To become a sea power: Natural advantages
By Thanh Nien Newspaper, 05 Jan 2010

Despite the fact that Vietnam’s coastline is of 3.260 km in length; the sea area is 3-fold compared to the land area; 50% of the total population live along the seashore; and Vietnam’s sea is located in the world’s key and most animated navigation line, Vietnam is, up to now, still not yet called a “marine country”. Correspondingly, Vietnam needs to make the most of all the above advantageous conditions as to target the reputation as a marine country and a sea power even.

Upon the assessments by specialists local and abroad, Vietnam has many very favorable natural conditions as to develop the sea economy and become a logistics center for the regional countries and the world.

Strategic marine route

Vietnam is located in the Western Coast of the East Sea belonging to the Pacific Ocean with many marine resources and rare minerals, especially oil. Most of all, Vietnam’s sea is located in the life-line of the world connecting the Eastern Asia – Pacific Ocean with Europe, Africa and Near Middle East as well as many countries and territories in the Eastern Asia such as Japan, South Korea, Taiwan and Singapore. The countries and territories’ economies are entirely dependent on Vietnam’s international marine route via the East Sea.

According to Doctor Nguyen Tuan Hoa, the Deputy Manager of Ho Chi Minh Development Learning Center, Vietnam lies in a geographical location which is favorable to the integration of transportation with the regional countries and the world. Based on the regional map, Vietnam is located in the center of the Southeast Asian region and has a long coastline and many favorable natural conditions as to develop the marine field.

As analyzed by an economic specialist in Ho Chi Minh city, Vietnam has the very advantage of geography. ASEAN nations are divided into 03 groups: Oceanographically (Brunei, Indonesia, Malaysia, Philippines, Singapore and East Timor); Continentially (Campuchia, Laos, Myanmar, Thailand and Vietnam). Yet, Vietnam can be considered to be a both oceanographic and continental nation. Thanks to it, Vietnam’s cargos, whether for domestic consumption or for export, are not needed to be transited in the neighboring countries. Meanwhile, cargos of the Northeast of Thailand, Laos, Campuchia and Van Nam province (China) have to be transited in other countries and temporarily stored in Vietnam, Thailand, Myanmar and Quang Tay province (China). Some small and medium scaled ships are able to moor at only Vietnam’s ports for loading and unloading cargos of Vietnam and neighboring countries; for supplementing fresh food; for fleet’s rest and periodic cargos storage or emergency repair, etc. This is Vietnam’s natural advantage due to the fact that Malaysia is so close to Singapore while Philippines and Indonesia are islands with no protective rear. According to Bernama (Malaysia) news agency with a recent quotation from the world’s top economic experts, Vietnam’s logistics industry has lots of advantageous conditions to become a logistics center of the regional countries and the world. However,
Shouldn't Vietnam speed up taking such gigantic natural advantage into action, the very opportunity is likely to go by, indeed.

As said by Doctor Chu Quang Thu, the former director of Vietnam Maritime Administration, Vietnam has very rich potentials in fostering the marine economic development. For evidence, Vietnam has a lot of significantly favorable conditions; various-scaled ports can be designed in many areas. For instance, Van Phong Bay is in an advantageous position to have an international container transit terminal shaped. The Bay's natural depth is around 20m and 30km only far from the international sea route. Also, Van Phong Bay has the same advantageous geographic position and natural conditions as Singapore or HongKong does. In addition, in the North shapes Hai Phong port, which has been operated since the French domination and in the South designs Nha Rong port. “Due to the fact that Vietnam is located in the tropical sea area, the climate conditions are very favorable and the water is not frozen and ports can exhibit their annual operation as a result” says Mr. Thu.

Non-visionary, uneconomical

40 years ago, Singapore’s marine economy was a number Zero only. However, thanks to thoroughly taking advantage of its location in the international marine route, Singapore concentrated its efforts on constructing an international container transit port which has presently become the world’s top transit port. Despite the fact that Vietnam has the same marine advantages as Singapore does, Vietnam is quite modest about its marine achievements. According to the report of the United Nations’ marine transport Organization, the vessel fleets in Singapore with 5 million inhabitants only has a total tonnage of 55.5 million tons (DWT) while the vessel fleets in Vietnam with more than 85 million inhabitants has a total tonnage of 3.89 million tons (DWT) only. Similarly, in 2007, the vessel throughput at Singapore’s ports reaches 28.7 million TEUs (1 TEU equal to one 20-feet container) while the vessel throughput at Vietnam’s ports wins 3.9 million TEUs only. No international container transit ports are shaped in Vietnam.

According to Doctor Chu Quang Thu, the primary reason for the fact that Vietnam’s sea ports are, though Vietnam’s marine economy has a lot of advantageous natural conditions, still not yet considered to be a logistics center for the regional countries and the world is the visibility in marine field. Vietnam has not yet concentrated all its sources on the investment in international transit ports which can accommodate large-weighted vessels, exhibiting good logistics and cargo handling and economizing on the cost. Additionally, Vietnam has not yet laid down as a policy the mobilization of social capital for the investment in port construction but the State’s budget, resulting in the significant limit in the investment capital in sea port construction.

As analyzed by Mr. Cao Tien Thu, the former General Director of Hai Phong port, Vietnam has its favorable natural potentials to promote the marine economic growth. In addition to satisfying the domestic needs, Vietnam’s sea ports are likely to become an export/import center for the whole areas in the South of China and Laos. Despite the fact that there are the marine advantages, sea port system and marine experiences, the development of vessel fleets especially is still in slow speed. In fact, the development of vessels fleets only can help take up the largest number of exports/imports. Yet, Vietnam’s marine field has not yet satisfied such issue. Also, Vietnam has the advantage of a long coastal line spreading from the North to the South. For many reasons, Vietnam’s sea port system and vessel fleets are slowly developed, however. Since Vietnam has not yet held a large market share in export transport such as oil, rice, coal, etc, a part of market share in export transport has been held by foreign fleets.
Singapore's transit ports are forecasted to encounter blocked cargos, which is a significantly favorable opportunity for Vietnam's sea ports to accommodate the large number of cargos imported from the countries in the world. Finally, Vietnam needs to make the most of all such available opportunities as to target the reputation as a marine country and a sea power even.

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(Translated by Portcoast)