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The formation and development of Vietnamese shipping

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Abstract

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 move forward in the 21st century. Vietnam's international trade has grown rapidly over the past twenty-five years since the opening of integration into the world economy, especially since Vietnam became a member of the World Trade Organization (WTO). Along with the annual economic growth rate, the growth rate of export and import turnover, trade in goods also increased sharply, of which sea transport mainly accounted for 80% of the total goods transported. is the money to develop Vietnam marine industry. This article provides an overview of the history of Vietnam's shipping industry.

Keywords: history, development, ocean shipping, maritime

Introduction

At the beginning of the twentieth century, some Vietnamese capitalists began shipping. Typical is the capitalist Bach Thai Buoi with the merchant fleet with a total tonnage of 4,069 tons, passenger transportation is the main; there are shipbuilding and repair facilities. Right after the August Revolution was successful, on August 28, 1945, Provisional Government of Democratic Republic of Vietnam issued a statement on the management of transport, architecture, irrigation and post office. On November 13, 1945, the Ministry of Communications and Public Works decided to establish the Commodity Management Board, which is responsible for the management of the shipping industry in the country: "In charge of river and sea travel; inspect ships, enforce the law on ships, rivers, collect taxes, and handle disputes between ship owners and workers" Subsequently, the central task of the transportation sector in general, shipping in particular focused on serving the French resistance war of the nation.

In early April 1947, the South Vietnam Resistance Committee established a South Maritime Office to enhance shipping at sea - the only route that could carry large quantities of arms and cargo. For the resistance in the South. In 1949, we bought one more Song Lo ship, 100 tons, the first modern ship of our country, carrying weapons, medicines, ink, printer... secret from Thailand to Ca Mau. From 1954 to 1975, the country was divided into two regions. With two different socio-economic and political regimes, the shipping industry is built and developed in different economic and production ways.

In the North, to institutionalize the shipping industry, including shipping and river transport, on August 11, 1956, the Minister of Public Transport (now the Ministry of Transport) issued Decision No. 70 / ND establishes the Department of Shipping with the function of managing river channels, including the management of river and coastal waterways, the construction and management of new shipyards, private transportation. Prior to the country's enormous demand, two strategic missions were implemented: "Socialist construction in the North, struggle for the liberation of the South, unification of the Fatherland", May 5, 1965, Ministry of Transport decision to dissolve the Department of Shipping and establish the Bureau of Shipping. This is a great event in terms of organizational structure in the country's

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transportation sector; At the same time is an important turning point, opening a new way, a very glorious plan. From then on, May 5 becomes the traditional day of Vietnam Maritime.

On July 10, 1965, the Government issued Decision No. 136 / CP establishing the Department of Shipping with the following components: fleet, seaport system, shipping agency, maritime safety, mechanical repair industry, technical worker training school.

In the period of 1965-1975, the maritime sector actively contributed to the construction and protection of the North, liberating the unified South of the country. Completed the excellent work of receiving and transporting goods by sea of international friends, food and weapons to the Southern

battlefield, highlighting the VTB5 transport campaign, is a marine project of the United States, is a scientific work to manufacture magnetic torpedo equipment and magnetic bombs to ensure traffic in the period from 1967 to 1972 (This work was awarded President Ho Chi Minh together with other units in 1998). In response to the development of the maritime industry, on November 28, 1978, the Government issued Decision No. 300 establishing the General Department of Shipping under the Ministry of Transport "as a specialized production and business management organization. Branches..., operating according to the economic accounting system, including organizations and unions of enterprises, joint enterprises, manufacturing and repair enterprises, shipping agents Vietnam.



Fig. 1: The seaport system development of Vietnam

However, in the general situation of the country, the maritime industry in this period also encountered many difficulties, it requires reorganizing production, boost investment, speed up the application of scientific and technological progress, Expanding joint ventures associated with localities with domestic and foreign industries.

From the operational reality, the leaders of the General

Department of Maritime Affairs have boldly presented the self-financing method. The Ministry of Transport and the State has accepted this option. On May 14, 1990, the Council of Ministers (now the Government) issued the decision to establish the Vietnam Maritime Union. From here the member units are called member enterprises run by the Executive Union under the plan of the Ministry. The

Maritime Union was established as a production and business organization and was 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, expresses the state management thinking by law of the maritime industry. By Decree No. 239 / HDBT of June 29, 1992, the Vietnam Maritime Bureau was established, separating almost all production and business management tasks, focusing on the state management of shipping. In 1993 established Vietnam National Shipping Lines under the Government, a state-owned enterprise with a leading role in Vietnam's maritime industry. It can be said that these are important moments in terms of organization and institution of the maritime sector, the time when starting to get out of the difficulties of the subsidy period, and the whole country to innovate and develop. Thus, since 1993, in the operation of the maritime industry has formed two distinct organizations of state management and production and business activities. Today, the renovation of the country is set for the maritime industry a huge task. The whole industry is moving forward with a high determination, to continue firmly into the 21st century.

Vietnam's international trade has grown rapidly over the last twenty-five years since the opening of integration with the world economy, especially since Vietnam became a member of the trade union, World Trade Organization (WTO). Along with the annual economic growth rate, the growth rate of export and import turnover, trade in goods also increased rapidly and among them mainly transported by sea (accounting for 80% transfer) is a precondition for the development of Vietnam's maritime industry.

The status of development of the Vietnamese ship fleet

The trend of economic globalization together with the policy of comprehensive renovation and opening up of Vietnam's economy has had a profound impact on the entire production and social life in Vietnam, The Vietnamese economy has consistently gained a great deal of success, with annual GDP growth of the highest in the region and in the world. The people's living standards have improved markedly, the human development indicators and the social development programs recognized and appreciated by the UNDP. Vietnamese exports are available in most countries around the world. Vietnam's seaports have also received hundreds of millions of tons of cargo to serve the country's socio-economic development needs during the renovation.

Along with the general development of the country, the Vietnamese shipping fleet has made remarkable progress over the years, especially on import and export routes. The fleet of Vietnamese ships has been continuously added, the shipbuilding industry has developed and seaports are invested and modernized step by step to meet the demand of the country. However, due to the limited investment capital, Vietnam's fleet is still in modest numbers both in terms of volume and tonnage, not matching the potential of the country. Under the impact of the integration process, the Vietnamese fleet is suffering from fierce competition in freight rates and service quality, which has reduced the market share of the Vietnamese fleet, affecting the economic efficiency of the fleet, transportation and economy of the country.

The status and development trend of the Vietnamese fleet is not in line with the general trend of the world. The Vietnamese fleet is outdated in terms of technology and management, and a number of other shortcomings are making the Vietnamese fleet lag behind the rest of the world. The ship has no premise to ensure sustainability in all aspects. It is necessary to have researches to develop the Vietnamese fleet in the integration trend and the economic development of the country.

Vietnam's ship fleet was formed from 1965-1970 due to the objective needs of the economic development of socialist construction in the North and the need to support the resistance war against American troops in the South, reunification. The development process of the Vietnamese fleet can be officially calculated from July 1, 1970 and reflected through the following stages:

1970-1975 period: The birth of the Vietnamese fleet

To appreciate the importance of the shipping industry right from the war years, the Party and the state decided to build and develop the fleet. On July 1, 1970, the Ministry of Transport decided to establish the Vietnam Shipping Company, the first full-service carrier to consolidate the "Giai Phong", "Quyết Thang" and "Huu Nghi" with 217 vehicles, with a total tonnage of about 34,000 DWT, including many types, most of which have a capacity of 50-100 tons and oil tankers. The main task of this period was to transport military goods, food, foodstuffs, and supplies for the southern battlefield. Vietnam's first ship fleet has successfully completed the assigned task contributing significantly to the cause of liberating the united South of the country.

In the final phase of the war against the American invaders, the small fleet of the seaplane began to be loaded with large ships of 20-7, Song Lo, Hong Ha, Song Da... from 1,000-4,000DWT. Particularly, 20-7 ships were first built in Vietnam and completed in China. In 1974 the fleet was added three more ships: Song Huong, Dong Nai and Hai Phong with a tonnage of 10,000 DWT / unit. This is a modern type of ship at that time based in Japan developed under the method of borrowing through the guarantee of the Bank for Foreign Trade of Vietnam. When the war against American salvation was over, these ships were immediately mobilized to transport military and people to Ho Chi Minh City for security and defense in the early period after liberation. In 1975, by the mode of borrowing, the fleet of first-hand vessels was supplemented with two oil tankers, namely Cuu Long 1 and Cuu Long 2 with a tonnage of 20,800 DWT / unit, which were used to transport petroleum imported from Vietnam. Southeast Asia on Vietnam

The period 1976-1985: The resistance war against the United States salvation ended, the economy of our country severely devastated. The main political task of this period was to restore, develop the economy, strengthen national defense and construction. The mission of the transportation industry in general and the marine industry in particular is to meet the other needs of the country such as food, petroleum, fertilizer, machinery, etc. Support foreign trade to expand export market to trade with other countries. The shipping industry at this time was under the close supervision of the superiors and the direct intervention of the state in the transport of food, strategic commodities of the country

Segregation of operations and the birth of the first ocean

carrier: From the urgent requirements above, in March 1975, the sea bureau disassembled part of the means of the Vietnamese shipping company to establish "Coastal Transportation Company" (VIETCOSHIP) specializes in the transportation of short haul routes in the country. The number of vessels with a large tonnage of 1,000-9,580DWT, including 8, with a total tonnage of 36,276 DWT, has been retained for specialized transportation of goods for export and import. From here, the fleet carrying the Vietnamese flag is actually involved in the international transport market, in accordance with the provisions of the international conventions, in accordance with the customs of other countries, accepting equal competition with other international Other fleets in the area. From here Vietnam began to engage in international relations related to the maritime fields. In the years 1975-1977, the maritime sector continued to develop its fleet by means of a loan. The main type of ship is a used one-deck shipment of timber used in Japan. The payload of this group is 6,000 DWT and 10,000-12,000 DWT. In 1977, the fleet was added to the Hau Giang vessel in a 12,000 DWT load loaded in Denmark. This is the newest modern ship funded by the Danish government to finance the shipbuilding, which is deferred through the Bank for Foreign Trade of Vietnam.

Expansions of the fleet: From 1978 to 1980, the first Vietnam-built new sea luggage depot in Vietnam, 4 SD14 vessels with a tonnage of 15210 DWT, was the most modern design vessel of its kind. After three years of inspection and construction, we have received and commissioned these four ships on the longest shipping route to date: Vietnam- Southern and Northern Europe to transport Vietnamese exports. and importing mainly from Eastern Europe and France. In 1980, the SD 14 ship opened to the Americas and Africa, marking an important step for Vietnam's maritime industry to expand its market, expand its operations and integrate into the international market. The 1980-1985 direction of development by means of loans to buy and hire ships is maintained. Shipping fleet is to add the medium and small ships of 5,000-10,000DWT in accordance with the scale of activities running in the country to the North-South commodity circulation, both serving import and export with other countries. in the area.

Development of foreign trade fleet: In addition to the development and gradual change of organizational structure to suit the realities of the maritime industry, the Ministry of Foreign Trade also began to form a private fleet by borrowing method. Buying foreign goods for import and export, which the ministry of foreign direct management. By the end of 1970, Vietfracht under the Ministry of Foreign Trade would, in turn, purchase ships of 10,000-16,000 DWT, all carrying foreign flags to transport goods exported from Vietnam to South East Asia and take goods imported from the South East Asia on Vietnam. In addition, the important transport route is to take out or hire foreigners from Southeast Asia to Europe to get goods from Eastern Europe to Vietnam. The development of the flag fleet of Vietfracht under the Ministry of Foreign Affairs in the early time has made an important contribution to the organization of timely transportation of goods of socialist countries to Vietnam. \

In order to avoid internal competition resulting in damage to the means of transportation that was also the state's, in June 1982 the government decided to transfer the flag fleet

of Vietfracht of the Ministry of Foreign Affairs and all debts. The remainder has not been paid for VOSCO under the General Department of Shipping - Ministry of Transport management.

The development of local fleets and other sectors: At this time, the local fleets of major cities and provinces where seaports were born. The development of local fleets in many provinces and some other economic sectors is mainly due to the attraction of importing consumer goods from other countries in the region to Vietnam. Most of the vessels purchased by the local shipping company are very old ships with a capacity of 2,000-4,000DWT enough to operate in Japan from Hong Kong to Hong Kong. The local fleet, although in its early stages of development, has contributed to the settlement of local budget deficits. However, due to poor management skills, coupled with the dilapidated fleet and the competition at all costs to make exports have created a precondition for the unhealthy competition in the country to discredit the fleet. Vietnam as well as Vietnamese crews in some countries in the region

The period 1986-1995: This is the period of development associated with the period of economic reform of the country. The country's economy has begun to shift from centralized bureaucracy to market mechanisms. At the same time, the model of economic sector development is not stable and always explored, changed, tested to find a model suitable with domestic management needs, on the other side must integrate and edify Combined with the level of economic development in the region and on the global arena

Change in the model of marine sector management organization: In 1985-1995, the model of marine sector management changed continuously from Vietnam's sea bureau to sea shipping department, then changed to maritime association, and then the Vietnam Maritime Administration. Along with the development of the national economy, the development of seagoing vessels, seaports and other maritime services is an objective need. Meanwhile, the maritime industry is in a state of sluggishness, has not escaped the centralized, bureaucratic subsidy mechanism to switch to a market economy, working style is also monopolistic, authoritative. Thus the central-managed maritime industry does not meet the needs of the economy as well as the demands of customers. It is indispensable for localities and branches to operate and compete with marine units. This is the time when the maritime industry as well as other economic sectors began lagging behind the region and the world because of not finding a suitable management model.

Joint ventures were born: Before the collapse of the Soviet Union, their fleets had a number of aging ships and old Soviet registrations did not allow ships over the age of 22 to continue operating. In order to make use of these vessels, the former Soviet shipping companies reached out to establish joint ventures with countries in the Middle East, India and Southeast Asia, including Vietnam. These vessels carry the flag of convenience, pour registry and register or fly the flag of the country where the joint venture is headquartered, operating mainly in populated countries with large import and export demand such as India, Indonesia, Thailand, Vietnam. In Vietnam, joint ventures with former USSR ships were launched in the areas of Hai Phong and Ho Chi Minh City. The operation of the giant fleet of neighboring China and firms big in the world, the

Southeast Asian transport market has become increasingly fierce competition rates began to decline.

The period 1996 to the present: Since the end of 1995 the maritime industry has undergone significant changes that mark a milestone in macroeconomic management. The Maritime Administration and its predecessor organizations have been performing state management tasks in the maritime field, as well as leading units under the organization of production, business of transportation, loading and unloading, repair and marine service. According to the decision of the Government, the Department of Maritime is divided into three separate organizations specialized in each field, including.

The Vietnam Maritime Administration with the function of state management of maritime in charge of port systems, pilots, maritime security, Vietnam Maritime Corporation with the business function and focus on developing fleet, seaport system and maritime services, Shipbuilding Industry Corporation of Vietnam with the function of repairing ship building and other related services.

Operation of the fleet since the Vietnam Maritime Corporation was established.

With the model being an economic group, Vietnam National Shipping Lines Corporation is directly under the management of the Government and the specialized management ministries. Facing with the current situation, the import and export units freely sign and purchase goods not according to a standard regulations to ensure national interests, the Vietnam Marine Corporation has step by step recommendations. Proposed measures with the state to overcome the above said step by step occupy the market share of import and export is being shared by foreign fleets. Based on the actual capacity, material facilities and management level of its affiliated units, Vietnam Maritime Corporation has step by step assigned tasks in the country and abroad to companies. carriage. In the domestic market, the Maritime Corporation adjusts the freight rates of some commodities with high demand for transportation such as coal and cement. In order to overcome the unhealthy competition, the freight rates will be reduced. Under the reasonable level, for the source of imports and exports, try to maintain the traditional customers, maintain the source of goods, strengthen the search for new markets to expand the market abroad. In addition, the Corporation has coordinated means of transportation among its member units on the basis of rearranging production to help weak units overcome the difficult period. In terms of development of the fleet, the Vietnam Maritime Corporation first focused on the development of specialized vessels that the fleet did not previously meet the requirements of the market such as bulk carriers, container vessels, ships carrying crude oil, oil products. At the end of 1996, three handmade bulk carriers of 21,000-25,000 DWT (managed by Vosco) were purchased on export coal and fertilizer imported in bulk.

From 1997-2000: The Corporation has directly invested in the development of a container fleet of 9 containers with a total capacity of 6,106 TEUs that meets part of the contingency demand between inland ports and between Vietnam and Southeast Asia.

By the end of 1998, our country had a 60,960 DWT crude oil tanker operated by the Vietnam Oil and Gas Company (Falcon) to share a portion of crude oil exported from Vietnam to other countries.

In addition, the corporation also focuses on promoting the development and rejuvenation of the existing fleet to regain trust with domestic customers.

Between 1995 and November 2000, the total number of vessels under development was 34 with a gross tonnage of 490,004 DWT, mainly for oil, dry, bulk and container vessels. This result has initially changed the structure of our fleet, not only significantly increase the total tonnage of the fleet but also increase the competitiveness and economic efficiency of the fleet.

Statistics show that up to the end of December 2009, the fleet of Vietnam has 1,598 ships with a total tonnage of over 6.2 million DWT, the average age of ships reached 11.8 years. The Vietnamese shipping fleet has contributed to a significant increase in ocean shipping as well as revenue and profits for shipping and maritime services and increased the competitiveness of Vietnam's shipping fleet in the maritime market. international and regional

Conclusion

Over the past 50 years of establishment and development, the fleet of Vietnamese flag has basically taken over nearly 100% of inland transportation, except for some specialized ships such as LPG, Cement Particularly for container vessels, the number of inland container vessels in Vietnam has increased to 39 ships. Port cargo through VR-SB vehicles in 2016 is estimated at 12.9 million tons with approximately 12,000 ship turns. This is a solution to restructure transport modes efficiently, contributing to reducing road load. Regarding the structure of the fleet according to the data in the National Register of Shipping Ships, as of 30/11/2016, Vietnam has a total of 1,666 vessels carrying the Vietnamese national flag in operation, of which vessels The sea is 1.267 with a total capacity of 4.6 million GT, with a total tonnage of 7.5 million DWT. However, the structure of Vietnam's fleet is not reasonable, especially the proportion of container ships in the total fleet tonnage is low with 33 container vessels corresponding to the capacity of carrying 20,000 TEU. The number of ship owners (over 600) but financial capacity, corporate governance is limited.

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