

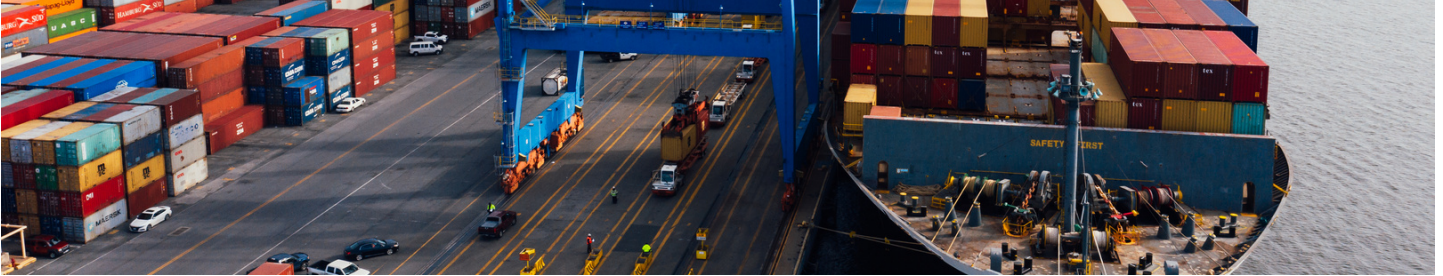


NEWSLETTER



**TRANSPORTATION
& LOGISTICS**

A EuroCham Vietnam Sector Committee 



INTRODUCTION WORDS example: EuroCham and its Transportation and Logistics Sector Committee ("TLSC") hope this message finds you well. As we move forward into the third quarter of 2023, we would like to take a moment to reflect on the successes and achievements of the second quarter.



MEETING UPDATES

On 23 June, TLSC organized the General Member meeting to reflected on Q2.2023 activities and planned for the Q3 and Q4 of 2023.

In this meeting, some key decisions were achieved:

- Whitebook 2024 topics for TLSC
 - Focus on the infrastructure development for railways, port, and increase the visibility for infrastructure projects timeline.
 - Sustainability in terms of power management. A better approach for power storage practice and legislation.
- Activities to be held in Q3 2023:
 - Dialogue with HCM and Vung Tau Customs
 - Company field trip to Vung Tau
 - Co-host event with AmCham on sustainability

WELCOME NEW MEMBER(S):

TAN CANG NORTHERN MARITIME JSC
VICO LOGISTICS VIETNAM CO. LTD



TAN CANG NORTHERN MARITIME JSC (TCM)

Founded in 2018, TCM has had its prestige and position increasingly affirmed in the market. Particularly, TCM has built up a qualified and experienced crew team who ensure service quality and maritime safety in operation. TCM operates in: (1) Tug assistance at harbour & offshore (Thai Binh, Hai Phong, Quang Ngai) (2) Ocean Towage & transshipment service; (3) Ship Emergency response service; and (4) Barge service.

Website: <https://tcm.net.vn/>
Email: ops@tcm.net.vn



VICO LOGISTICS VIETNAM CO. LTD

VICO Shipping Company was established in 1990, specializing in freight forwarding service in INDOCHINA. VICO Logistics Vietnam has an excellent position in the market and more localized than our global counterparts. With the experience in local culture and international exposure, we promise clients reliable advice on business plans and investments.

VICO operates in: (1) Sea freight (2) Air freight; (3) Logistics; and (4) Express.

Website: <https://www.vico.com.hk/>
Email: mkt4_hcm@vico.com.hk

NEWS UPDATES



ON THE NEWS

OPPORTUNITIES AND CHALLENGES FOR VIETNAM LOGISTICS INDUSTRY

The logistics industry in Vietnam is nothing new, but the industry still has many spaces to improve and growth. Therefore, policy makers and enterprises will have to grasp the current opportunities and prepare for the challenges.

Read more: <https://baodautu.vn/co-hoi-va-thach-thuc-cho-nganh-logistics-viet-nam-d190587.html>

Opportunities

- Improve transportation & logistics infrastructure
- Rise of the e-commerce
- Development of global supply chain
- New technology application for transportation and logistics operation.

Challenges

- Need more qualified human resources
- Complexity in supply chain management
- Highly competitive industry
- A need for comprehensive legislations

Discussion

VIETNAM RAILWAY DEVELOPMENT – *Statistics and Event magazine*

Although it used to be the main force of Vietnam's transport system, up to now, rail transport is lagging far behind, Vietnam's rail transport infrastructure is now very backward. In particular, single railway accounts for 85% of the national rail transport system while the transport capacity is limited, has become old, has not been developed and is not safe for operation. Not only in terms of infrastructure, the underlying technology of railways has a similar situation.



Therefore, the recommendations are to:

- Prioritize investment for railway development;
- Synchronized development the railway industry with other industries;
- Step by step autonomous in maintenance and production of a number of vehicles, materials and equipment for railways.
- Apply science and technology in the in the construction, management and exploitation of railway infrastructure, ensuring traffic safety, effectively using natural resources, and limiting pollution, and save energy.

Source: <https://consosukien.vn/phat-trien-giao-thong-van-tai-duong-sat-viet-nam.htm>

ADVOCACY ACTIVITIES

April 13, 2023

DIALOGUE WITH HAI PHONG CUSTOMS DEPARTMENT

TLSC was greeted by Mr. Nguyen Duy Ngoc, Director, Mr. Nguyen Sy Trang, Deputy Director, and representatives from relevant departments. TLSC provided comments to the Hai Phong Customs Department on increasing dialogue with businesses, resolving discrepancies in customs legal documents, and other technical issues such as container screening policy and C/O form E.



TRANSPORTATION & LOGISTICS

A EuroCham Vietnam Sector Committee

Others activities

31 MAY - INTERVIEW WITH VIETNAMNET REGARDING FIREFIGHTING REGULATIONS

Interim Board member Tran Duy Khiem and Mr Drew Duncan (DHL) provided answers to Vietnamnet regarding the current status of firefighting and comparison of said policy from other developed countries.

15 JUNE - WEBINAR WITH BOSCH VIETNAM

Chairman Juergen Weber delivered a presentation on the Vietnam sustainability outlook in EuroCham-Bosch's webinar "Supply chain CO2 optimization in a digitalized process - Contribution to carbon neutrality".

20 JUNE - LUNCHEON BETWEEN EUROCHAM AND EU PARLIAMENT DELEGATION

Vice Chairman Hans Kerstens represented TLSC in the luncheon. In the session, the discussion focused on the power shortage issue and the outlook for infrastructure development.

June 1 and 2, 2023

TAY NINH BUSINESS CONNECT FORUM

Chairman Juergen Weber and Interim Board member Tran Duy Khiem attended the Tay Ninh Business Connect Forum. Chairman Juergen was one of the speakers, presenting on sustainable transportation and logistics and carbon emission reduction.

His speech focused on the sustainability outlook for the Tay Ninh province. At the same time, experience from policy making in Europe was also discussed on how to reduce transportation carbon emission, establish carbon market, and efficiency in energy and fuel usage.



LEGISLATIONS SNAPSHOT

The transportation and logistics need a close observation of the nation's legislation updates to make sure their activities can abide by the country's regulations, thus, ensuring a smooth operation. In this segment, we would like to provide the readers with some regulations that are in the spotlight for this industry.

Resolution 87/NQ-CP of the Government dated 2 June 2023 regarding the Government's action plan for implementation for Resolution 31/NQ-TW dated December 30, 2022 of the Politburo of Vietnam on tasks and orientations to development of Ho Chi Minh City by 2023, with vision towards 2045.

- Adjusting the Ho Chi Minh City Master Plan to 2040, with a vision to 2060, in which research and development of underground space, green space, river space, cultural space, especially the central area City center, new urban areas, around Metro stations following the model of urban development associated with public transport (TOD).
- Relocation of industrial facilities according to planning out of the inner city area
- Promoting regional linkages, promoting the city's core and leading role in development linkages in order to realize strategic breakthroughs in transport infrastructure development
- Strengthening investment in developing logistics infrastructure, increasing loading and unloading capacity and seaport warehouses, taking the lead in supply chains; forming a regional logistics service supply center.

Danang calls for investment in 10 logistics centre projects

In May, the Danang People's Committee published a list of logistics projects calling for investment in the period until 2030.

- Liên Chiểu Port will be a regional logistics centre, and is expected to have a scale of 30-35ha by 2023, and 65-70ha by 2050.
- New Kim Liên Cargo Terminal Logistics Centre will be a provincial centre, with a scale of 5 - 6ha by 2023, and 8-10ha by 2050. It provides railway logistics services to support seaports and Hòa Khánh Industry Zone.
- Logistics Centre of Đà Nẵng Hi-Tech Park will be a provincial centre, with a scale of 3 - 5 ha by 2030, and 15-20 ha by 2050.
- Hòa Nhơn Logistics Centre combined with inland ports will be a provincial centre; with a scale of 40ha by 2030, and 75ha by 2050.
- Hòa Phước Logistics Centre will be a provincial centre, with a scale of 5-7ha by 2030, and 10-15ha by 2050, providing storage and transportation services for wholesale markets.
- And many more...

Decree 26/2023/ND-CP of ON SCHEDULE OF EXPORT TARIFFS, SCHEDULE OF PREFERENTIAL IMPORT TARIFFS, TARIFF NOMENCLATURE, AND FIXED DUTIES, MIXED DUTIES, OUT-OF QUOTA IMPORT DUTIES, dated 31 May 2023

The Decree provided:

- 1- The export tax schedule according to the List of taxable goods. (Appendix I)
- 2- Preferential import tax schedule according to the List of taxable goods. (Appendix II)
- 3- List of goods and the absolute and mixed tax rates for used passenger cars with 15 seats or less. (Appendix III)
- 4- List of goods and import tax rates outside the tariff-quota for goods subject to tariff-quota application. (Appendix IV)

The Decree stipulates the export tariff schedule according to the List of taxable goods specified in Appendix I issued together with this Decree, including goods code (item code), description of goods, export tax rate specified in Clause 1 of this Article. for each group of goods and goods subject to export tax. In case the exported goods are not listed in the Export Tariff, the declarant shall declare the goods code of the exported goods corresponding to the 8-digit code of such goods according to the Preferential Import Tariff specified in Section 1 of this Article I Appendix II issued together with this Decree and do not have to declare tax rates on the declaration of exported goods.

Decree 26/2023/ND-CP replaces Decree 122/2016/ND-CP, Decree 125/2017/ND-CP, Decree 57/2020/ND-CP, Decree 101/2021/ND-CP and Decree 51/2022/ND-CP.

Circular 33/2023/TT-BTC of PRESCRIBING DETERMINATION OF ORIGIN OF IMPORTS AND EXPORTS, dated 31 May 2023

This Circular stipulated that before carrying out customs procedures for export or import shipments, organizations or individuals that request prior determination of the origin of goods shall submit an application. An application for prior determination of origin includes:

- 1 original of the application for prior determination of origin of exported or imported goods;
- 1 copy of the declaration of production costs and the declaration of origin of the domestic manufacturer or supplier of raw materials in case such materials and supplies are used for a subsequent stage of production of another commodity;
- 1 copy of the production process or certificate of composition analysis (if any); 1 copy of catalog or product image.

In addition, Circular No. 33/2023/TT-BTC also specifically stipulates inspection, identification and verification of origin of exported goods; declaration, submission, inspection and verification of origin of imported goods.

General Department of Customs has been collecting public opinions for removal of Article 35.1 of Decree 08/2015/ND-CP as amended ("Decree 08") under which "on-the-spot exports and imports" notably in respect of Article 35.1(c) of Decree 08 will be removed. Please see to the Article 35.1 quote for your information.

"Article 35. Customs procedures that must be followed by on-the-spot exports and imports.

1. On-the-spot exports and imports shall include:

- a) Those produced in Vietnam under contract manufacturing arrangements and sold to Vietnamese organizations or individuals by overseas ones;
- b) Those traded under the sale and purchase contract between domestic enterprises and exporting and processing enterprises or enterprises located in free trade zones;
- c) Those traded under the sale or purchase contract between Vietnamese enterprises and overseas organizations or individuals that have no representative in Vietnam, and delivered or received under the designation arrangement between foreign merchants with other enterprises in Vietnam."

