314
OF 091511Z OCTOBER 92
INFO ROUTINE HONG KONG

YOUR TELNO 638: VIETNAM: MESSAGE TO NEW PRIME MINISTER

1. PLEASE PASS THE FOLLOWING MESSAGE FROM THE PRIME MINISTER TO
MR VO VAN KIET:

BEGINS:

I AM GLAD TO HEAR THAT YOU HAVE BEEN ELECTED AS PRIME MINISTER.
I AM CONFIDENT THAT RELATIONS BETWEEN OUR TWO COUNTRIES,
PARTICULARLY IN THE AREAS OF TRADE AND INVESTMENT, CAN BE FURTHER
DEVELOPED TO OUR MUTUAL BENEFIT.

ENDS.

2. THERE WILL BE NO SIGNED ORIGINAL.

HURD

YYYY

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PS/MR GOODLAD
SIR J COLES
MR MASEFIELD

ADDITIONAL 4

PS/PM

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL NO. 1227/92

NNNN

PAGE 1
RESTRICTED



*F/ Vietnam
to*

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

7 October 1992

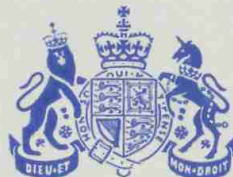
VIETNAM: ELECTION OF PRIME MINISTER

Thank you for your letter of 6 October enclosing a draft message from the Prime Minister to the new Prime Minister of Vietnam. This is fine and can issue.

J. S. WALL

J.S. Smith, Esq.,
Foreign and Commonwealth Office.

to



CCRS

Foreign &
Commonwealth
Office

London SW1A 2AH

6 October 1992

Dear Stephen,

VIETNAM: ELECTION OF PRIME MINISTER

In April this year, a new Constitution was agreed in Vietnam, which, inter alia, provided that the Prime Minister should be appointed by the elected National Assembly, rather than by the Communist Party of Vietnam as in the past. On 24 September, the Vietnamese National Assembly elected as Prime Minister Mr Vo Van Kiet, previously Chairman of the Council of Ministers. He is committed to introducing economic reforms in Vietnam leading to a market economy.

In view of this step towards more popularly accountable government in Vietnam, and following closely after a very successful visit to Vietnam by Mr Goodlad, the Prime Minister may wish to send a message of congratulations along the following lines:

"I am glad to hear that you have been elected as Prime Minister. I am confident that relations between our two countries, particularly in the areas of trade and investment, can be further developed to our mutual benefit."

Yours ever,
Stephen Smith L.

(J S Smith)
Private Secretary

J S Wall Esq
10 Downing Street



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

16 December 1991

Dear John,

VISIT BY THE SECRETARY OF STATE FOR ENERGY
TO VIETNAM, HONG KONG, JAPAN AND KOREA

The Prime Minister was very grateful to the Energy Secretary for his minute of 2 December on his recent visit to the Far East. The Prime Minister agreed with Mr. Wakeham's assessment of the value of these visits, particularly the visits to Vietnam and Japan.

I am copying this letter to Richard Gozney (Foreign and Commonwealth Office), Jeremy Heywood (HM Treasury), Phillip Ward (Department of the Environment), Martin Stanley (Department of Trade and Industry) and Sonia Phippard (Cabinet Office).

*John
S. Wall*

(J. S. WALL)

John Neilson, Esq.,
Department of Energy.

*file
SR
fe*

dn

010

PRIME MINISTER

✓
Prime Minister (4)

I have just returned from the Far East where I visited Vietnam, Hong Kong, Japan and Korea.

Vietnam

My visit to Vietnam from 16 - 20 November was exceptionally well received by the Vietnamese; they went out of their way to give me and my team of officials and senior businessmen an exceptionally warm welcome and it was clear they appreciated the first visit of a British Cabinet Minister since 1975. The Prime Minister in particular described the visit as a landmark in the development of Anglo-Vietnamese relations. I also called on the Minister of Heavy Industry (responsible for the oil and gas sector who acted as my host), on the Minister of Foreign Affairs and on the Minister of Energy.

On repeated occasions, I was told how much Vietnam appreciated the efforts of the British oil and gas industry in Vietnam and looked forward to continuing co-operation. This remains to be seen; part of the rationale behind my visit was to increase the chance of British companies winning prime acreage off south Vietnam in the current round of offshore licensing. The results are expected before the end of this year. Competition is fierce particularly from Japan, Canada and Europe and included in my party I had senior representatives of BP, Shell, British Gas, Enterprise and Lasmo, all of who were given the fullest opportunity to present their particular expertise and the way in which they believe they can help Vietnam develop its oil and gas deposits and in time help Vietnam restore its economy.

With the Foreign Minister I expressed our thanks at the Vietnamese contribution towards the return of the boat

people and to the Cambodian peace settlement. I also handed over a list of human rights cases prepared by Amnesty International; helpfully one of the prisoners on the list had been released the week before my visit.

The provision of financial aid continues to be a major issue in Vietnam. We have a small programme partly directed at the resettlement of Boat People and other Vietnamese migrants but we have no major aid programme. The opposition of the US has been the main obstacle to normalisation of Vietnam's relations with international financing institutes and it is not yet clear what the consequences of America's recent softening of attitude will be. However, I also included in my party a senior representative from Barclays Bank who intend to open a representative office in Hanoi in the near future.

Overall my visit to Vietnam was a warm and friendly occasion and I believe has created much goodwill which should stand British commercial interests in good stead for the future.

Hong Kong

I paid only a brief visit to Hong Kong before breaking my programme to return to London on the evening of Wednesday 20 November. I met the Deputy Governor, Sir David Ford, and the Acting Finance Secretary, David Nendick. I was entertained to lunch by a small group of new elected members of OMELCO, many with fairly radical views and complaints regarding the administration of Hong Kong; none of which appeared to me to hold much substance.

I was given a briefing by the Senior Trade Commissioner and his staff on energy and power issues, which was followed

immediately by a visit to the Castle Peak Power Station where, amongst other things, I heard of the very impressive performance achieved by the GEC turbines. I heard of the plans to create a new power station at Black Point and the substantial further opportunities this should afford British companies in the supply of power generation plant and equipment.

It was clear the energy scene in Hong Kong is totally dominated by power generation and this has proved a most successful area for British exporters in the past.

Japan

I visited Japan last week. My objectives were to reinforce the long standing bilateral energy links in both the nuclear and oil sectors, to promote British offshore expertise and to exchange views on global environmental matters. In addition I took the opportunity to stress the continuing importance we attach to Anglo-Japanese relations.

I called on a number of senior Japanese politicians, including Mr Takeshita and Mr Mori, as well as the relevant ministers in the new cabinet, and on the Chairman of the Keidanren. All made clear their warm feelings towards the UK and I too emphasised the excellent relations between our two countries at all levels. While disappointed that your forthcoming visit has had to be cancelled, they look forward to it as soon as it can be arranged.

I reinforced your recent letter to Mr Miyazawa, emphasising the need for Japan to be prepared to take politically difficult decisions on rice tariffication in order to play their part in achieving a successful outcome to the Uruguay

round. Mr Watanabe, Minister of International Trade and Industry (MITI), said that the Miyazawa Government recognised their biggest task was securing such success and Takeshita indicated that he took a liberal view.

As far as energy policy was concerned, I was very struck by the Japanese commitment to nuclear power. They have an ambitious target of building a further 40 nuclear stations by 2010; while they recognise the difficulties, not least in public perception, they clearly intend to meet the target, or nearly so. I was able to reassure them of our support for safe economic nuclear power and pointed out that our decision not to privatise nuclear power had resulted in Nuclear Electric improving its performance; output was up and costs down.

I welcomed the strong and long standing collaboration between our two nuclear industries which I hoped would develop further, both in reprocessing and in the supply of MOX fuel. Mr Tanigawa, Minister of State, Science and Technology Agency (STA), commented that Japan would ask for further assistance in reprocessing in the light of delays with their own plant. This would mean considerable business for BNFL. I also welcomed Japanese assistance for nuclear safety in Eastern Europe and encouraged them to continue to play their part.

I was able to use the opportunity to promote British expertise in offshore oil and both MITI and the Japanese National Oil Company welcomed my proposal for British companies to hold a seminar in Japan next year. There may also be prospects for greater co-operation in third markets.


We had a helpful exchange on environmental issues. I stressed our pragmatic approach and the need for international agreement on CO₂ emissions rather than national or regional actions which could prove self defeating. The Japanese are also considering what they can do to help in third countries, particularly China whose emissions affect Japan.

This was a very useful visit which confirmed the importance of our relationship with Japan in energy matters and the scope for significant future business. The Japanese also clearly welcomed the opportunity to confirm at high level the good state of our relations. The success of the visit was assisted enormously by the excellent preparation by the Ambassador and his staff to whom I am very grateful.

Korea

I visited Korea after Japan and signed a nuclear co-operation agreement. The Koreans too are committed to a substantial nuclear programme and are grappling with the problems of public perception and of waste management. There are significant opportunities for BNFL and AEA in both these areas. The Korean Foreign Minister also expressed his concern to me about the continued delay by the North Koreans in implementing their safeguards agreement with the IAEA; I explained what we were doing to help achieve this.

I am copying this minute to the Secretary of State for Foreign and Commonwealth Affairs, the Chancellor of the Exchequer, the Secretaries of State for the Environment and Trade and Industry, and to Sir Robin Butler.


SECRETARY OF STATE FOR ENERGY
2 December 1991



File
SA

be PC

10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

22 August 1991

VIETNAM: NEW PRIME MINISTER

Thank you for your letter of 22 August enclosing a draft message from the Prime Minister to the new Prime Minister of Vietnam. The draft message is fine and can issue.

J S WALL

S L Gass Esq
Foreign and Commonwealth Office

SL



CEPC

Foreign &
Commonwealth
Office

22 August 1991

London SW1A 2AH

Dear Stephen,

Vietnam: New Prime Minister

Mr Vo Van Kiet, the former First Deputy Prime Minister in Hanoi, has just become Vietnam's Prime Minister in succession to Mr Do Muoi, now General Secretary of Vietnam's Communist Party.

Our Ambassador in Hanoi has recommended that the Prime Minister send a message of congratulation (draft enclosed) to Mr Kiet. Politically he is conservative, but Mr Williams comments that he is committed to economic reform on market economy lines and is a consistent supporter of the opening up of Vietnam and the development of better relations with the West. In particular Mr Kiet is responsible for decisions to be taken shortly on the allocation of new oil exploration blocks in which BP, Shell and Enterprise Oil are keenly interested. His views on the repatriation of boat people will certainly carry weight too.

Yours ever,
S L Gass

(S L Gass)
Private Secretary

J S Wall Esq
10 Downing Street

**DRAFT MESSAGE FROM THE PRIME MINISTER TO MR VO VAN KIET, CHAIRMAN OF
THE COUNCIL OF MINISTERS (PRIME MINISTER) OF VIETNAM**

May I send you my congratulations on your appointment as Prime Minister. I wish you success in your work and in particular in the continued economic reform and development of Vietnam. I hope that bilateral relations and cooperation between our two countries will continue to develop along with British involvement in opening up the economic potential of Vietnam.

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TO IMMEDIATE HANOI
TELNO 303
OF 150830Z AUGUST 91

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27 AUG 1991

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YOUR TELNO 462: MESSAGES TO NEW PRIME MINISTER AND FOREIGN MINISTER

1 PLEASE ARRANGE TO DELIVER THE FOLLOWING MESSAGES AS SOON AS POSSIBLE:

FROM THE PRIME MINISTER TO MR VO VAN KIET:
BEGINS. MAY I SEND YOU MY CONGRATULATIONS ON YOUR APPOINTMENT AS PRIME MINISTER. I WISH YOU SUCCESS IN YOUR WORK AND IN PARTICULAR IN THE CONTINUED ECONOMIC REFORM AND DEVELOPMENT OF VIETNAM. I HOPE THAT BILATERAL RELATIONS AND COOPERATION BETWEEN OUR TWO COUNTRIES WILL CONTINUE TO DEVELOP ALONG WITH BRITISH INVOLVEMENT IN OPENING UP THE ECONOMIC POTENTIAL OF VIETNAM. ENDS.

FROM THE SECRETARY OF STATE TO MR NGUYEN MANH CAM:
BEGINS. ON THE OCCASION OF YOUR APPOINTMENT AS MINISTER OF FOREIGN AFFAIRS I SEND YOU MY CONGRATULATIONS AND BEST WISHES. I LOOK FORWARD TO WORKING TOGETHER TO CONTINUE TO DEVELOP RELATIONS BETWEEN OUR TWO COUNTRIES. I ALSO LOOK FORWARD TO CONTINUING AND DEVELOPING THE CLOSE COOPERATION THAT ALREADY EXISTS ON QUESTIONS CONCERN TO US BOTH. ENDS.

2 THERE ARE NO/NO SIGNED ORIGINALS.

LENNOX-BOYD

YYYY

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SIR JOHN COLES

PAGE 1
RESTRICTED

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No: 1213A/91

SUBJECT

MASTER

OPS

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

15 March 1989

MINISTERIAL VISITS TO VIETNAM

Thank you for your letter of 14 March seeking the Prime Minister's approval in principle for Lord Glenarthur to visit Vietnam in April. The Prime Minister agrees to this on the understanding that the visit would not be the occasion to discuss resumption of economic aid to Vietnam in any context other than assistance for returning refugees.

I am copying this letter to Ben Slocock (Department of Trade and Industry).

C. D. Powell

R.N. Peirce, Esq.,
Foreign and Commonwealth Office.

CONFIDENTIAL

mem

Handwritten initials and circled number 1



Prime Minister Foreign and Commonwealth Office

London SW1A 2AH

*Agree in principle
but Lord Glenarthur
should visit Vietnam?*

14 March 1989

*You may want to add the rider
that we should not resume aid.*

Ministerial Visits to Vietnam

We cut off virtually all ministerial contact with the Vietnamese when they invaded Cambodia in 1979. Recently we have had limited contact. The Foreign Secretary met Nguyen Co Thach in June last year, and his deputy, Tran Quang, in September in the margins of UNGA. His main purpose was to pursue the problem of boat people in Hong Kong.

The Foreign Secretary now believes that the time is right for a ministerial visit to Vietnam, and that Lord Glenarthur should visit Vietnam from 10-14 April.

The primary objectives of the visit will be in relation to Vietnamese boat people in Hong Kong. The Vietnamese have cooperated well in the successful repatriation of some 75 boat people from Hong Kong. Furthermore, at an International Conference on Indo-Chinese Refugees in Kuala Lumpur this week, the Vietnamese agreed to draft a document which accepted the principle that all boat people screened out as non-refugees should return to Vietnam. We need to follow through on these concessions to ensure that this cooperative attitude continues.

There have been a number of important developments in Vietnam's external relations in recent months, most notably with neighbouring Thailand and China, but also with other ASEAN nations following their announced intention finally to withdraw from Cambodia. We shall be trying to encourage these reasonably positive developments.

A growing number of our partners are responding to the apparent Vietnamese wish to rebuild their international respectability. Recent visitors include ministers from Japan, France and Australia (the Foreign Minister). The Australian Foreign Minister, incidentally, lunched with the Foreign Secretary yesterday and was strongly of the view that the Vietnamese, at last, recognised that they had to change their system fundamentally, in order to reverse the economic damage they had done and develop their country successfully.

/Japanese

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Japanese, Thai and Australian businessmen are showing interest in the market, as are some Europeans. Real commercial opportunities are likely to be a long-term prospect, but there are some stirrings of interest from British companies.

The Foreign Secretary does not intend to take a final decision that the visit should go ahead until the very last moment. If the Vietnamese misbehave over Cambodia, for example, he may decide to cancel any arrangements that have been made.

I am copying this letter to Ben Slocock (DTI).

Yours ever
R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
10 Downing Street

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Peace in Indochina and Stability in Southeast Asia

A WHITE PAPER

Of The National United Front for the Liberation of Vietnam



Peace in Indochina and Stability in Southeast Asia

A WHITE PAPER

Of The National United Front for the Liberation of Vietnam



Peace in Indochina

and

Stability in Southeast Asia

WHITE PAPER

FOR THE SENATE AND HOUSE OF REPRESENTATIVES

After 10 years of military occupation of Laos and Cambodia, ignoring world condemnations, the Vietnamese Communists still maintain a policy of war and colonization against neighboring countries. Apparently since 1986 the Vietnamese Communist regime has run into one of the most serious crises threatening its survival because of growing resistance movement of the Vietnamese people, mounting pressures of democratic countries worldwide, and somewhat adverse effects of the Soviet reversed policy of restructuring. All of these forces have compelled the Vietnamese Communists to change their stand on many issues, particularly on the Cambodian occupation: they had to accept to dialogue with nations concerned for a political solution on the matter. A Conference of ASEAN Foreign Ministers was held on July 4, and 5, 1988 in Bangkok, Thailand where the above subject was dicussed.

On this occasion, the National United Front For The Liberation Of Vietnam has issued a Declaration and a White Paper expressing the view of the Vietnamese people on issues discussed at the Conference. The White Paper also proposes several measures to ensure the Vietnamese Communist compliance to agreed political solutions, in which the essential role of the Vietnamese people's ongoing resistance movement needs to be well considered.

Declaration

Of the National United Front for the Liberation of Vietnam To the ASEAN Foreign Ministers Meeting on July 4 & 5, 1988

On the occasion of the Meeting of Foreign Ministers of ASEAN Nations on the 4,5 of July, 1988 to discuss peace in Indochina and stability in Southeast Asia, the National United Front for the Liberation of Vietnam wishes the meeting to be successful and would like to present the eight-point position of the Vietnamese people in regard to the problems concerning Vietnam, Indochina and Southeast Asia as follows:

1. Expansionism is a phenomenon inherent in the Communist ideology and is uncharacteristic of the Vietnamese people who have been fighting in a liberation struggle to overthrow the Vietnamese Communist regime in Vietnam, and to put an end to this ruthless Communist domination on our country.

2. The people of Vietnam condemn the policy of invasion and colonization of the Vietnamese Communist on the neighboring countries. We support the independence and sovereignty of the Laos and Cambodian people in harmonious coexistence of the three peoples in Indochina in a peaceful and stable Southeast Asia.

3. In order to restore peace in Indochina, the preliminary condition must be met by the Vietnamese Communist to:

- Withdraw all their occupation troops from Laos and Cambodia.
- Remove their colonial machinery from these countries.
- Repatriate 800,000 Vietnamese and 700,000 Vietnamese of Khmer origin (Khmer Krom) that they have forced to emigrate to Cambodia and Laos.

4. In order to counter the expansionist ploy of the Vietnamese Communists, the nations concerned should keep relentless pressures on them, especially the present economic embargo and diplomatic isolation. The Vietnamese people maintain that the solution for the problem of peace in Indochina resides in the overthrowing of the Vietnamese Communist regime in Vietnam. The world would do well in cooperating with the Vietnamese people to bring about a long lasting solution to restore peace in Indochina and to reestablish stability in Southeast Asia.

5. Under pressures coming from many directions, the Vietnamese Communists had to accept to join the talks about a solution for the situation of war in Indochina. We propose that during the negotiation process, strong pressures be maintained by the nations concerned even after the conclusion of the negotiations to insure the strict observance of the pledges that the Vietnamese Communist would have made. Cooperation with the Vietnamese Resistance is one way to force them to carry out their pledges.

6. The Vietnamese people support the view of Southeast Asian nations to make Southeast Asia a Zone of Peace, Freedom and Neutrality. To realize this goal, we maintain that there should be no foreign military presence in Indochina. In the long term, after the Vietnamese Communist regime has been overthrown, the independent and democratic country of Vietnam will have its foreign policy based upon mutual respect of the sovereignty and the independence of all countries, and will not allow its territory to be used as military bases by any country to threaten the security of any other countries in the region.

7. It is the view of the Vietnamese people that the refugee problem was the direct result of the oppressive, and aggressive policy of the Hanoi regime toward the people. This refugee phenomenon is a burden to the Southeast Asian countries. The people of Vietnam acknowledge profoundly the humanitarian spirit and the compassion of the countries in the region which welcomed the Vietnamese refugees during the past decade, and provided them with temporary shelter. After the Vietnamese Communist has been overthrown, the free and democratic Vietnam will welcome back all the Vietnamese refugees from the neighboring countries.

8. The territorial disputes between Vietnam and some other countries should be resolved by peaceful means, on the basis of international laws, in a constructive and cooperative spirit with regard to the maintenance of stability for the whole of Southeast Asia. The Vietnamese people also reject all treaties, agreements signed by the Vietnamese Communists that are detrimental to Vietnam, or security of any other countries.

To concretely contribute to the search for a solution to restore peace in Indochina and to reestablish stability in Southeast Asia, the National United Front for the Liberation of Vietnam also wishes to present the following 3-point proposition to the Meeting of Foreign Ministers of ASEAN countries.

1. The people of Vietnam call on the nations concerned to distinguish between the Vietnamese Communist regime which is the oppressive and aggressive ruling minority and the Vietnamese people who cherish peace, freedom and national independence. Without this clear distinction, one would confound enemy with friends.

2. To preliminarily address the Indochina problem, the people of Vietnam call on the nations concerned to demand the Vietnamese Communists to withdraw all of their troops out of Cambodia and Laos, to remove their colonial machinery, and to repatriate 1.5 million Vietnamese forced-settlers out of these countries. We also call on the participant countries to monitor the strict observance by the Vietnamese Communists of these withdrawals and repatriation so they can not repeat their deceitful trick of hiding their weapons and blending their troops away with the civilian population, and with the Phnom Penh Army, thereby preparing themselves to follow up on their aggressive policy later.

3. The people of Vietnam call on the Southeast Asia countries to continue their humanitarian policy toward the political refugees, and to demand the Vietnamese Communist regime to end their oppressive and cruel policy toward the population in Vietnam as well as their aggressive policy toward the neighboring countries. These policies by the Vietnamese Communist regime are the source of the political refugee phenomenon that has put undue burden on the Southeast Asian nations during the past decade.

The 1st of July, 1988

**The General Directorate of Overseas Affairs
The National United Front for the Liberation of Vietnam**



HOANG CO MINH
President of NUFRONLIV

"Once liberated from the Vietnamese Communist regime, the Vietnamese people will be a major contributor to the mutual development of Indochina. This represents a lasting impact, promoting the common prosperity to the benefit of Southeast Asia. This is a worthy prospect for the Indochinese people, after enduring the tragedies that have been spreading throughout the last few decades." (Message delivered to the Japanese intelligentsia and business community, Tokyo Japan, April 30th, 1985).

WHITE PAPER

The purpose of this document is to present a thorough view of the Vietnamese people with regard to the restoration of peace in Indochina and the reestablishment of stability in Southeast Asia. This statement of position by the National United Front for the Liberation of Vietnam (NUFRONLIV) is presented before the world public opinion as an effort to help the nations concerned with the Indochina issue to make a clear distinction between the true aspirations of the majority of the Vietnamese people and the condemnable position of a minority of Communist rulers in Vietnam. This distinction is necessary for a correct assessment of the views of the Vietnamese people as well as their contribution in the search for a solution to the problem in Indochina, as against the policy of the Communist government.

I. BACK GROUND.

Since 1975, the Vietnamese Communists, to be distinguished from the Vietnamese people at large, have expanded their control over the whole of the Vietnamese territory, and have imposed upon the Vietnamese people, which they considered as their enemy, a rule of governance that is both backward and ruthless. In 1975, the world assumed that the war in Vietnam was over and that the Communist domination of the peninsula was an internal affair which should not be interfered with.

For their part however, the Vietnamese Communist did not observe the principle of non interference in the internal affairs of other countries. In late 1978, they openly invaded Cambodia and set up a line regime in Phnom Penh, a regime that has no real power and that is kept completely within their orbit. In total defiance of the world public opinion, and of the United Nations resolutions condemning aggressions, the Vietnamese Communists have quietly proceeded with their colonization of Laos and Cambodia. In addition to an occupation force of more than 150,000 men, 1.5 million civilians were also forced to emigrate from Vietnam and to settle in Cambodia. 50,000 troops and cadres were sent to Laos.

Spreading out from Indochina now under their control, the Vietnamese Communists have unceasingly committed acts of aggression against the neighboring countries and have continued to support the rebellious movements in Thailand, in the Philippines, and in Burma.

Since the late 1970's, the Vietnamese Communists also let the Soviet Union use military bases in Vietnam, Laos and Cambodia, especially the military ports in Camranh Bay and Danang, thus posing a serious threat to the security of Southeast Asia. The acquisition of these bases could help the Soviet Union destabilize nations in the area and create situations of conflict highly detrimental to their prosperity.

In return, the Vietnamese Communists are receiving generous military assistance from the Soviet Union to help them maintain a war machine that is the most powerful in the region. They have the third largest army in the world thanks to this assistance, but, at the same time, under their backward rule, Vietnam has also become one the four poorest countries in the world.

The Vietnamese Communist regime has encountered many difficulties due to the resistance of the people of Vietnam, as well as to the pressures from economic embargo and diplomatic isolation. The people in Vietnam have wholeheartedly supported the efforts of the ASEAN countries and, as a result, the Vietnamese Communists had to accept compromises and to join the talk with the nations concerned about a solution to put an end to the situation of war in Indochina.

The pressures exerted by the ASEAN nations have proved successful, and the resistance activities of Vietnamese people have forced the Vietnamese Communists to agree to participate in an international conference in late July with the ASEAN nations and the Coalition Government of Democratic Kampuchea. On this occasion, the National United Front For The Liberation Of Vietnam wishes to present the views of the Vietnamese people before the meeting of Foreign Ministers of ASEAN nations, held in Bangkok, Thailand, as well as to contribute some proposals in the search for a solution to the issue of peace and stability in Indochina and in Southeast Asia at large.

II. SYNOPSIS.

This document proposes seven basic aspects of the problem of the restoration of peace in Indochina and the reestablishment of stability in Southeast Asia as well as an eight -point position and a three-point proposal of the Vietnamese people to the discussion between the ASEAN nations and the Vietnamese Communist regime.

The **seven basic aspects** are the following:

II.1 The expansionist policy of the Vietnamese Communists for the last several decades has met with strong resistance from the Vietnamese people. Expansionism is a phenomenon inherent in the Communist ideology and is uncharacteristic of the Vietnamese people.

II.2 The Vietnamese Communists are carrying out a most wicked policy of colonization in Cambodia. The withdrawal of the Vietnamese Communist occupation forces in Cambodia would not be enough to resolve the problem without a complete removal of the colonial superstructure they have put in place on top of the public government in Phnom Penh. The Vietnamese people condemn this colonization policy and demand that the Vietnamese Communists repatriate 1.5 million civilians that have been forced to emigrate to Cambodia.

II.3 The promises to withdraw troop of the Vietnamese Communist are never reliable. Experiences in the past decade have shown that they can stage fake withdrawals while in reality these troops are only ordered to hide away their weapon and put on civilian clothing to blend in with the civilian population, or to disguise under the Phnom Penh regime uniform - and to be ready to come out and create problems again to the Cambodian government and people in the future.

II.4 The Hanoi regime has lately run into difficulties with the Soviet Union, as they have encountered problems due to the condemnations in the world public opinion, as well as to their situation of economic and diplomatic isolation. The pressures from the ASEAN countries also forced them to adopt a seemingly more conciliatory attitude. But it is the total resistance struggle of the whole Vietnamese people that is causing them the real, and the most far reaching, difficulties. It is this struggle that has forced the Vietnamese Communists to accept concessions before the world in order to avert their total collapse inside the country. Indeed, the struggle of the Vietnamese people is the decisive factor that should not be ignored by the nations now engaged in negotiations with the Vietnamese Communists. Cooperation with the Vietnamese Resistance will result in even more pressures against the Vietnamese Communists.

II.5 The Vietnamese Communists only accept to negotiate when they are in difficulties. But they have always used the tactic of " Fighting while talking, and talking while fighting," and they are ever ready to spring deceitful tricks to try to create divisions in the ranks of the adversary. They would pretend to accept compromises on issues of no real impor-

tance while they would try to achieve a position of strength and win concessions on issues of substance. Since they are now in deep crisis, the participants would do well to press to achieve solutions to the basic problems, and to cooperate with the Vietnamese Resistance so that they would be in even better conditions to insure that the Vietnamese Communist keep their pledges.

II.6 In the long term, after the Vietnamese Communist regime is overthrown, the Vietnamese people will rebuild a new Vietnam that is independent, democratic, and free, that can play an effective role in the maintenance of stability and the furtherance of development in Southeast Asia. Southeast Asia has to be free from military intervention by the superpowers in order to flourish as a prosperous and stable region. This requires primarily that the Soviet Union remove its military presence in Vietnam. The Vietnamese people do not accept the use of their territory by any country to threaten the other countries in the region.

II.7 On certain remaining problems, with regard to the refugees, the emigrants, and the territorial integrity question, it is the view of the Vietnamese people that :

1. The refugee problem should end with the collapse of the Vietnamese Communist regime and the new free Vietnam would welcome back all Vietnamese refugees from the neighboring countries, relieving them of the burden that they have borne for so long.

2. At the same time the Hanoi regime withdraws troops from Cambodia, it also has to put an end to the policy of forced emigration of Vietnamese to Cambodia.

3. The territorial disputes between Vietnam and the neighboring countries should be resolved by peaceful means, on the basis of international laws, and in a constructive and cooperative spirit with regard to the maintenance of stability for the whole Southeast Asian region. The use of force by the Vietnamese Communists, and their frequent shifts of positions, should be condemned.

The eight-point position of the Vietnamese people with regard to the current negotiations between the ASEAN nations and the Vietnamese Communists is as follows:

1. The Vietnamese people condemn the expansionism policy of the Vietnamese Communist clique. Our aim is to put an end to the Communist regime in Vietnam and to build a free, democratic, and independent country.

2. The Vietnamese people condemn the policy of invasion and colonization of the Vietnamese Communists. We support the independence and sovereignty of the Laos and Cambodian peoples in a harmonious coexistence of the three peoples in Indochina in a stable Southeast Asian region.

3. We demand that the Vietnamese Communists should truly withdraw all their occupation troops from Laos and Cambodia, remove their colonial machinery in Laos and Cambodia, demobilize their army and repatriate the Vietnamese forced-settlers from those countries.

4. We propose that relentless pressures be applied on the Vietnamese Communists to force them to resolve the whole problem of Indochina. We urge the nations concerned to maintain the economic embargo and the diplomatic isolation against the Vietnamese Communists. We also call on them to work hand in hand with the Vietnamese people, the only force that can get rid of the Vietnamese Communist threat.

5. We call on the Conference participants to join hand with the Vietnamese people in keeping pressures on the Vietnamese Communist regime during the negotiations because they would only give in under pressures. Pressures should be maintained even after the conclusion of the conference to insure strict observance of the pledges that they have made at the negotiating table. Cooperation with the Vietnamese Resistance is one way to force the Vietnamese Communists to carry out their pledges.

6. The Vietnamese people uphold a peaceful, free, and neutral Southeast Asian region. In order to achieve this goal the Vietnamese people propose a complete dismantling of alien military bases and withdrawal of Vietnamese Communist forces out of Laos and Cambodia and Soviet troops out of Vietnam. The new Vietnam will adopt an independent, and peaceful foreign policy with the other countries, will not enter any military alliance nor allow our land become invasion beachhead threatening other countries.

7. With regard to the refugee problem, and the problem of the forced emigrants in Cambodia, the Vietnamese people positions are :

- The Vietnamese refugees problem should be resolved at its root cause which is the Vietnamese Communist regime. After the overthrow of the Vietnamese Communist regime, the free, democratic and independent Vietnam will welcome back all Vietnamese refugees, in priority those who still are sheltered in Southeast Asia in order to relieve the burden on these neighboring countries.

- The Vietnamese Communists must repatriate the settlers whom they have forced to emigrate to the neighboring countries, especially to Cambodia.

8. With regard to the territorial integrity problem, the Vietnamese people's view is as follows :

- The territorial disputes concerning the off-shore archipelagoes should be resolved through peaceful negotiations, and in a spirit of civility, instead of the use of force as the Vietnamese Communists did earlier this year.

III. BASIC ISSUES and POSITIONS of THE VIETNAMESE PEOPLE.

There are eight issues at the root of the present unstable situation. These issues need to be addressed and resolved thoroughly in order to restore peace in Indochina, to secure stability in Southeast Asia, and to lay the foundation for a prosperous future for Asia and the Pacific.

Issue 1: The Vietnamese Communist Expansion Policy.

Today, the world has classified Vietnam as a "Communist Country" and therefore the name "Vietnam" has become synonymous with "Communist Vietnam" although the Vietnamese people have been fighting against Communist expansion since the last decades. Without a clear distinction between the people of Vietnam and a minority of Vietnamese Communists, it is not possible to find the key to resolve the whole Indochina problem. That key resides in the anti-communist, independent spirit of the Vietnamese people.

Ho Chi Minh began to spread Communist ideology in Vietnam since 1925. A cadre of International Communism, Ho was assigned the duty of propagating Communist influence in all of Southeast Asia. At the Vietnamese Communist Party Congress of 1949, Ho declared "The duty of the Vietnamese Communist is to contribute to the task of liberating (meaning Communizing) all of Southeast Asia." 40 years later, that statement continued to be the motivation for the Vietnamese Communists in their attempt to impose Communist domination on the neighboring countries. At the Vietnamese Communist Party Congress of 1986, the cadres were again reminded by Nguyen Van Linh of that internationalist duty. Soon after 1975, the Vietnamese Communists quietly secured control of the Kingdom of Laos and, in 1978, exploiting the situation in Cambodia, seized on a pretext to invade and occupy this country.

Ever since the formation of the Indochinese Communist Party in 1930, the Vietnamese people have always rejected Communism and struggled against Communist domination in Vietnam. In the period between 1930 and 1954, because of the diversion of human and material resources to the anti-colonialist struggle for national independence, the Vietnamese people, to a certain degree, failed in their anti-Communist struggle and, as a result, have to resign to the fact that half the country fell to the Communist. From 1954 to 1975, the Vietnamese people in the South had to defend themselves against Communist aggression, carried out under the guise of a "liberation war" and supported by the whole Communist bloc. Despite the failure of the Vietnamese people and of their allies, the fact remained that the Vietnamese people have always cherished their independence and have never accepted Communism.

The fact that the Vietnamese Communists, with all out support from the Communist bloc countries, took half a century to conquer the country was an eloquent proof of the strong anti-communist spirit of the Vietnamese people. This was made even clearer by the successive failures of the Communist regime in face of passive resistance of the people. Among countries under Communist dictatorship, the Hanoi regime turned out to be the worst in management of the country because of their inability to come to terms with the resistance of the people.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

The Vietnamese people do not accept the Communist regime and the majority of the Vietnamese people should not be identified with a ruling minority of Communists who are but agents of the Soviet imperialists.

As such, when Communist expansionism has to come to an end, and when the regional conflicts in the world have to be resolved through mutual compromises in a new era of detente between the democratic countries and the communist regimes, the Vietnamese Communist clique will be deprived of their forces for existence, and will eventually be doomed by the people in Vietnam.

On the contrary, without a clear distinction between the Vietnamese people at large and the ruling Vietnamese Communist minority, the world will deprive itself of a great potential for struggle for freedom that is the people of Vietnam.

Issue 2: The policy of colonization of the Vietnamese Communist.

Without a correct evaluation of the momentum for expansion of the Vietnamese Communist regime and a true recognition of the backwardness and the incapacity of this regime, it is not possible to arrive at an accurate assessment of the seriousness of the Vietnamese Communist occupation of Cambodia, nor is it possible to achieve a clear perception of the motivations behind Hanoi policy of colonization in that country, which is sometime viewed in the light of seemingly convincing historical arguments which, by assigning territorial ambitions to the Vietnamese as a people, do not in fact reflect the actual realities.

After the invasion of Cambodia, the Vietnamese Communists did not only maintain an occupation force of 150,000 men, they also dispatched a so called "advisory mission" of 20,000 administrative and political cadres to set up a supra-governmental structure along side the public administration in Phnom Penh as a colonial machine. The same situation happened in Laos, where the process was undertaken quietly, and did not attract much attention from the outside world. Because Vietnam, Cambodia and Laos are neighboring countries, and because of the presence of many Vietnamese of Laos or Khmer origin, and vice versa, the Vietnamese Communist supra-governmental structure could become intricately imbricated with the local administrations, and this situation can have far reaching consequences to the occupied countries long after the end of the armed occupation.

However, that is not the only serious problem in Indochina.

Since 1983, the Vietnamese Communists have stepped up their colonization of Cambodia by forcing waves upon waves of Vietnamese emigrants from North Vietnam to come and settle in the most fertile regions in Cambodia. More than 800,000 Vietnamese settlers, tightly regimented and controlled by the Vietnamese Communist cadres, have been brought to Cambodia in the last five years. In addition to the occupation army and the colonial administration, these settlers, living among the Khmer people, have created strong demographic pressures with dangerous implications for Khmer society. These settlers are now present in all walks of life in Cambodia, and are known to be active in various economic, educational, cultural, and social fields. More than the armed occupation, this process of colonization will have long lasting consequences and will create a situation that is not easily resolved.

Moreover, the Vietnamese Communists also ordered approximately 700,000 Vietnamese of Khmer ancestry, called Khmer Krom, to come and live in Cambodia, under the tight regimentation and control of the Vietnamese Communist cadres. The introduction of these 1.5 million settlers will present extremely complicated problems for the future Khmer society, and will create serious potential for conflict between the Vietnamese and the Khmer

people. This situation constitutes a most serious problem which is fraught with considerable destabilizing danger if no appropriate solution is found.

The colonization policy undertaken by the Vietnamese Communists at this late date of the twentieth Century is certainly an anachronism. The inability of the Vietnamese Communists to achieve efficiency in economic management and its consequent result of territorial expansion as a way out of their economic impediment might be construed by the world at large simply as a reenactment of historical Vietnamization drive. In reality, the Vietnamese people strongly condemn this colonization policy as a most anti-progressist phenomenon at this time and age. It is clear that solutions to economic problems can only be found in better organization and management and the application of scientific methods in production, as many Southeast Asian countries have done so successfully, even though they may not be as rich in natural resources as Vietnam.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

The Vietnamese people strongly condemn the colonization policy of the Vietnamese Communists and publicly denounce their plot to annex and to assimilate Cambodia. The Vietnamese people demand that, in addition to a complete withdrawal of their occupation forces from Cambodia, the Vietnamese Communists should also repatriate the 1.5 million settlers that have been forcibly moved to Cambodia. The Vietnamese people reject any agreement between the Vietnamese Communists and the regime of Phnom Penh and affirm that the Khmer people should be independent and Cambodian territorial integrity respected in accordance with the conventions of international laws.

Issue 3: Vietnamese Communist troop withdrawals.

After repeated pledges to withdraw their troops, the Vietnamese Communists are still maintaining some 150,000 men in Cambodia. The last, and 7th time, they made such pledge was in the beginning of June. Their continued occupation of Cambodia is "to prevent the return of the Khmer Rouge to Phnom Penh." This argument is made in contempt of the Khmer people by its implication that the people of Cambodia are unable to agree on a political solution in accordance with their just aspirations. The fact that their repeated pledges remained unimplemented is another proof of the unreliability and deceitfulness of the Vietnamese Communists.

After the 1954 Geneva Agreement on cease fire in Vietnam, the Vietnamese Communists secretly buried away their weapons before regrouping their troops and cadres to the North. These same cadres were later returned to carry out subversive activities in the South, using the weapons that they had hidden away.

At the time of the 1962 Geneva Agreement for the political settlement in Laos, the Vietnamese Communists had already infiltrated cadres to subvert the security of the Kingdom, operating especially from areas where there were great number of Vietnamese residents. After the agreement, they took advantage of the neutral status of this country and used Laotian territory as infiltration route for their invasion of South Vietnam.

Before the 1973 Paris Cease Fire Agreement, the Vietnamese Communists had dispatched more regular units to attack South Vietnam. After the Agreement, they openly launched a massive onslaught against South Vietnam, in blatant violation of all the terms of the Agreement while consistently denying the presence of more than 300,000 North Vietnamese regular troops introduced into South Vietnam.

The Vietnamese Communist pledges of troops withdrawals from Cambodia should be viewed in the light of these violations. In the past, they have staged troop withdrawals which were actually troop rotations. And if these moves should give rise to suspicions, they

They would be more careful and would devise even more subtle tricks. For one thing, they have "civilianized" their troops and let them blend in with the Vietnamese civilians in Cambodia. A number of units would be "withdrawn" that is, rotated as they have done in the past. In the meantime, they would also order the weapons to be buried away in Cambodia and use the cadres and "troops in civilian clothing" or "troops in Phnom Penh Army uniform" that they left behind to continue to dominate and to subvert Cambodia.

What will happen behind the back of an unsuspecting world is that the Vietnamese Communists would still retain an occupation Army in Cambodia, led and directed by the Vietnamese Communists armed or ready to be rearmed with the buried-away weapons although these troops may don Cambodian uniforms and claim Cambodian citizenship.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

The Vietnamese Communists should withdraw their entire occupation force from Cambodia and the withdrawal should proceed under international supervision. At the same time, they should be required to prove their goodwill for peace by decreeing a complete demobilization of their armed forces, including the troops inside the country and those that have been sent as occupation forces to the neighboring countries. Without international supervision, and without troops demobilization, any pledge of troop withdrawal by the Hanoi regime would be worthless. If the Vietnamese Communists should renege on their pledges or should continue to engage in any such deceitful tricks, appropriate retaliatory measures should be applied.

The Vietnamese people do not accept the Hanoi regime policy of colonization. The Vietnamese people neither wish to see a situation where their own youth continued to be drafted and used in "Internationalist duties" in neighboring countries. In order to put an end to that situation, the Vietnamese Communists should be forced to withdraw their occupation troops from Cambodia and Laos, to demobilize their Army, and to desist from using any subterfuge to perpetuate their subversion in Indochina.

Issue 4: The difficulties of the Vietnamese Communists.

Under pressures from many directions, the Vietnamese Communists had to give in and accept to negotiate with the other countries on a solution for the problem of Cambodia. However, they likely again create problems for the neighboring countries once they manage to get out of their present predicaments unless they are kept under unrelenting pressures by the Vietnamese people and the world at large.

The Vietnamese Communists depend on the Soviet Union to help maintain a war machine that is far beyond their economic capability. In order to proceed with far reaching programs of restructuring as a way to resolve the difficulties, the Soviet Union is now forced to revise its priorities and to settle the multifaceted conflict with the world, among these its continued support for its client, the aggressive Communist regime in Vietnam.

Along with the altering relationship with the Soviets, the Vietnamese Communists are also subjected to punitive pressures from the world at large. The world community, while not accepting the blatant invasion of South Vietnam, has restrained from any appropriate reactions due to the view that these events could be repudiated as a "strictly internal affairs of Vietnam." The invasion of Cambodia by the Vietnamese Communist, legally not much different from their invasion of the Republic of Vietnam, has generated stronger responses. With the economic embargo and the diplomatic isolation, the Hanoi regime has become an international pariah. The ASEAN countries took the lead at all international forum in demanding the total withdrawal of Vietnamese Communist troops from Cambodia.

The Vietnamese Communists were not nudged to the conference table by the peace proposals or conciliatory gestures. It was the pressures exerted by the ASEAN countries that put the Hanoi regime into an increasingly difficult situation and forced it to agree to negotiate. In other words, toughness is the appropriate way to deal with the Vietnamese Communists and to work toward a satisfactory solution.

There is however, another factor. If the Vietnamese Communists did not have internal crises, they probably would not have accepted to negotiate and to seriously consider the peace proposal. The internal crises that are plaguing them are the result of the resistance struggle of the Vietnamese people inside the country.

The Vietnamese people realize that they have to try to solve their own problems themselves, through their own efforts instead of relying on any prospective international help. In their struggle against a regime which has at its disposal strong military means, plentiful experiences in the practice of political repression, an elaborately manned security and control apparatus, the Vietnamese people have to use all their inventiveness and to apply all lessons that they have learned in their long history of struggle to wage an "all people, multifaceted" liberation struggle against the Communist regime. The fight against the regime is being conducted by every individual in every field, and by every way that is appropriate. This struggle has contributed to seriously weaken the regime, to cause a "rotting away" of the governing machinery at all level, to disrupt all the policies and to render inefficient all economic plans. The past thirteen years have seen these unrelenting struggles of the Vietnamese people against the brutal regime in Hanoi. As a result of this struggle by the Vietnamese people, the Hanoi regime had to change policies and personnel again and again without being able to stabilize the situation or to achieve any economic objective. Among the Communist regimes, the one in Hanoi achieved a record of failure while their leadership continued to be thought of as wise and realistic minded men by many people in the world.

Without the Vietnamese resistance movement, the Vietnamese Communists would have succeeded in assimilating Cambodia and annihilating all the resistance by the Khmer people. Without the Vietnamese resistance, the Vietnamese Communists would have been much more aggressive toward the neighboring countries and, after Laos and Cambodia, would have posed a direct threat to other countries in the regions. They had to accept concessions, and to prove their goodwill by agreeing to negotiate a political solution to the problem of Cambodia only after they saw that the Soviet Union itself had run into difficulties, that opposition was growing among the population as well as within their own ranks, and that they might be heading toward total collapse. The Vietnamese resistance has made it clear to the Soviet Union that their joint venture with the Vietnamese Communists has become too expensive, and to the Vietnamese Communists themselves that their ventures in Laos and Cambodia had gone far beyond their means. The Vietnamese people have indeed forced the Hanoi regime to negotiate seriously with the nations concerned.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

The Vietnamese Communists only accept concessions when they are in a weak position. The Vietnamese people have contributed greatly in the weakening of their position. In negotiating with the Vietnamese Communists, it is necessary to apply continuous pressures. The cooperation with the Vietnamese people is necessary to force the Hanoi regime to adopt a conciliatory attitude and to give up their aggressive policy. The cooperation of the Vietnamese Resistance is necessary to achieve peace and justice in this part of the world so that the three Indochinese peoples of Laos, Cambodia, and Vietnam can live in accordance with their true aspirations, free of Communist domination.

Issue 5: The evasive tactic of the Vietnamese Communists

The Vietnamese people have clearly grasped the nature and the deceitfulness of the Vietnamese Communists. As the Vietnamese Communists view peace negotiations just as another form of war, the world should be cautious and deal with this type of attitude accordingly.

The Paris Peace Agreement for the Vietnam war was only concluded in 1973, after 5 years of negotiations, during which the war went on unabated. With their tactics of "Fighting while negotiating, and negotiating while fighting," the Communists finally signed an agreement in 1973. Even after the Agreement had been signed, they continued to introduce more troops and war materiel into South Vietnam to prepare for war and finally took over the South by force when they saw that their open invasion would not be met by a strong response. The long five years of negotiations, the three years of renewed war and the final collapse of South Vietnam should serve to remind the ASEAN countries and the Coalition Government of Democratic Kampuchea (CGDK) to be vigilant in their negotiations with the Vietnamese Communists.

The Vietnamese people wish to draw the attention of the participants to the Conference to the following:

- The Vietnamese Communists always put forward the maximum demands and try to support these demands with decisive political and military actions. They would only give in at the negotiating table what they could not achieve on the battle field, even in such weak position as they are now in Indochina. They can be expected to try to create divisions among the CGDK and among the ASEAN nations while making their show of goodwill for peace.

- At the same time, they can try to promote discussion of the false objectives while concentrating their efforts in achieving the real substantive gains. In that sense, the call for direct talk with the Phnom Penh regime amounts to the use of the latter as a false objective and a bait on the negotiating table because real powers are in the hands of Hanoi. Their attacks against Thailand on the one hand and their conciliatory gestures toward Indonesia and Malaysia on the other constitute a ploy to sow divisions among the ASEAN countries. The problem of Indochina moreover is not only limited to the conflict in Cambodia. The participants to conference will also have to deal with the general policy of expansion of the Vietnamese Communists and the question of the Soviet bases in Indochina, particularly the ones in Vietnam.

The Vietnamese Communists, with their present show of goodwill for peace, are also hoping that they eventually would be able to get out of their present situation of diplomatic isolation and that the economic embargo would be lifted. In that case, they would be able to use the help of the Western countries to consolidate their regime. If they were able to do so, they would again harden their position.

The issues that are expected to be brought up at the forthcoming negotiations could be summarized as followed:

- The role of the Phnom Penh regime.
- The "threat" posed by the Khmer Rouge.
- Direct talk between the four Cambodian factions.
- The withdrawal of Vietnamese Communist occupation forces from Cambodia.
- International supervision of the Vietnamese Communist troops withdrawals.
- International supervision of the general elections to be held in Cambodia.

However, any agreements on these issues by themselves would not be sufficient to restore peace in Indochina for the following reasons:

- The continued presence of the Vietnamese Communist troops and cadres in Laos.
- The continued presence of the 20,000 administrative and political Communist cadres in Cambodia.
- The presence of 800,000 Vietnamese forced-settlers in Cambodia.

- The situation of the 700,000 Vietnamese of Khmer origin who have been forced to return to live in Cambodia.

- The repressive policy of the Vietnamese Communist regime in Vietnam and the problem of the political refugees in Southeast Asian countries.

- The expansionist policy of the Vietnamese Communists as demonstrated in the sending of cadres and materiel to assist the rebels in Burma, Thailand and the Philippines.

- The Soviet bases in Vietnam, and the role of Vietnam as the beachhead for the expansion of Soviet Imperialism.

- The continued loyalty of the Vietnamese Communists to their internationalist duty as a destabilizing factor in the region.

Unless these issues are taken up for consideration, the present negotiations would not bring about a solution that would have a long lasting effect in insuring peace in Indochina and in maintaining stability in Southeast Asia.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

Negotiation with the Vietnamese Communist regime is a necessity, and the Vietnamese people noted in particular the effort of the ASEAN countries and the goodwill of the CGDK in bringing the Hanoi regime to conference table. But we insist that strong pressures should be maintained against the Vietnamese Communists to force them to agree to substantive concessions. We also call on the nations concerned to continue to heighten their vigilance even after an agreement has been reached to insure its strict observance. In particular, during the long period of negotiations, it is imperative that the diplomatic isolation and the economic embargo by the Western nations be kept in place in order to leave no choice for the Hanoi regime but to continue to negotiate seriously.

Issue 6: The restoration of peace and the maintenance of stability in Southeast Asia.

Within a few decades, the countries in Southeast Asia have achieved outstanding successes in the development of their economies and have therefore created a common sphere of prosperity for Asia and the Pacific Region. In the next decades, the continued economic development within a stable environment in this region would be an important factor contributing to the general prosperity of the world. In this prospect, the existence of a Communist regime in Vietnam and the presence Soviet military forces in the area constitute a destabilizing factor and a threat to the peace and prosperity of the region. In order to maintain security and to further economic prosperity for the region and to contribute to international economic development, the countries in Southeast Asia have to find ways to put out the fuse of war in Indochina. The restoration of peace and the maintenance of stability in Southeast Asia should be rested on a joint agreement to put the region outside of any military conflict. Southeast Asia should be neutralized, and free from the influence of any superpowers. No country in the region should allow its territory to be used as military bases by any country to threaten the peace and security of any other nation in the region.

Since the 1960's the countries in Southeast Asia have overcome many difficulties and have made full use of the principle of the free enterprise economy to enter the industrial age and have become full fledged members of the world economic community. Meanwhile, the Vietnamese Communists have been unable to develop the national economy, instead, they have only succeeded in developing their capacities for aggression. As such, they are waging war in Indochina and threatening peace and stability in Southeast Asia. Economically, Vietnam is now one of the four poorest countries in the world. Militarily, the Vietnamese Communists still maintain the third largest army, and still allow the Soviet Union to use military bases in Vietnam to pose a threat to the other nations in the region. The peoples

in Southeast Asia can not march into the 21st Century with a secured mind without having first of all settled the problems posed by the Vietnamese Communists.

In the political and diplomatic view, the Southeast Asian countries can only pressure the Vietnamese Communists into abandoning their aggressive policy of expansion and call on the superpowers to refrain from any military pressures that would put the region's stability at risk.

In the view of the Vietnamese people, only the overthrow of the Vietnamese Communist regime in Hanoi would bring about a solution to their aggressive policy of expansion. The Vietnamese people do not only want to contribute to the stability and prosperity of Southeast Asia, they also want to live in dignity in their own country. An international solution to the problem posed by the Vietnamese Communists could be worked out through the use of pressures to force them to withdraw within their boundaries. For the Vietnamese people, the solution also lies in the request to the Soviet Union to remove all their war making capabilities from Vietnam. While the two objectives are different in nature, the effort to attain these objectives can be mutually beneficial: The forced retreat of the Vietnamese Communists behind their boundaries would be welcomed by the Vietnamese people and conversely, the weakening of the regime, before its final collapse by the resistance of the Vietnamese people, would be a gain for the world.

For the Vietnamese people, the Political Program promulgated on March 8th, 1982 by the Vietnamese Resistance has clearly defined our future plan to build a new Vietnam that is independent, democratic, and free after the overthrow of the Hanoi regime and the removal of the Soviet military bases from Vietnam. The future foreign policy of Vietnam will be guided by a spirit of independence, a respect for the sovereignty and territorial integrity of the neighboring countries. The new Vietnam will coexist harmoniously with all countries in the world. It will not permit its territory to be used as military bases by any countries to threaten any other countries.

Only with a new Vietnam can Southeast Asia turn over to a new page of history and confidently step into the 21st century. A Vietnam with a population of 100 million in the year 2000, with true aspiration for peace will certainly be a new and dedicated member of Asia, able to contribute efficiently to the common prosperity of the Asian and Pacific region.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

Southeast Asia may accept the regime of the Vietnamese Communists behind its boundaries as a temporary solution. However, the Vietnamese people will move on to overthrow this regime in order to build a free and democratic Vietnam which can contribute effectively to the prosperity of the whole region and, in strict observance of the sovereignty and territorial integrity of the neighboring countries, to the maintenance of stability of Southeast Asia.

The overthrowing of the Hanoi regime is a Vietnamese solution and is beneficial to the whole region. The Vietnamese people earnestly call on all concerned nations in the world to contribute to the effort toward achieving this solution which will insure a long lasting future of stability in the whole area.

Issue 7: The refugee problem.

The root cause of the refugee problem - the fact that the people in Indochina, particularly in Vietnam, have to leave their native countries to seek freedom elsewhere - is the brutal regime in Hanoi. Out of compassion, many countries in the world have extended help and relief to these refugees, and offered to resettle them. The Vietnamese people want to express their profound gratitude to these countries. But the Vietnamese people, on the other hand, can not accept a situation where people have to leave their own countries

to beg for charity from the world. We deeply sympathize with the difficulties and problems encountered by many neighboring countries which are having to provide temporary shelters to the 40 000 Vietnamese refugees who have reached their shores. We also understand the difficult situation of the US government which has received 62,000 Vietnamese emigrants in the Oderly Departure Program, with 650,000 more cases to be processed.

The Vietnamese people wish to clarify their views on this problem as follows:

The root cause of the refugee problem is the brutal Vietnamese Communist regime. The world has been trying to solve the consequence of the problem, not the cause of it. As early as 1982, The National United Front for the Liberation of Vietnam has called on the Vietnamese people to stop fleeing, and to remain in the country, together with 60 million compatriots, to overthrow the Hanoi regime.

Our position is that after the overthrow of the Vietnamese Communist regime, Vietnam will welcome back any Vietnamese refugees who want to return to live in their own country. In this case, priority will be given to the refugees who have not been permanently resettled and are still sheltered in the neighboring countries.

The second problem has to do with the overseas Vietnamese living in the neighboring countries.

For several decades, the war in Vietnam has pushed a number of Vietnamese to emigrate to the neighboring countries, particularly Laos, Thailand and Cambodia. Recently, the Vietnamese Communists, in implementation of their colonization policy, have forcibly moved a million and a half civilians to Cambodia, in blatant violation of the United Nations's Declaration of Human Rights which stipulates that people should be allowed freedom of movement and should be free to take the place of residence of their choice. Before 1954, many Vietnamese had to emigrate because of the war, and after 1975, many more has to flee the country because of the repressive policy of the Vietnamese Communists. In the future, a new free, democratic, and independent Vietnam should be able to resettle all those who want to return to live in the own country.

The Vietnamese people do not want to see a self perpetuating situation where they have to leave their own country and create difficulties for others in the region.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

The brutal Hanoi regime must put an end to their colonization policy in Cambodia and to repatriate all Vietnamese (of Vietnamese or Khmer origin) and to desist from using these forced settlers as a political and economic force to maintain their influence in Cambodia in place of an armed occupation force. After Vietnam has been liberated, the new Vietnamese government will hold discussions with interested governments to arrange repatriation of all Vietnamese residents in accordance with diplomatic procedures, and in a cooperative and realistic spirit.

Issue 8: The territorial integrity.

The Vietnamese people respect the sovereignty and the territorial integrity of the neighboring countries and expect these countries to have the same respect toward their country. In the past, there has been a number of territorial disputes concerning the offshore archipelagoes, and a few other islands in the gulf of Thailand. The Vietnamese people strongly object to the constantly shifting positions of the Vietnamese Communists concern-

in the Paracels and the Spratley archipelagos. The Vietnamese people also strongly condemn the aggressive attitude of the Vietnamese Communists who always wanted to use force of arms to resolve these disputes.

Therefore, let the views of the Vietnamese people be unequivocally stated and recognized as follows:

In the civilized world, conflicts between nations should be resolved through peaceful means, and on the basis of International Laws. After Vietnam has been liberated, the future Vietnamese government will hold discussions with the other countries to try to resolve the territorial disputes in a spirit of peace and justice and international cooperation. We will absolutely refrain from the use of force which can only have adverse results on the security and stability of the region without being effective in resolving the problem in a mutually satisfactory way.

IV. THE PROPOSALS.

On this occasion when the nations concerned are going to discuss with representatives of the Vietnamese Communist regime, in the search to restore peace in Indochina and to reestablish stability in Southeast Asia, the Vietnamese people wish to make clear their points of views, and to present a number of proposals concerning a long-lasting solution for Indochina as well as for all Southeast Asia.

The Vietnamese Communist regime is not going to last forever, but the Vietnamese, as a people, will. The point of views of the Vietnamese people will prevail regardless of what accord, if any, will be achieved with the Vietnamese Communists.

Proposal 1.

In picking up the issues at the negotiating table, the Conference participants are respectfully requested to keep in mind that "The Vietnamese people do not accept the Vietnamese Communist regime that is now ruling the country." The Vietnamese people and the Hanoi regime are two entirely different entities and should not be confounded with each other. Instead, the Vietnamese people should be viewed as an important factor toward eventual elimination of the Hanoi regime.

Proposal 2.

In the talk with representatives of the Vietnamese Communist regime on the problem of Cambodia, the Conference participants are respectfully requested to demand complete withdrawals of their occupation army, the demobilization of these troops so that they can return to normal civilian life, and the removal of the colonial machinery that has been imposed on Cambodian society. Along with the troop withdrawal, the Vietnamese communists should also pledge to put an end to all subversive activities in the neighboring countries through their cadres and their troops camouflaged in civilian clothing, living among the Vietnamese emigrants that have been forcibly moved to Cambodia.

With regard to these one and a half million forced settlers, the Vietnamese Communists must accept as a prerequisite condition to repatriate these people along with the withdrawal of their troops and cadres.

Proposal 3.

On the problem of the refugees, we call on the Southeast Asian nations to continue their humanitarian policy of providing the political refugees with temporary shelters. Given that the root cause of the refugee phenomenon resides in the oppressive policy of the Vietnamese Communists toward the people in Vietnam, and given that the Southeast Asian nations have to bear the burden of assisting these refugees, we also propose that the nations concerned, pressure the Hanoi regime to respect human rights in Vietnam. After the overthrow of the Vietnamese communist regime, all the refugees will be welcomed back to the country of Vietnam that is free, democratic and independent.

July 1st, 1988

The National United Front For The Liberation Of Vietnam

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②
Ria Ainston
C. D. Powell

Foreign and Commonwealth Office

London SW1A 2AH

12 September 1988



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Dear Charles

You will no doubt have seen reports in the weekend press of our expulsion of a member of the Vietnamese Embassy for a firearms offence.

We took action with the Vietnamese last week following evidence that a member of the Embassy had been seen brandishing a firearm at demonstrators. Mr Eggar summoned the Ambassador to underline our grave concern and demand a full explanation, the handover of the weapon and a waiver of immunity to allow police and (if appropriate) court proceedings to go ahead.

At an unsatisfactory second call the Ambassador produced a dummy weapon but said that he thought there might be a real gun somewhere in the Embassy. Mr Eggar told him that there would be very serious consequences if the real gun were not surrendered. In the event the Vietnamese caved in over the weekend and produced the weapon. They have also publicly apologised for the incident. They did not however agree to allow their diplomat to face proceedings in a British court. Mr Eggar therefore told the Ambassador that the diplomat was expelled from the country, 736 hours notice. He has now left. The Vietnamese say that he will face disciplinary proceedings in Hanoi.

/with

This action taken will help drive home to the Corps as a whole the very firm view we take on firearms, and we will be formally reminding all Heads of Mission yet again of their responsibilities to ensure that British regulations are respected.

Yours ever

R N Peirce

(R N Peirce)
Private Secretary

C D Powell Esq
PS/No 10 Downing Street

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The National Archives

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