

Ladies and gentlemen,

“Sustainable transportation and mobility” is an issue of great concern to strategists in Vietnam. Academics and political leaders highly appreciate the development of sustainable transportation and mobility especially in the era of green economic development. From the viewpoint of an academia in a research institute of the development strategy for Vietnam, we would like to highlight some messages to the forum and to your attention as follows.

Key transportation issues

Vietnam is facing a lot of internal challenges to develop sustainable transportation and mobility. Vietnam is home to 89 million people with the natural area of more than 331 thousand square kilometers (three parts are mountains, a part is delta and four parts are sea). Its territory covers thousands of kilometers in a very complex terrain. Discussion on national prosperity cannot ignore the development of modern, coordinated, mobile and sustainable transportation. In its development, transportation is considered as “blood vessel” of the economy. We totally agree with the forum’s topics and would like to thank Hitachi for inviting us to discuss such an interesting one.

Developing sustainable transportation and mobility is particularly important to a nation while it is quite a complex issue. Vietnam is pursuing sustainable development policy and sustainable development is always in its mind. We are well aware that in order to have sustainable economic development, we must have sustainable transportation, which entails mobility in all regions of the country. Therefore sustainable transportation must be viewed from the need of development, from different perspectives and modern approaches. However within the scope of this speech, I would like to highlight some issues as follows. Speaking of transportation, we must consider the two principles (1) A modern and synchronous transportation network and (2) An advanced organization of transportation. We further elaborate as follows:

A modern and synchronous transportation network is essential to the development of a nation.

What is a modern and synchronous transportation network? For Vietnam it is necessary to clarify the issue. A modern transport network must have highways (including roads and railways), modern airports (capable of passengers and goods in large quantities, fast flow with convenient connections to the world), modern ports (in the case of countries with coastal line, with large and fast cargo throughput volume) as well as quality roads connecting to the world.

How is the current transportation network in Vietnam? Although the Government of Vietnam has tried to make development plans, seek investment to realize this plan and the transportation network in Vietnam has been significantly improved, we can say that it can meet the demand of an economy at 6-7% growth rate, relative to a USD 1,200-1,400 per capita. But the reality also shows the network in Vietnam still can not meet the requirements of industrialization and modernization of Vietnam,

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as well as is still inferior as compared to some industrial countries such as Singapore, Malaysia, and Thailand. So far Vietnam does not actually have highways (although there were about 260 km so-called highway) and railway is generally at low quality (North-South railway length of about 1,500 km but takes 29 hours). There is not enough network of branch lines, traffic jam is so common, traffic accidents are more severe, increasing input costs, reducing the effectiveness of business and thus reducing the competitiveness of enterprises and the whole economy. Besides, the transportation in Vietnam is not yet connected to neighboring countries.

Currently, Vietnam does not have the dry dock centers which operate the out-flows of goods in sea ports and airports. Transportation forces of Vietnam can ensure only approximately 20% of the volume of import - export of the country.

With regards to sustainable transportation and mobility, the modernization level of the network is also a matter of concern. A sustainable economy must be based on modern transportation network (good quality and high level of automation). This is still the weakness of our country. It takes more time to travel in Vietnam than in other countries. On average, it takes 3 hours to travel 100 km by road, several days to a week to deliver goods. Interval time at airports is even longer than the flight time.

Connection between ports and airports is one of the prerequisites to ensure smooth traffic. However, in Vietnam, the connection is still not good.

Serious imbalance between roads with bridges, sea ports or airports is another critical issue, hindering the rapid and sustainable development. At the same time, the imbalance between the transportation and the requirement of economic development, with the travelling needs of residents is also a significant impediment to the development of Vietnam.

In order to build a modern transportation network, it requires a lot of investment. The fact shows that for developing countries, no government has enough budget to invest in developing their transportation. Capital mobilizing from the private economic sector is therefore essential. State capital shall only cause losses and waste.

However modern transportation would be meaningless if it is not synchronized. Transportation network and transportation organization are always inextricably linked to each other. When the transportation network is in place but badly organized, it shall not bring the desired results. In many countries, they run Transportation Management Centre as mentioned above, as well as established Management Board for each port (in order to unify the administration of goods flow to ports in each area). Besides, they form logistic service center, as well as integrate diverse transportation.

The mobility of transportation network shows the wisdom of transportation organizers. For Vietnam, a country with a territory of long, complex terrain, large population and densely populated allocation as well as severe weather of the rainy season, mobility is even more critical for the success in the development process. For example, in rainy season in the Central Vietnam, goods should be flowed through ports in the North and South Vietnam. Or when coastal roads are flooded, goods should be transported through Ho Chi Minh road (a highway runs from the north to the south of Vietnam). Or in rainy seasons, coastal roads should be replaced by roads in the West; railroads should be replaced by roads in the West, etc. Therefore, transportation network and organization must be all mobile to ensure the transportation of goods and passengers.

Recommendations for Vietnam

As mentioned above, sustainable transportation and mobility is a big, complex issue, but actions speak louder than words. Only actions can bring concrete changes.

The development of sustainable transportation and mobility must be represented by strong political with the participation of various economic sectors. The government should build an institute of transportation technology;

quickly develop high-level professional workforce in the field of building infrastructure. Vietnam has a coastline of 3,200 km; there are many places that deep-sea port is possible. Therefore Vietnam should not overlook the development of maritime transportation and join the world's maritime economy.

The Government must promulgate a law to ensure the development of sustainable transportation and mobility. The law must specify the roles and responsibilities of all related stakeholders (i.e. specifying the responsibilities and roles of the state, enterprises and citizens). The development of sustainable transportation and mobility must take into account the context of market economy as well as to national and international competitiveness. Attracting foreign investors to develop sustainable transportation and mobility should also be considered by policy makers.

The Government should have a quality assessment organization to develop sustainable transportation and mobility at the national and provincial level. The organization works partially independently or fully independently from state agencies. The organization gradually operates itself towards international standards. The Government should establish a consulting organization which is in charge of researching and proposing transportation organization for the whole country. This organization can be government-led, semi public or private. Last but not least, the Government should develop a synchronized information system for the nation (information classified by type of transportation and by region).

At this forum, we would look forward to receiving feedbacks from you. Thank you for listening and wish you good health, happiness and success.



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