



Vietnam Freight Forwarders Association



AFFA

VIETNAM COUNTRY REPORT

21st ASEAN FEDERATION OF FORWARDERS ASSOCIATIONS
ANNUAL GENERAL MEETING

Yangon, Myanmar Oct.27-28 2011



Contents



Outlook of Vietnam Logistics Industry



VIFFAS Activities in 2010, 2011



VIFFAS raising initiatives

Outlook of Vietnam Logistics Industry

Logistics Performance Index 2011 (LPI) : 53/155 economies



7,300.km
national roads



49 Ports with 320
berths 45,000.m
length.



3,200.km
national railroads



26 airports
among 8 airports
with the runway
3,000. m length

- ❖ Young industry and growing market with 628 registered providers (80% local & state-owned, 20% foreign companies)
- ❖ 3PL, 4PL have been offering by many world leading LSP while local companies still carried out services in not integrated manner.
- ❖ Weak transport sector although improving - under developed road condition, higher cost in air and sea transport
- ❖ Wide range of transport sector projects in the pipeline across rail , road, air and sea

Outlook of Vietnam Logistics Industry

Logistics Performance Index 2011 (LPI) : 53/155 economies

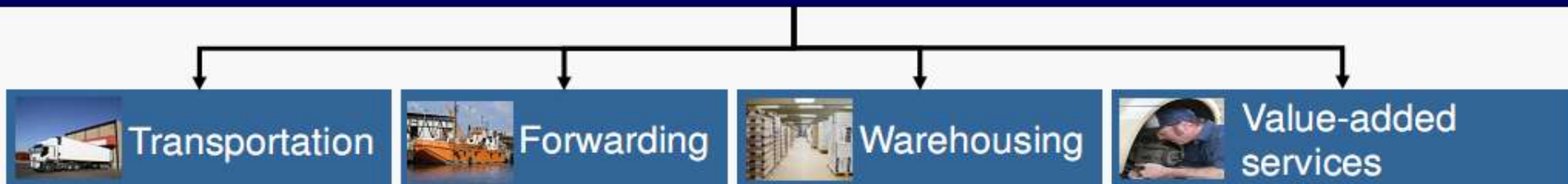


COUNTRY	RANK	SCORE	% OF HIGHEST PERFORMER
SINGAPORE	2	4.09	99.2
THAILAND	35	3.29	73.6
VIETNAM	53	2.96	63.1
INDONESIA	75	2.76	56.5
LAO PDR	118	2.46	47.0
CAMBODIA	129	2.37	44.0

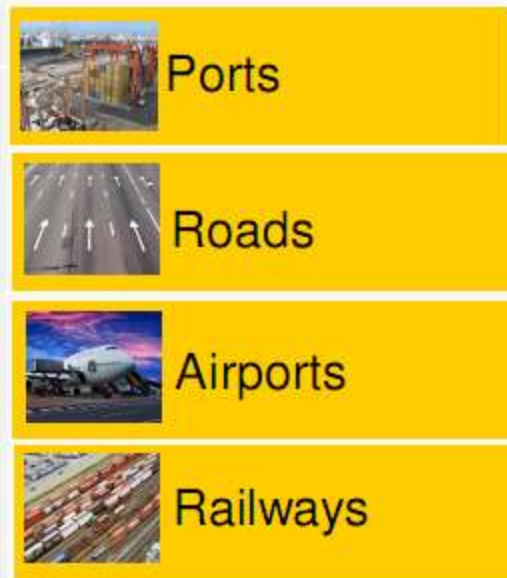
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Outlook of Vietnam Logistics Industry

Functional segmentation of Logistics Industry



Mode

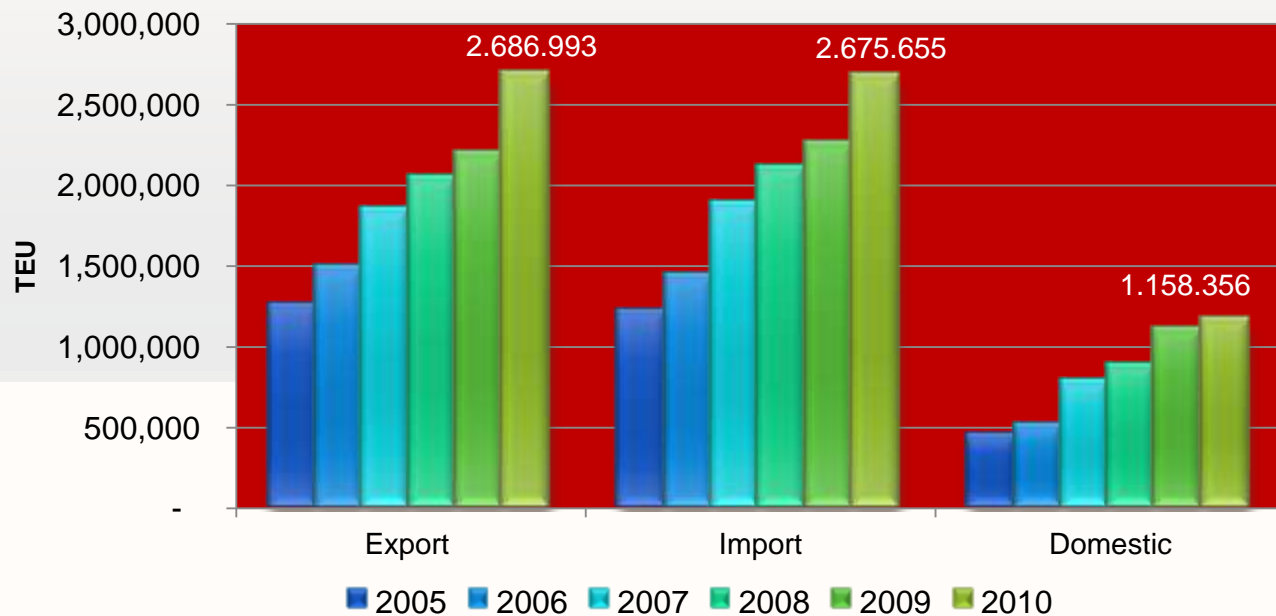


- ❖ **Transportation accounts a major portion of logistics activities followed by freight forwarding and trade services**
- ❖ Complexity of freight handling, high of volumes material & finished goods lead to high demand in transportation and freight forwarding.
- ❖ **Large portion of warehousing & value added services are operated in-house but the outsourcing is increasing**

Outlook of Vietnam Logistics Industry

Key figures ... for logistics industry : Growth 20-25% per year !

Vietnam Ports Throughput in TEU



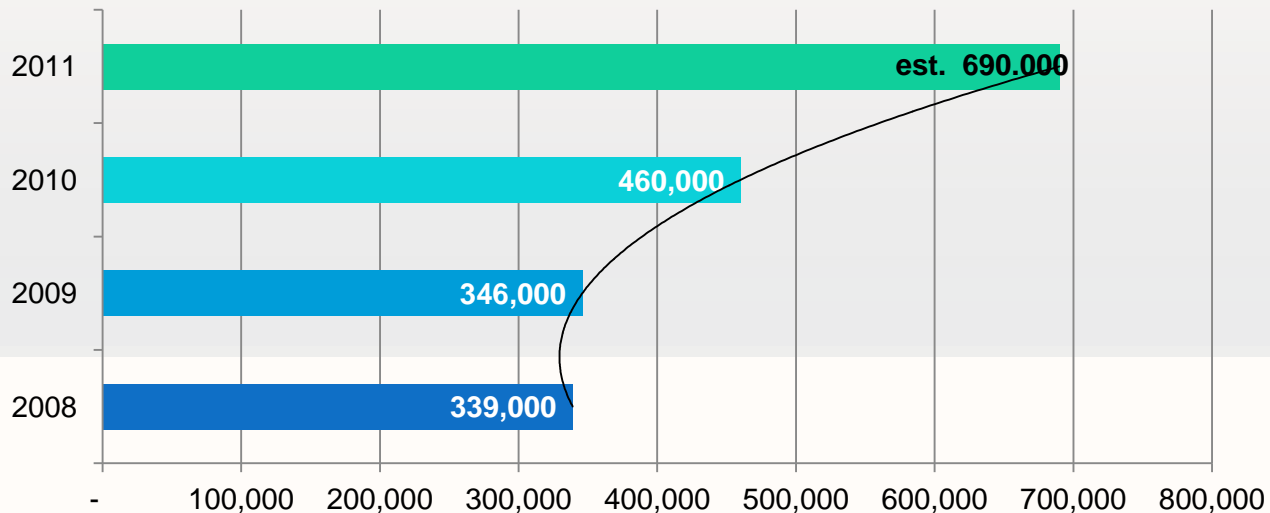
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Outlook of Vietnam Logistics Industry

Key figures ... for logistics industry : Growth 20-25% per year !

Vietnam Airport Cargo Throughput 2008-2011



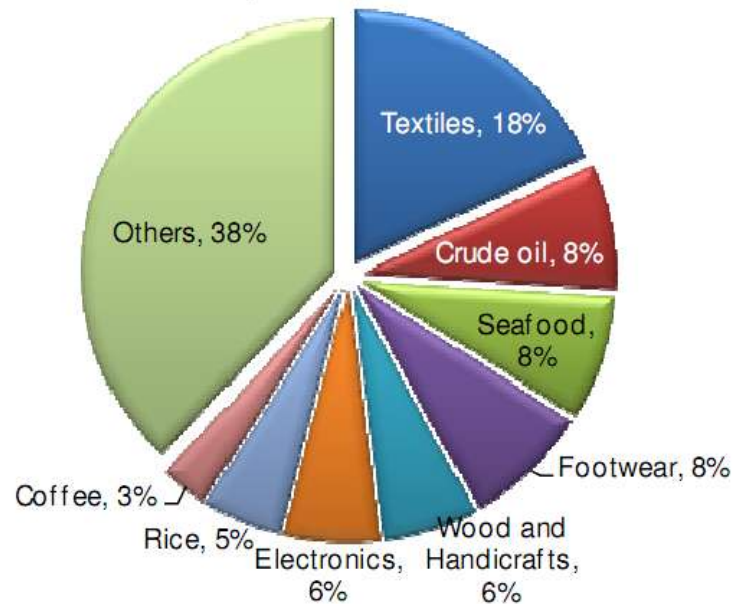
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Outlook of Vietnam Logistics Industry

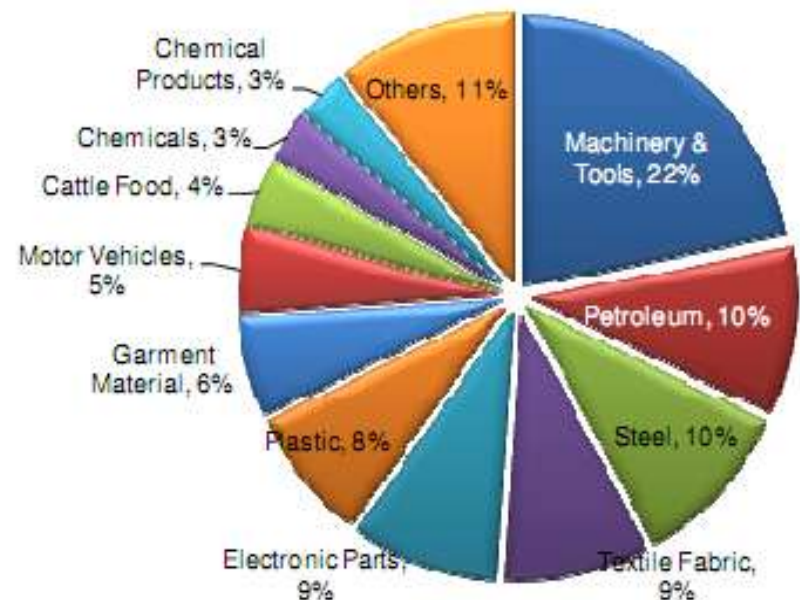
Imports & Exports 2010

Exports

Vietnam's Principal Exported Commodities



Imports

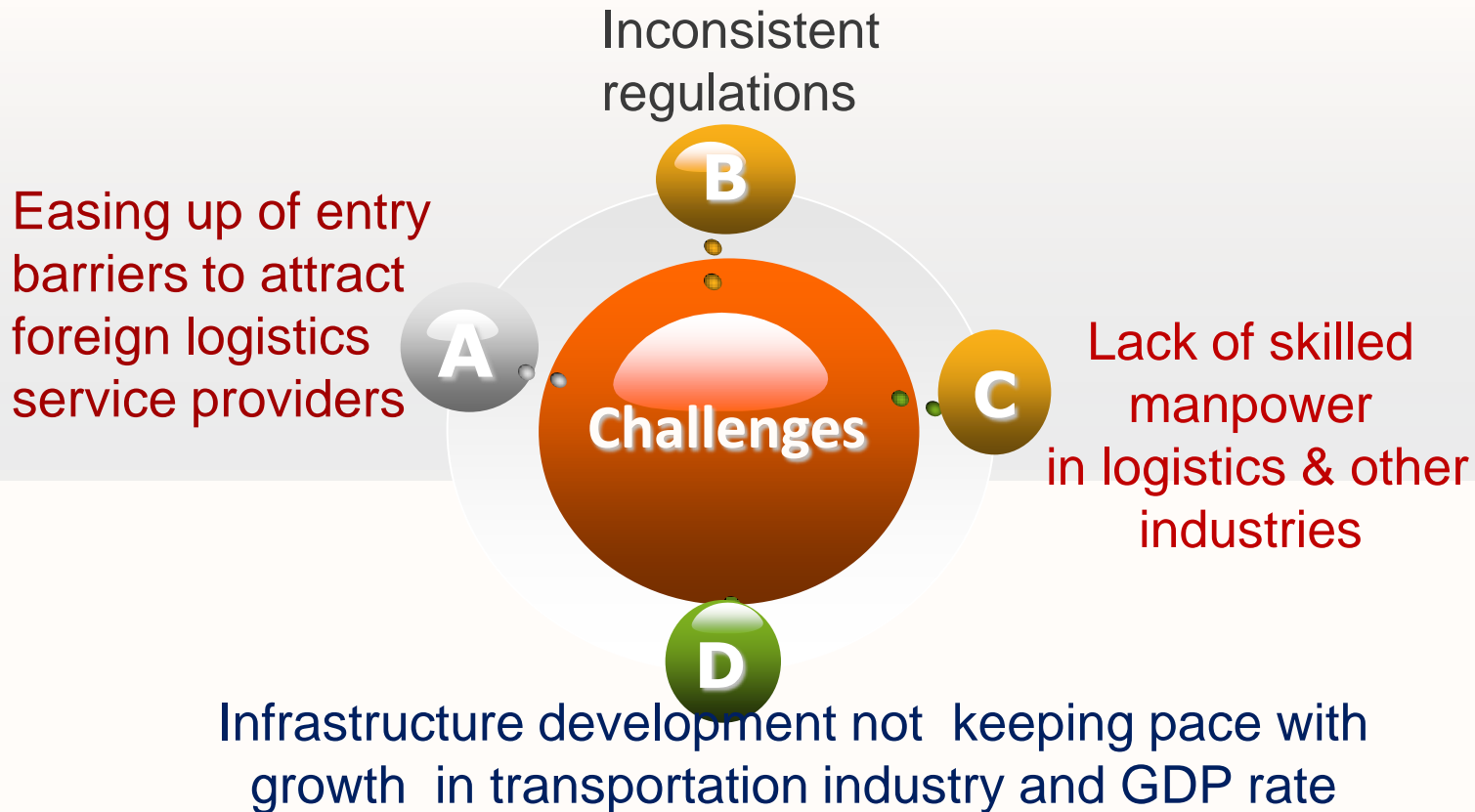


We expect the total exports & import of 2011 will be 190 billion USD

30/10/2011

Outlook of Vietnam Logistics Industry

Key challenges in Vietnam Logistics industry



Outlook of Vietnam Logistics Industry

Development Plan of Vietnam Logistics Industry 2011-2015



View point:

- **“Logistics is key factor to speed up production, distribution in domestics and export”**



Milestones:

- 2011 – 2015: increasing AWARENESS, building up Legal Frame Work, and other Supportive Services
- 2016 – 2020: fast development...



Target 2020:

- Well developed 3PLs, e-Logistics, and effective/friendly supply chains;
- Outsourcing rate: 40%
- Growth rate: 25%/year
- Based on Dec. 175/TTg

VIFFAS Activities in 2010 , 2011

VIFFAS ORGANIZATION STRUCTURE

Excutive Committee



TERM VI (2010-2013)



Secretariat



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VIFFAS Activities in 2010, 2011

The focused tasks 2010-2011

- ❖ New Executive Committee
- ❖ Current membership: 151, increasing 12% /2010
- ❖ Recently 6 coffee talks and forums have organized between the members at 3 regions - HCM City, Hanoi and Hai Phong
- ❖ More dialogues with the government agencies, especially on MTO

VIFFAS Activities in 2010 , 2011

The focused tasks 2010-2011

- ❖ Mobilizing the council members attend all the abroad conferences at ASEAN, AFFA, GMS, UNESCAP, APEC, FIATA... (# 10 meetings)
- ❖ Continuing to suggest to the government making policies or regulations in logistics service industry, asking for National Logistics Committee, amend the related law, decree of logistics service.

VIFFAS Activities in 2010 , 2011

The focused tasks 2010-2011

❖ For vocational training:

VIFFAS founded Logistics Institute (VLI), institute has fulltime team to conduct most of actions for Association

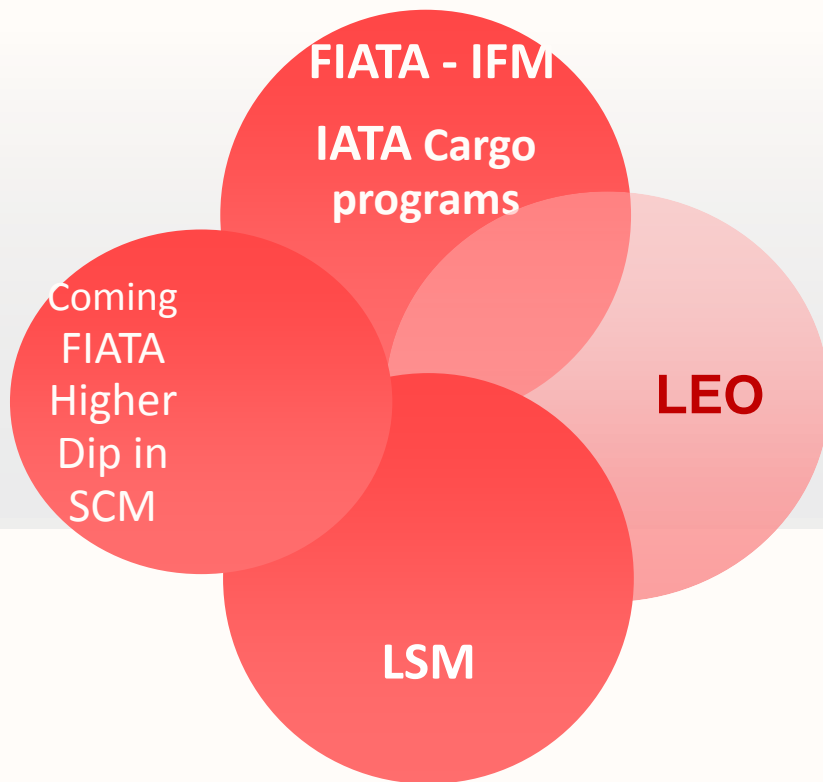
FIATA diploma in International Freight Management: 02 batches, 20 students

Logistics Management courses at with 18 batches, 360 participants to be trained this years

20% among them from members.

VIFFAS Activities in 2010 , 2011

Our training Courses in Logistics Institute (VLI)



IFM – International Freight Management

IATA – Cargo Agents and Airlines

Preparing for FIATA Higher Dip in SCM

VLI courses:

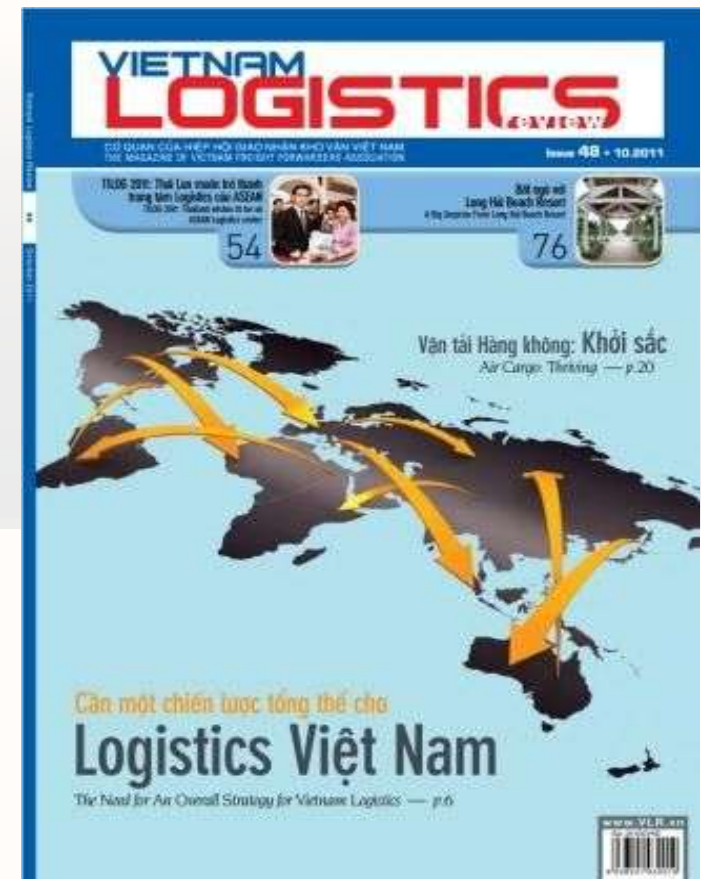
LSM – Logistics Service Management

LEO – Logistics Executive Officer

VIFFAS Activities in 2010 , 2011

The focused tasks 2010-2011

- ❖ Continuing to furnish monthly the Logistics Review magazines (VLR) offered free of charge to members



VIFFAS

Raising Initiatives...



1. AEC is “unpromis start but promising future”, we must work out action plan following its vission
2. For HR Development: AFFA has to do it by our own funding, don't wait for sponsor as major condition
3. Common program and action plan for capacity building should be built for at least 03 years (2012 – 2015)
4. Sharing resources concept can help to make it faster and cost effective
5. AFFA also can think about promote LSP, F/Fders as Market Expansion workforces to support international trading.

VIFFAS

Some Images.....



VIFFAS

Some Images.....





THANK YOU for your attention

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