

Seaport Group 5:

From plans to solutions to improve effectiveness

LAST ISSUE:

Priority projects and solutions to improve effectiveness

● By PHAM ANH TUAN (*)

In the phase to 2015, besides ports that were built or under the building process, there should be encouragement to investments in navigation way to ports, seaports and inter-port road networks.

1. Navigation way to ports

- Vung Tau - Thi Vai navigation way: There should be a thorough research in this navigation way and solutions to upgrade it to make it enable for vessels of over 12,000DWT to navigate to Cai Mep port area, vessels of 12,000DWT to Phu My port area, vessels of up to 60,000DWT to My Xuan, Phuoc An port area and vessels of up to 30,000DWT to Go Dau port area.

- Soai Rap navigation way: the dredging work is carrying out to -9.50m for vessels of 30,000DWT to Hiep Phuoc port area and then going on with the observation and further research to dredge to -12,0m for vessels of 50,000DWT full draft and 70,000DWT lower draft with taking advantage of tide to navigate to Hiep Phuoc port area.

2. Seaports

a. To general ports and container terminals

- Investing in Vung Tau

international port - an international gateway port, enabling it to receive vessels of up to 80,000DWT (6,000TEU).

- Cai Mep Ha general port & container terminal, enabling it to receive vessels of up to 80,000DWT (6,000TEU).

- Investing in Lower Hiep Phuoc port - an international port and container terminal, enabling it to receive vessels of up to 70,000DWT (5,000TEU).

b. Specialized ports

Investing in oil refinery specialized Long Son port area functioning in importing crude oil and materials, exporting petroleum products, enabling it to receive vessels of up to 80,000DWT.

3. Inter-port road networks

- National Highway 51 (Dong Nai - Ba Ria Vung Tau) is to be upgraded and expanded to connect Cai Mep - Thi Vai port system to the regional road network.

- The construction of Cai Mep - Thi Vai (Ba Ria - Vung Tau) inter-port road is to be speeded up, enabling it to be put in operation

- Road 25B to Cat Lai port (HCMC) is to be upgraded and expanded,

connecting Hanoi National Highway to Cat Lai port area.

- Road to Hiep Phuoc port area - the north south axis road to Hiep Phuoc area and other main road in Hiep Phuoc Industrial Park is to be being invested in to make ready.

- Connecting road to Tien Giang, Long An port area is being under consideration.

RECOMMENDATIONS ON SOLUTION OF IMPLEMENTATION

1. In cooperation of operating and managing port planning

In order to ensure a sustainable development, there should be a close cooperation among Ministers, Services and local authorities and the Ministry of Transportation via the Vietnam Maritime Administration plays the role in planning management.

- Cooperate with local authorities to ensure sufficient land budget for port development and to ensure the pace of the construction of ports and connecting infrastructure outside. It is suggested that there should be considerable investments in Cai Mep port area, which belongs to Ba Ria - Vung Tau port area - an area with good conditions for investing in large-scale infrastructure, making it a container terminal or general cargo terminal, but not other types. And other areas with conditions suitable to construct ports of other types should be employed to meet the increasing need of cargo-through-port in the future.

- Cooperate with Ministries, Services to provide mechanisms on development of priority port areas which highly affect the economy.

- Invest in and develop synchronously other related transportation planning as road, railway and local waterway network...creating a multimodal transport network to serve Vung Tau

gateway port and later to develop into an effective and highly qualified logistics services.

- Conduct to build a general management model of port operating, take part in supervising work, cooperate with other specialized units to ensure environment sanitation and fire protection. And at the same time, introduce regulations on the cooperation among ports and port areas in solving problems like environment protection, cargo congestion at seaports.

2. About capital for port development in general

- Spend state budget investing in important seaport infrastructures in priority and encourage other investments in public infrastructures of the seaports in PPP, BOT, BT forms.

- Encourage and facilitate investments from various economic sectors in building planned ports, berths in BOT, BTO, BT or joint-ventured forms.

- Invest in infrastructure items of the seaports with legal capital mobilization from businesses.

- Research and establish a fund in development and management in operating ports to reinvest in the ports with the mechanism of using paid infrastructures.

- Research and allow in experiment foreign partners to equip themselves with unloading/uploading equipments and to hire the infrastructures invested with local capital (together with advanced technology transfer).

3. Policy to relocated port businesses

- Provide them with capital on building outside-port infrastructure (at relocated sites), including



Photo: NGUYEN NGOC HAI

- outside-port road network; expense of construction of power, aquatic and communication systems (to the boundaries of ports) will be taken from state budget.

- Provide them with capital from functions shifts, transfers of land use right, and from selling their properties.

- Allow them to enjoy incentive policies (in land leasing, tax and credit), the Ministry of Finance, together with other ministries and departments, is mainly responsible for researching and giving issues in its authority, and submits to the Prime Minister those of over its authority.

4. Incentive mechanisms for transshipment cargo.

- In principle, Ba Ria - Vung Tau port plays the role of an international gateway port of the South of Vietnam - port of type A, its main function importing and exporting cargo from distance routes of the whole region. However, the capacity of the port system in practice enables it to receive a certain amount of international transshipment cargo.

- Therefore, there should be incentive mechanisms and policies to attract shippers and ship owners as well enabling the port to compete with those in the neighbor areas. The suggested mechanisms and policies for the port include

- There should be tax incentives for Vung Tau, Cai Mep - Thi Vai port area applying to projects belonging to sectors that enjoys investment encouragements in accordance with the Law of Investment, and the port area should be enjoyed other tax incentives in accordance with agreements that Vietnam signed when entering the WTO.

- Allow foreign ships in and out the port not to perform import-export procedures to its cargo. Only apply procedures to the ships in accordance to regulations of Maritime Code.

- Research on logistic services development includes researching of the opening of logistic service center after ports, or even a free economic zone or free trade zone after the port system of Cai Mep – Thi Vai. **VTR**