

Elevate the seaports of Vietnam

A series of directions, fundamental solutions to overcome existing short-comings in managing, planning, developing of seaport system in Vietnam has been issued at the conference on planning, managing the operation of seaports and logistics held by the Ministry of Transport last weekend in Ha Noi.

Identifying the short-comings

Look straight and assess the short-comings to have the right solutions to elevate the seaport system of Vietnam is the “order” direction of experts, local leaders, businesses attending the conference of the Deputy Minister of the Ministry of Transport Mr. Nguyen Van Cong.



The New Port of Saigon is one of the modern ports invested with the most advanced management technology in the country.

Mr. Do Hong Thai – Deputy Director of the Maritime Bureau of Vietnam said if not taking into account of the offshore crude oil ports, the seaport system of Vietnam currently has 30 ports in operation with 166 piers, 350 wharfs, total length of about 45,000m wharfs with throughput ability of about 350 – 370 million tons/year. However, Mr. Thai also admitted that there are still many short-comings in building, developing the seaport system, in which, there is discontent of the supply and demand of goods between key seaport groups.

Specifically, because the investment in the operation of the seaport group of the North is unsatisfactory, therefore, the Hai Phong port group is facing with overloading. Meanwhile, the ports in Cai Mep – Thi Vai which were currently invested are having difficulties in finding source of supply. In the Central region, in addition to the port of Quy Nhon, most of the remaining ports from previous years are operating below capacity.

Mr. Ngo Minh Tuan, Deputy Director of Saigon Newport Company said: Business results for 2011 and the first months of 2012 at the container ports belonging to seaport group number 5 is very worrying. Most of the ports at Cai Mep - Thi Vai

have suffered losses at least 6 – 7 million USD, and losses of 20 – 30 million USD. “The risk of losing ventures port to foreign partners for them to dominate the seaport service market of Vietnam is a possibility” – Mr. Tuan concerns.

Another major short-coming as according to Mr. Thai is that the network of port infrastructures (electricity, water, national railway network...) wasn't in sync with the scale from when it was put into operation. Most of the main ports are located deep within the river; and near the center of urban population so it's very difficult to improve traffic flow and upgrade port connections. This is one of the reasons creating more difficulties for seaport group number 5 in Ba Ria – Vung Tau and Ho Chi Minh City which is invested majorly and modernly.

According to the Deputy Minister of the MOT Mr. Nguyen Hong Truong, currently there isn't good coordination between the MOT – the office managing the planning and local regions – the place that directly issues land and investment license for projects. This is the reason for causing fragmentation in seaport investment resources in recent years, not having enough ability to develop into major regional ports.

“Obviously there are major short-comings in hardware – developing infrastructures and software – construction, planning and issuing operation mechanisms for seaports in the country. If we don't soon overcome the lack of management, synchronized operations at seaports, investment fragmentation, separation...etc, meeting the goal of upgrading the Maritime in becoming the second largest economic sector in the country by 2020 will become more difficult”, said by the Deputy Minister.

Strictly manage land for seaport construction

This is the Governmental proposal of the MOT to soon overcome the fragmentation of investment, separation, being unable to create consensus in resources for seaport raised by the Deputy Minister Mr. Nguyen Van Cong at the conference. Along with that, the Deputy Minister also said, the MOT will be conducting a review of the entire port system statistically to assess the need, necessity and feasibility for the construction projects that haven't been implemented. The MOT will also coordinate with the local regions to closely inspect and supervise the implementation of planning and projects investment according to plan; Determined to revoke investment license for projects that do not meet the prescribed time limit.

In attracting investment resources for seaport infrastructure development, the Deputy Minister Mr. Cong said the MOT will propose to the Government to focus budget for investment in seaport infrastructures of key projects, with validity and breakthroughs. For harbors not in the range of urgency, will implement investment in the social direction. Besides from the above solutions, the Deputy Minister Mr. Nguyen Van Cong also affirmed the review and addition of legal documents for the Maritime sector, creating maximum opportunities for businesses to operate; Strengthen transport infrastructures connecting to the port; Attract goods throughput through constructing distribution center of goods, factories for manufacturing, assembling and processing after the port...

The figures of the Maritime Bureau shows that, with nearly 170 ports, we still lack berths for large vessels, especially berths for container ships operating far distance.

Berths for vessels of over 5 thousand DWT is of only 1.37%, for vessels of over 2 thousand DWT is of 21.43%, for vessels from 1 – 2 thousand DWT is of 39.72% and berths for vessels below 1 thousand DWT is of 38.46%.

Except for a few berths that have just been built, and put into operation after 2006 has been equipped with modern shipping equipments, the remaining are mostly using normal shipping equipments, managing the process of shipping, maintenance, shipping and receiving with outdated techniques and technology.

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(Translated by Portcoast)