DECISION

Approving the adjusted master plan on development of Vietnam’s seaport system through 2020, with orientations toward 2030 (*)

Pursuant to the December 25, 2001 Law on Organization of the Government;
Pursuant to the Vietnam Maritime Code of June 14, 2005;
Pursuant to the Government’s Decree No. 92/2006/ND-CP of September 7, 2006, on the formulation, approval and management of socio-economic development master plans; and Decree No. 04/2008/ND-CP of January 11, 2008, amending and supplementing a number of articles of Decree No. 92/2006/ND-CP;
At the proposal of the Ministry of Transport (Report No. 12935/TTr-BGTVT of November 29, 2013, and Document No. 3730/BGTVT-KHDT of April 4, 2014) for adjusting the master plan on development of Vietnam’s seaport system through 2020, with orientations toward 2030,

DECIDES:

Article 1. To approve the adjusted master plan on development of Vietnam’s seaport system through 2020, with orientations toward 2030, with the following major principles:

1. Development viewpoints:
   a) To take advantage of geographical position and natural conditions for the comprehensive development of the seaport system, making a breakthrough into modernity and fast integration into the region’s advanced nations in the seaport field, thus making contributions to fulfilling the targets of Vietnam’s sea strategy to 2020; to gradually turn the maritime economy into the leading spearhead of the marine economic fields in association with national defense and security assurance;
   b) To rationally develop national and local multi-purpose ports and specialized ports to ensure the unity of the whole system; to attach importance to developing ports that are capable of receiving seagoing vessels with a capacity of up to 100,000 DWT or more in all northern, central and southern regions; to gradually upgrade and expand other ports; to attach importance to maintenance work to ensure synchronous and efficient exploitation of the seaport system;
   c) To ensure synchronous development between seaports and the network of facilities situated behind ports, between seaport facilities and public facilities. To attach special importance to ensuring the uninterrupted connection between seaports, the national traffic network and the system of inland container depots, goods distribution centers and the region’s logistics hub;
   d) To develop in the seaward direction for fast access to offshore sea areas, remove difficulties and hindrances to vessels to enter the ports; to create an impetus for the development of coastal economic zones and industrial-urban centers;

(*) Công Bao Nos 651-652 (08/7/2014)
dd/ To closely combine seaport development with the management of environmental protection to ensure sustainable development in association with national defense and security assurance.

2. Development objectives
   a/ General objectives:
      To develop a unified national seaport system in accordance with the master plan in order to satisfy the requirements of national industrialization and modernization; to build technical infrastructure facilities for the country to integrate itself and raise its competitiveness in seaport activities compared with other nations in the region and the world, thus affirming the position and advantage of marine economy and concurrently contributing to national defense and security assurance. To form important hubs of economic exchange with foreign countries to develop coastal economic, urban and industrial zones;

   b/ Specific objectives
      - All imports and exports will be handled and exchanges among regions in the country will be made by seaway to meet the national socio-economic development requirements with the capacity prescribed in the seaport system master plan in the following planning periods:
         + Around 400 - 410 million tons per year (including 275 - 280 million tons of general and container goods) by 2015;
         + Around 640 - 680 million tons per year (including 375 - 400 million tons of general and container goods) by 2020;
         + Around 1,040 - 1,160 million tons per year (including 630 - 715 million tons of general and container goods) by 2030.

      - To concentrate on building international gateway ports capable of receiving ships with a capacity of 100,000 tons (container ships of 8,000 TEUs) or more and acting as international container depots, in Hai Phong, Ba Ria - Vung Tau and the central key economic region (when conditions permit); large-scale specialized ports for metallurgical and petrochemical complexes and coal-fired thermoelectric centers;

      - To renovate and upgrade existing ports; to build a number of local ports with functions and scale to meet socio-economic development requirements and suit the capital-raising capability;

      - To develop ports on island districts with suitable scales for receiving passengers and cargo to serve socio-economic development associated with national defense and security assurance;

      - To overcome the situation of outdated technical knowledge and technology and poor service quality and increase competitiveness in the international integration of seaports;

      - To combine the reinforcement and dredging of navigable channels to ports, facilitating large vessels’ safe movement into and out of the ports and anchorage at their piers and ensuring conformity with the ports’ function and role.

3. Planning contents
   By territory, Vietnam’s seaport system by 2020 and under orientations toward 2030, will comprise 6 groups:
Group 1: Seaports in the north from Quang Ninh to Ninh Binh;
Group 2: Seaports in northern central Vietnam from Thanh Hoa to Ha Tinh;
Group 3: Seaports in central central Vietnam from Quang Binh to Quang Ngai;
Group 4: Seaports in the southern central Vietnam from Binh Dinh to Binh Thuan;
Group 5: Seaports in the southeast (including Con Dao and the Soai Rap river in Long An province);
Group 6: Seaports in the Mekong River delta (including Phu Quoc and southwestern islands).

b/ By scale, function and task, Vietnam’s seaport system has the following grades of ports:

- National multi-purpose ports, which are the main ports in Vietnam’s seaport system, including:
  - Hai Phong and Ba Ria - Vung Tau international gateway ports and the Van Phong international transshipment port in Khanh Hoa province (grade IA);
  - Regional major ports (grade I), including those in Quang Ninh, Nghi Son (Thanh Hoa), Nghe An, Ha Tinh, Thua Thien Hue, Da Nang, Dung Quat (Quang Ngai), Quy Nhon (Binh Dinh), Ho Chi Minh City, Dong Nai and Can Tho.

- Local multi-purpose ports (grade II), which have attractive scales and functions serving mainly localities (provinces and cities);

- Specialized ports (grade III), which directly serve concentrated industrial establishments, peculiar cargoes (crude oil, petroleum products, coal, ores, cement, clinker, passengers, etc.) and constitute part of the entire industrial establishments. Particularly, specialized ports will be arranged for transshipping imported coal for each cluster of thermoelectric plants.

Each seaport may have a number of harbor zones, each harbor zone may have a number of harbors, each harbor may have a number of piers with different functions and scales that complement one another in general. Specialized seaports may have general wharves for loading and unloading cargo for industrial establishments.

Potential seaports identified in the master plan will be developed when there are demands and investment possibilities, and mainly invested after the planning period. It is necessary to zone off suitable land funds for developing these ports to meet economic and technical requirements for ensuring future investment efficiency.

c/ The functions and development scale of each group of ports, seaports and major harbors are specified in the Appendix to this Decision.

d/ Orientations for the renovation and upgrading of marine navigable channels:

- To focus resources on building, dredging and maintenance of marine navigable channels according to the following major orientations:

  + To only invest in building and upgrading public marine navigable channels serving concurrently a number of ports and wharf zones, particularly channels to international gateway ports and major regional ports that handle a large volume of cargo and receive a great number of vessels;
The renovation and upgrading of channels shall be implemented step by step with rational scale and technical regulations in line with their use required for each development period, paying special attention to the possibility of taking advantage of tide for navigating vessels through the channels so as to achieve the highest efficiency of investment in port construction;

To attach importance to regularly and periodically dredging and maintaining existing marine navigable channels and gradually renovating and upgrading them in conformity with resources and scale and use of ports prescribed in the master plan.

- Major channels that need to be built, renovated and upgraded include:

  - The channel to Hai Phong port, with focus on the section to Lach Huyen harbor zone, the section of Ha Nam canal, Bach Dang river to Dinh Vu harbor zone.
  - Vung Tau - Cai Mep - Thi Vai channel to Go Dau, with immediate focus on dry, narrow, curved and folded sections to raise the efficient exploitation of the channel, ensure navigation safety, especially for large tonnage vessels;
  - The channel to Ho Chi Minh City seaport via Soai Rap river, with focus on completing investment in the channel to accommodate vessels up to 30,000 tons. Further investment shall be made only when there are real demands and based on the evaluation of the stability of the renovated and upgraded channel;
  - The channel linking the route of cargo transport from Ho Chi Minh City to Cai Mep-Thi Vai via Dong Tranh river;
  - The channel to Can Tho port and ports along the Hau river to accommodate full-loaded 10,000-ton vessels and offload 20,000-ton vessels via Quan Chanh Bo canal; and 3,000-ton and 5,000-ton vessels via Dinh An estuary.

Projects prioritized for investment:

- For channels to ports: Lach Huyen channel, Ha Nam canal, Bach Dang river of the channel to Hai Phong port; the channel to Cai Lan harbor zone of Quang Ninh port; Soai Rap channel for vessels up to 30,000 tons; dry, narrow, curved and folded sections; the channel to ports along Hau river via Quan Chanh Bo channel; the channel linking Ho Chi Minh City port and Cai Mep - Thi Van harbor via Dong Tranh river;

- For multi-purpose ports: The initial period of Hai Phong international gateway port (Lach Huyen); to coordinate with related ministries, sectors and localities to timely remove hindrances and shortcomings to speed up the relocation and the change of the utilization of harbors along Sai Gon river (Ho Chi Minh City), Han river (Da Nang) and Nha Trang river (Khanh Hoa);

- For specialized ports: Ports and harbors serving the petrochemical complexes namely Nghi Son (Thanh Hoa), Long Son (Ba Ria-Vung Tau), Son Duong-Vung Ang (Ha Tinh), Vinh Tan and Son My (Binh Thuan), and Duyen Hai (Tra Vinh).

Investment capital for seaport development:

Total investment for development of Vietnam’s seaport system through 2020 is estimated at VND 80-100 trillion (including investment in specialized harbors and piers), of which investment in public seaport facilities will make up VND 40-50 trillion.
4. A number of major solutions and policies

a/ To mobilize all resources for seaport development; and state funds for investment in public seaport facilities in multi-purpose and regional seaports. To step up the socialization of investment in developing seaport facilities and public facilities linking seaports (channels, breakwaters, transport networks, etc.). To encourage and create all favorable conditions for organizations and businesses of all economic sectors to invest in seaport development under any form in accordance with law, with importance attached to the application of the private public partnership (PPP) model in new large-scale ports and harbor zones.

b/ Budget funds shall be focused on items of public facilities linking with important seaports (channels and common-use breakwaters). Items of harbor facilities shall be invested by enterprises with legally raised funds;

c/ To further complete mechanisms and policies to attract investment capital to develop seaports and concurrently put an end to the thinned-out, small investment in major seaports and harbor zones and regional and international gateway seaports;

d/ To apply the mechanism of leased operation of harbor facilities built with budget funds in accordance with law;

dd/ To study and apply a port management model suitable to Vietnam’s conditions in order to increase the efficiency of investment and port operation and attract investment resources. To apply the model of seaport management on a trial basis in a number of qualified ports such as Lach Huyen harbor (Hai Phong) and Van Phong harbor (Khanh Hoa) in order to gradually complete the legal foundations and facilitate the synchronous application nationwide.

e/ To further step up administrative reform, especially administrative procedures, to create an open environment for attracting investment in developing, commercially operating and using seaports in line with the integration process and international practices;

f/ To increase state management in the implementation of the seaport development master plan, paying special attention to the harmonious combination with the master plan for development of the transport network to ports, construction plans and master plans for socio-economic development in localities with ports;

h/ For regional major ports and international gateway ports in major economic regions, to zone off suitable land areas located behind ports for building goods distribution and logistic service centers conveniently linking with the national transport network and step by step create a network of modern logistics facilities;

i/ Relocation of ports shall be carried out under the relocation master plan and specific mechanisms and policies on investment support for port enterprises subject to relocation;

k/ The management of the implementation of the master plan must comply with the master plans for zoning off functional areas under the approved master plan. To closely coordinate with localities in granting construction investment licenses, minimize investment in small wharves and zone off suitable land funds for building logistics hubs located behind ports.

Article 2. Implementation responsibility

The Ministry of Transport shall:

a/ Assume the prime responsibility for, and coordinate with related ministries, sectors
and provincial-level People’s Committees in, organizing the implementation of the master plan on development of Vietnam’s seaport system in association with the implementation of the Party Central Committee’s Resolution on Vietnam’s sea strategy through 2020 and the Party Central Committee’s Resolution No. 13/NQ-TW of January 16, 2012, on building synchronous infrastructural facilities in order to turn the country into a modernity-oriented industrial nation by 2020; organize periodic examinations and assessments of the implementation of the master plan;

b/ Review and approve the adjusted detailed master plan on development of groups of seaports through 2020, with orientations toward 2030 in necessary cases; adjust, modify and update detailed master plans on harbors and wharves of seaports within the scope of the approved seaport system master plan under its competence; summarize and report on the adjustment of the seaport system master plan in line with socio-economic development requirements to the Prime Minister for consideration and decision;

c/ Instruct the study of the seaport management model suitable to Vietnam’s conditions to report to the Prime Minister for approval so as to raise the efficiency of seaport management, investment and operation; study and propose necessary solutions to competent authorities for decision in order to effectively implement the master plan;

d/ Assume the prime responsibility for, and coordinate with related ministries and sectors in, reviewing and proposing amendments and supplements to seaport fee and service charge policies; review and complete legal documents relating to the management of the investment in and operation of seaports in conformity with international practices and Vietnam’s conditions;

dd/ Assume the prime responsibility for, and coordinate with related ministries, sectors and provincial-level People’s Committees in, instructing and guiding enterprises operating in the field of seaports to implement development plans in conformity with the approved master plan so as to meet sustainable development and ecological environment protection requirements, adapt to climate change and sea level rise according to the report on strategic environmental impacts of the master plan and other relevant regulations.

2. Related ministries, sectors and provincial-level People’s Committees shall, based on their functions, tasks and powers, coordinate with the Ministry of Transport in performing the tasks and achieving the objectives set out in the master plan in consistency and synchronicity with their sectoral or local socio-economic development master plans, ensuring sustainable development and ecological environment protection.

Article 3. This Decision takes effect on the date of its signing. This Decision replaces the Prime Minister’s Decision No. 2190/QD-TTG of December 24, 2009, approving the master plan on development of Vietnam’s seaport system through 2020, with orientations toward 2030.

Article 4. Ministers, heads of ministerial-level agencies and government-attached agencies and chairpersons of related provincial-level People’s Committees shall implement this Decision.

Prime Minister
NGUYEN TAN DUNG

©Vietnam Law and Legal Forum