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# History-to-Future of Vietnamese Shipping

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#### Abstract

Immediately after the August Revolution was successful, on August 28, 1945, Provisional Government of Democratic Republic of Vietnam issued a statement on the management of transportation, architecture, irrigation and postal. On May 14, 1995, the Council of Ministers (now the Government) issued the decision to establish the Vietnam Maritime Federation. Since that time, the member units have been called member enterprises managed by the United Administration as the ministry plans. In 1993, the Vietnam National Shipping Lines under the Government established Vietnam as the leading state-owned enterprise in Vietnam's marine industry. It can be said that these are important moments in terms of the strength and institutional structure of the maritime industry, the time of starting out of the difficulty of the subsidy period, and the country's renewal and development. Thus, since 1993, in the operation of the industry has formed two distinct organizations of state management and production and business. Today, the renewal of the country is set for the maritime industry tremendous task. The whole industry is moving forward with a strong determination to continue to step into the 21st century.

Keywords: formation, development, Vietnamese shipping, plan, maritime

### Introduction

## The period 1945 - 1965

Immediately after the August Revolution was successful, on August 28, 1945, Provisional Government of Democratic Republic of Vietnam issued a statement on responsibility for management of transport, architecture, irrigation, and post office.

Shortly afterwards, on October 3, 1945, President Ho Chi Minh signed Decree No. 41 establishing the Ministry of Public Transport (GTCC) on the basis of the French colonial machinery left behind (after being renovated). Within the scope of its responsibility, on November 13, 1945, the Ministry of Public Works was responsible for the establishment of the Commodity Trade Management Committee, which is responsible for the management of the shipping industry in the country. In charge of navigation on the river, sea, inspecting vessels, law enforcement on ships, tax collection, adjudication of disputes between shipowners and workers.

Born in the fires of the war, the focus of the sector was to concentrate forces serving the French resistance war period. From the end of 1945, the Transport Bureau under the Nam Dinh Resistance Administrative Committee was established to manage road, river and sea transport.

Shipping now takes on two-way transport: From the South, rice is transported to zone IV, Rescue Zone, Resistance Service, and transporting weapons to the South. In April 1947, the French occupied most of the Southern and Southern Central provinces. The South Vietnamese Resistance Administrative Committee established the Southern Maritime Department to maintain and develop coastal transport - the only route that could carry a large number of weapons and supplies in service of the war. In 1949, we bought more Song Lo ship, Thai-Singapore route, transporting weapons, medicine, ink... secret from Thailand to Ca Mau. The French war in Indochina came to a standstill; US imperialists increasingly intervened in Vietnam and Indochina.

From 1954 to 1975, the country was divided into two North-South regions. With two different socio-economic and political regimes, the shipping industry is built and developed

according to different economic development strategies and modes of production. In the North, after taking over the port city of Hai Phong on April 11, 1956, the Ministry of Transport promulgated a decree to establish a state-owned river shipping company to meet the urgent transportation requirements. On August 11, 1956, the Ministry of Transportation issued Decision No. 70/ND establishing the Department of Shipping with the function of managing the river-sea streams. Include: state-owned river transport management, construction and management of new shipbuilding and repairing yards, renovations and private transportation guides.

During 3 years of economic recovery and stabilization of people's life (1955-1957), the Ministry of Transport and Postsense continued to invest in technical facilities and strengthen forces for water transport. From here, some of the original foundations of the shipping industry were formed. In the process of formation and development of the first facilities of the shipping industry, the State has also promulgated a number of regulations regulating the regular activities. The State has also issued a number of regulations on freight charges at ports and regulations for foreign merchant ships entering Vietnamese ports, regulations on delivery, loading and unloading of goods and regulations on the relationship of foreign ships with the Vietnam Shipping Company (VOSA). The organization well seized the maritime security facilities of the enemy, including dozens of lighthouses, range from 12 to 30 nautical miles, and managed sea areas from Quang Ninh to Quang Binh with nearly 1,000 km of sea lanes. In 1960, the volume of cargo transported by sea reached 230,000 tons.

During the implementation of the first five-year plan (1961-1965), the transportation sector was facing tremendous tasks for the cause of building and consolidating the North, liberating the South and unifying the country. At this stage, Bach Dang Shipyard went into operation and "flared" 20-7 ships with a tonnage of 1,000 tons. The ports of Hai Phong, Hon Gai, Cam Pha, Ben Thuy... more foreign ships landing, contributing to promote the commercial development. The state continues to invest in mechanical equipment, learning to unload and expand 10 more ports. We have also built a network of inland waterways.

In the South, the American empire expanded war. The shipping route to the South by sea has set a new heavy burden on the maritime industry by building a strong contingent of officials, workers and sailors to handle the task of building and defending the North and liberating the South in new conditions.

# The period 1965-1975

Before the country's enormous demand, perform two strategic tasks in parallel. Building socialism in the north, fighting for liberation of the South, unifying the Fatherland, May 5, 1965, the Ministry of Transport issued Decision 1046 dissolved the Bureau of Shipping to establish the Department of Shipping and the Inland Waterway Department. This is a great turning point in the organizational structure of the country's transport sector, and opens a new way, a very glorious future. From then on, May 5 becomes the traditional day of Vietnam's maritime industry.

On July 10, 1965, the Government issued Decision No. 136/CP establishing the Department of Shipping, consisting of: fleet, seaports, maritime agents, maritime security, and

mechanical repair industry, construction of marine works and training schools of marine workers. Mr. Le Van Ky, Director of Hai Phong Port, was appointed as the first Director of the Marine Transport Department. The Sea Freight Department was born, marking a new development of our country.

Born in combat, with important mission, heavy, especially to receive goods, transport expenses for the construction of the rear of the North, spending for the IV and the Southern battlefield. In the period of 1965-1975, the maritime sector made great contributions to the cause and the liberation of the unified South of Vietnam.

In response to a request for restoration and reorganization of the marine industry, the Ministry of Transport issued a decision to dissolve the four shipping companies and establish the Vietnam Shipping Company (VOSCO). On 01/07/1970, VOSCO officially came into operation, is the main force responsible for organizing the transportation routes Hai Phong – Hongkong, Hai Phong – Guangzhou. The company's assets are 217 ships with a total tonnage of only 34,245 tons, the largest ship is 3,500 tons.

After 3 years of restoration and development (1969-1971), the sea transport has come into a stable, timely service for the frontline and economic construction, strengthening the rear.

The industry has successfully completed the reception and transportation of goods by sea, aid of international friends, food and weapons to support the southern battlefield, highlight is the VTB5 transport campaign, the US antiseismic campaign at Hai Phong port and some central seaports, is a scientific work on the construction of magnetic mine demining equipment and magnetic bombs secured traffic in the period 1967 – 1972 (This work was awarded the Ho Chi Minh Award in 1998).

# The period 1975-1985

The South was completely liberated, the river connecting a strip. In the context of exiting the war, the maritime industry of the country encountered a lot of difficulties, requires the reorganization of production, promote investment, and actively apply scientific and technological progress into production. Expanding joint ventures associated with local, domestic and foreign branches.

Since 1977, Vietnam has begun participating in the International Maritime Law Conference and is increasingly interested in the development of the Law of the Sea, including the drafting of the Convention on the Law of the Sea. On 29/01/1980, the Government Council issued Decree 30-CP on the regulation of foreign vessels operating in Vietnam.

In order to facilitate the operations of the Maritime Administration, the Southern Administration of Seas was established, responsible for the management of 16 units in the South.

In response to the broader development of the maritime industry, on November 28, 1978, the Government issued the Decision No. 300 to establish the Vietnam Administration of seas under the Ministry of Transport, which is specialized in managing production and business., Operating under the economic accounting system, including organizations, unions of factories, joint enterprises, factories manufacturing and repair, shipping agency Vietnam. With the organizational model of the General Department, the country's maritime industry is moving into new development.

At this stage, the sector boldly borrowed investment capital, developed more than ten thousand tons of means of transport, meeting the needs of transporting passengers and goods growing. The fleet of ocean-going vessels operating effectively in the socialist zone has reached out to almost every port in the world, developing more new ocean lanes. By exploiting offshore shipping lines, the shipping industry saves millions of dollars to the state because it does not have to rent foreign crews.

Implementing the five-year plan (1976-1980), the sea transport sector was assigned by the Ministry of Transport to build and expand the seaport system in all three regions of the country. The maritime industry continues to study the project of building oil ports and specialized ports.

Since 1984, the General Department has led the entire sector to promote external economic activities in the direction of joint ventures, strengthening relations with many countries with traditional maritime. Scientific research at this stage has also begun. The Vietnam Administration of Seas has embarked on the drafting of the Maritime Law of Vietnam since 1985. The maritime industry has successfully implemented many policies and guidelines of the Party and State for five years (1981-1985). The salient advantage of the sector is debt payment, contributing to accumulation for the industry and for the country, quickly implementing the policy of building and developing the fleet of shipping ocean. The industry is one of the key economic sectors, pioneering new ways of doing business, gradually eradicating planning, establishing new mechanisms for production and business management. Transformed from an economic administrative unit into a union of economic accounting businesses across the country.

# The period 1985-1995

Adopting the concept of the 6th National Party Congress, the maritime sector accelerates the renovation process, especially the renovation of economic thinking and organizational structure. From the operational point of view, leaders of the General Department of Marine Affairs bravely presented the self-financing business method, the Ministry of Transport and the State has accepted this plan. By May 14, 1990, the Council of Ministers decided to establish the Vietnam Maritime Union. From here the member units are called member enterprises managed by the Executive Union under the plan of the Ministry.

The Vietnam Maritime Association was established as a production and business organization and is authorized by the Ministry of Transport to assist the Ministry in performing a number of specialized State management tasks nationwide.

In 1990, the National Assembly passed the Vietnam Maritime Code, the first specialized law of our country, expressing the management of the State by law for the maritime industry. Taking advantage of opportunities, the Union promptly put forward to a model of port service organization, pilots, promptly assisted the leaders in directing effective production and at the same time gave the industry initial experiences in specialized state management.

At this time, the joint venture companies were born and operated relatively effectively: Hai Au Transportation Company, Hai Yen Transportation Company, Gematrans,

## Gemasa

On July 12, 1991, TMCP Vietnam Maritime Bank was born, is the first specialized bank in Vietnam, with strategic partners is Vietnam Maritime Union, Post Office, Aviation, Bao Viet...

By Decree No. 239 / HDBT of July 29,1992, the Vietnam Maritime Administration was established, separating almost all production and business management tasks, focusing on the State management over the maritime industry nationwide. Mr. Tran Xuan Nhon was appointed as Director of the Vietnam Maritime Administration

The establishment of the Maritime Administration has opened a new turning point which is very important for the survival and development of Vietnam's maritime industry. As such, the maritime industry has expanded and developed on a large scale, requiring state management under the State law to integrate into regional and international shipping. From here, for the first time in history, many documents of the Party Central Committee, the government, and state agencies have put the issue of building Vietnam into a mighty sea.

On February 2, 1993, the Prime Minister issued Decision No.31-TTg on the promulgation of the Statute on the Organization and Operation of the Vietnam Maritime Administration.

At this time, the Administration of 50 ports with 10.000m wharf, the number of transport enterprises from 10 units increased to 130 units, the marine service system with investment capital for each enterprise is not large but also fast development.

Apply creative ways to build the economy, many components operating under the market mechanism under the management of the State. The maritime industry gradually gathered in various economic sectors, increasing the tonnage of the national fleet by 42% and 43% of the total berths bridge length.

Marine Sector Assessment is a spearhead economic sector. On May 6, 1993, the Politburo issued resolutions on a number of issues related to marine economic development in the coming years. This is the first resolution in the history of branches and localities on the construction and development of marine economy. In order to realize the direction of marine economic development, the marine sector shall work out a plan on the application of synchronous measures to build and develop the seaport system, the fleet and maritime services, properly organize the management of seaports, distinguish clearly between state management and business operations of ocean shipping companies, developing ocean fleets.

The Vietnam Maritime Administration builds a network of 12 ports throughout the country to represent the State's Department of Law Enforcement in the Vietnam Seaport System. Navigational safety inspections have also been intensified. Therefore, the first step to restore order and discipline in port operations, transportation, maritime services, shipbuilding industry and marine brokerage has contributed significantly to the fight against smuggling in large sea corridors.

The most important mission that the marine industry is actively implementing is the planning of the island's light system to ensure maritime safety and contribute to security and defense at sea. Song Tu Tay lighthouse on Truong Sa islands put into operation at this time. The marine industry also well received coastal stations, officially undertake search and rescue mission at sea; Participate in the drafting of maritime agreements, advising the State ratify the participation in international maritime organizations, protection of national maritime interests according to law; at the same time, calling for investment capital at home and abroad to quickly strengthen the technical infrastructure of the industry.

On the basis of the proposal of enterprises, the Maritime Department has proposed and accepted by the State to establish associations in the maritime industry such as Vietnam Seaports Association, Vietnam Shipowners' Association, VIETNAM Ship Agents and Brokers Association, Freight Forwarders Association... Although the new, but in the association activities have been encouraging initial results.

# The period 1995 - now

By Decision 91/1996/QĐ-TTg dated 22/4/1996 of the Prime Minister, The Vietnam National Shipping Lines (Vinalines), established under the Government, is a stateowned enterprise with a leading role in Vietnam's maritime industry. It can be said that this is an important time in the organization and institution of the maritime industry, the time of international economic integration expansion, industrialization and modernization. Thus, since 1996, in the operation of the maritime industry has formed two organizations with different basic functions: The Vietnam Maritime Administration is responsible for the management of the maritime state Specialized; The Vietnam National Shipping Lines will operate in production and business.

After 13 years of implementation of the Maritime Code of Vietnam, despite the tremendous achievements gained, the Code revealed many shortcomings, requiring further amendments.

After a careful preparation, on June 14, 2005, at the 7th session, The National Assembly of the Socialist Republic of Vietnam XI passed the revised Vietnam maritime law (Vietnam Maritime Code 2005), effective from January 1, 2006.

The 2005 Code harmonizes closely with the reality of our country both internal and external relations that the 1990 Act has not yet defined or regulated, but no longer in accordance with the actual requirements. The 2005 Law and its implementing guidelines have been promulgated recently as an important legal basis, contributing to the rapid, comprehensive, effective and sustainable development of maritime activities in the country. We each have the right to apply each organization, individual.

In particular, the Fourth Plenum of the Party Central Committee (4th course) in 2007 adopted Resolution No. 09/2007 / NQ-TW on the promulgation of the Vietnam Marine Strategy to 2020, which defines one The important goals are to 2020 "strive to make our country a strong country on the sea and enriched by the sea."

The resolution sets out the basic objectives for the maritime economy and highlights the key tasks of the transport sector in the maritime economy; Specifically, the maritime economy has been identified as a breakthrough factor to promote the fast and sustainable development of the maritime economy, contributing to the assurance of national sovereignty, sovereign rights and national jurisdiction over the sea and islands. The resolution also pointed out strategic orientation for socio-economic development to 2020, developing maritime economy ranked second after mining and processing of oil and gas and minerals; after 2020, ranked first in development priorities in five marine economic sectors. This is also the first time that the Party has fully assessed the role and position of the sea and marine economy in the cause of socio-economic development and national security.

On February 20, 2009, the Prime Minister issued Decision No. 26/2009 / QD-TTg regulating the functions, tasks, powers and organizational structure of the Vietnam maritime Administration, directly under the Ministry of Transport. Vietnam maritime Administration has developed a system of 24 maritime ports across the country to strengthen specialized state management, ensure maritime safety and security and protect the marine environment. Vietnam maritime Administration is also planning to develop and implement specific programs so that by 2015 Vietnam will stand for candidacy and become a member of the Inter-governmental Maritime Organization Council (IMO) in Group C. Next time will continue to host the Tokyo MOU conference, The Asia-Pacific Maritime Agency Leaders Forum conference.

In recent years, the system of seaports in Vietnam, including international gateway ports, ports in key economic zones and transshipment ports, has been given priority to investment in development. General ports and container ports on Cai Mep - Thi Vai river in Ba Ria -Vung Tau have been built and put into operation and capable of receiving vessels of up to 150,000 DWT. Vietnam's goods have been transported directly to the East and West coasts of the United States and to Western European countries without transiting through third country ports, reducing transportation costs and increasing the competitiveness of Vietnamese at the same time, it is the premise for the goods transit service serving the countries in the region.

In parallel with the construction and operation of ports on Cai Mep - Thi Vai River, the shipping industry is launching an international container transshipment project in Van Phong (Khanh Hoa), Investment project to build Hai Phong International gateway port in Lach Huyen in the mode of Public - Private - Partnership (PPP),

Up to now, Vietnam maritime sector has basically completed the construction of the port system in accordance with the master plan for the development of Vietnam's seaport system up to 2010, with 49 seaports and nearly 50 km of maritime border lines. Implementing this master plan, three port centers have been established in three key economic regions in the North, Central and the South to meet the country's socio-economic development needs in the period of integration with the economy world. Vietnam's seaport system is rapidly expanding in quantity and quality; Port throughput has increased at an average rate of 13% per annum.

Up to December 2010, the total tonnage of the national fleet has reached 6.5 million DWT, especially tankers and container ships increased quite fast. It is estimated that by 2015 it will have a total tonnage of 8.5 - 9.5 million and by 2020 it will reach 11.5 - 13.5 million DWT. By gradually rejuvenating the Vietnamese fleet by 2020, the average age of 12 years.

Recognizing the role of "conductor" of Vietnam maritime sector in the implementation of the Marine Strategy, Vietnam maritime Administration - the State Administration of Maritime Administration - has developed the sector development plan with the important contents Strategy: Master plan for overall development of Vietnam's seaport system, Vietnam sea transportation, Vietnam's shipbuilding industry to 2020 and orientation to 2030;To perfect the system of legal documents and organize the performance of the specialized State management tasks in the maritime fields; Proposing and implementing policies for the development of the. To facilitate the formation and development of an international container transshipment port, logistics services, in the immediate future, to supplement the existing maritime legal document system, The Vietnam Maritime Administration is required to study the proposal to develop the Port Law with important contents related to the advanced model of port management and management in accordance with Vietnam's conditions and decree for promoting development. International cargo services, logistics services. In a timely and synchronous manner, to turn the country's great potential into a real economic resource.

The Vietnam Maritime Administration has reformed the administrative procedures at the seaport towards simplifying procedures, forming and providing "one-stopshop services" for shipowners and cargo owners in line with international practices and maximizes the advancement of information technology in management and administration. The results of the reform of administrative procedures have been highly appreciated by the owners and owners of domestic and foreign ships.

In order to further improve the efficiency and effectiveness of state management, to create favorable conditions for enterprises operating in the maritime field, in the coming time, the Vietnam Maritime Administration will pay attention to upgrading the technology system. Information in the direction of modern. At the same time, to focus on improving the Website of the Vietnam Maritime Administration to serve the work of managing and promoting the image of the Department. Today, the industrialization. modernization and international integration are posing a great task for Vietnam's maritime industry. Opportunities are many, but challenges are not small, requires the whole industry must constantly move forward with a firm determination to step into the second millennium of the 21st century.

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