

Road Transportation in Vietnam:

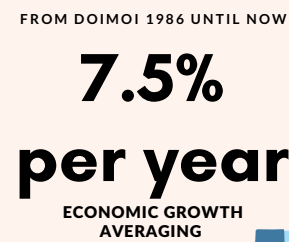
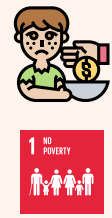
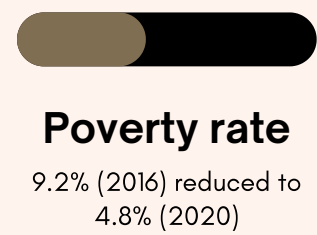
Popular vehicles and logistics

Overview

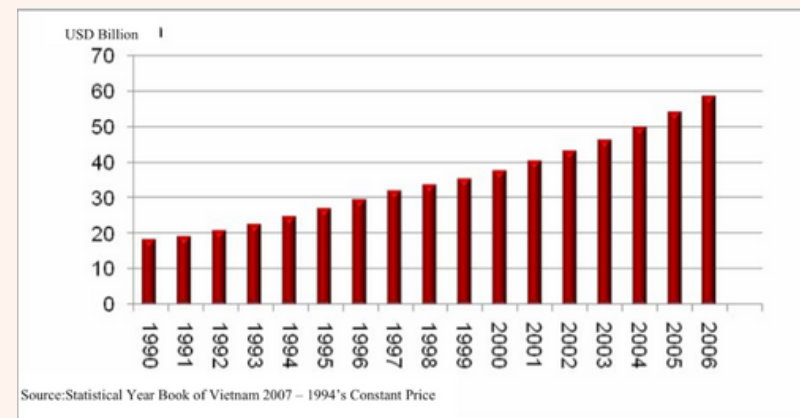


ECONOMIC CONDITION

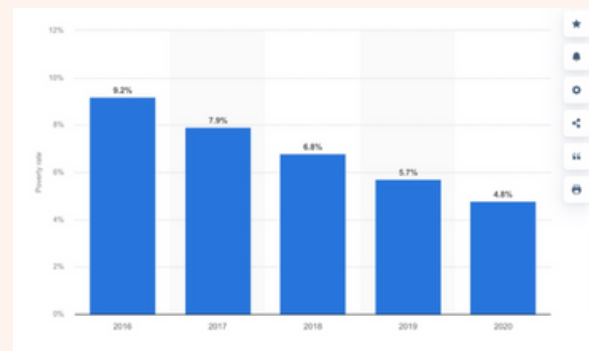
- Economic growth averaging 7.5 per year
- A sharp reduction in the poverty rate
- Foreign investment significantly increased



This figure shows the foreign direct investment, net inflows between 1970-2020



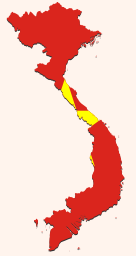
This figure shows the growth of Vietnam's GDP from Doi Moi reformation policies between 1990-2006



This figure shows the poverty rate in Vietnam since 2016 to 2020

GEOGRAPHY

- Mainland southeast
- Borders China, Laos, and Cambodia
- The population of Vietnam is approximately 97.34 million

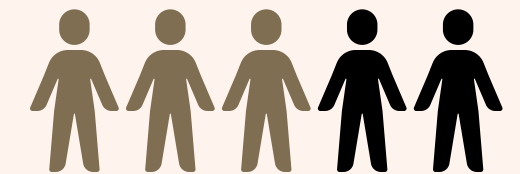


CHALLENGES

- Increased migration
- Uncontrolled urbanization and widening inequality
- Negative impacts on the environment



FDI ATTRACTIVENESS



Young labors

Labor market are full of young people and low wages



Transportation Development

WHY?

ECONOMIC GROWTH

Main contributor

Transportation part

Enclose a space between urban areas to reduce poverty



POLLUTION



JANUARY 2022

15th

IS VEITNAM RAKING OF ALL COUNTRY WHO CREATE HAS THE WORST AIR POLLUTION



EX challenge

CONSUMER BEHAVIOURS ARE MASSIVELY TRADITIONAL ONE AS MAIN VEHICLE

try to create incentive to change consumer behaviour

MAIN TRANSPORTATION

- Logistics sector also uses this mode to distribute goods.
- Focus on road construction and rehabilitation policies as most people transport

MODE

BY 2042 TOTAL MOTORCYCLES WILL BE 80%

ELECTRIC

xe máy điện

=



Almost 98.6%



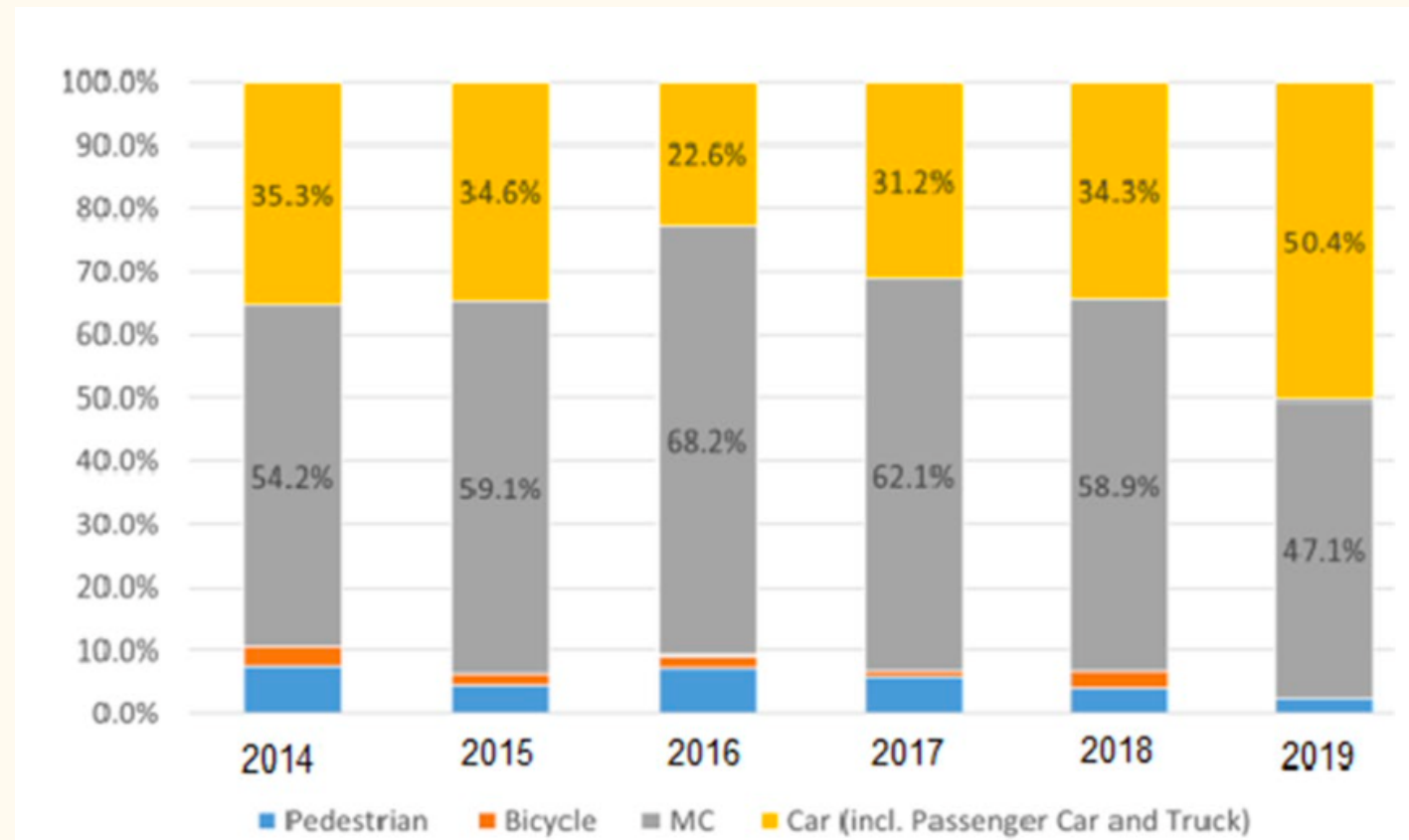
96 million traditional gasoline motorcycles
the population of Vietnam is approximately 97.34 million



Key and Challenge

GENERAL ISSUES

- The most dominant vehicles are motorcycles
- The lack of public transportation and facilities forces people to use motorcycles
- Weak transportation regulations



The graph represents percentages of types of transportation that accounts for fatal accidents on the road.

LOGISTIC CHALLENGES

- The main transportation for logistics in Vietnam is trucks
- Logistics activities are not developing as expected, which will lead to a lack of competitiveness
- Does not have an efficient supply chain and macro strategy for improvement
- The fast development of other countries on technological solutions for supply chain

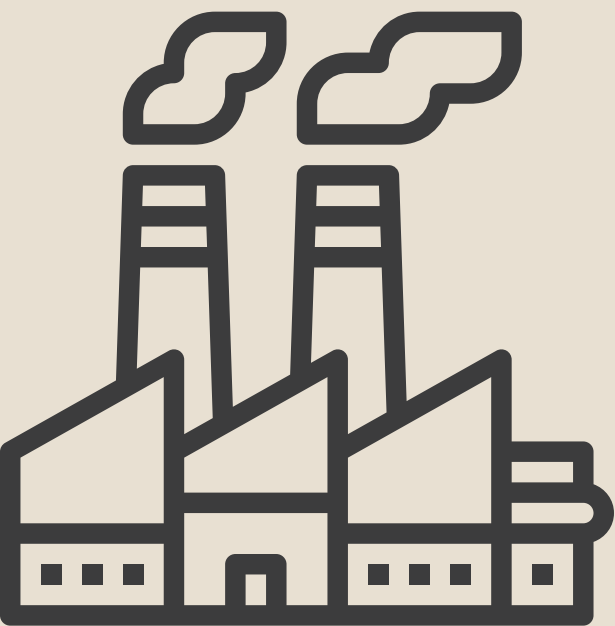
WHY CAN'T WE USE ELECTRIC MOTORCYCLES YET?

- Citizens favored gasoline-powered motorbikes
- Lack of government policy on electric motorcycles
- Does not provide much information about the pros and cons

Externality

NEGATIVE EFFECT

- Industrial and facilities development
- Usage of fossil-fuel vehicle
- The rise in the number of motorcycle



CITIZENS' COST

- Unsustainable financial structure
- Low capacity of institutions of Human resources
- Can not afford the cost of public transportation

INEQUALITY

- Ownership of motorcycle
- People who live in main cities vs people that live in rural areas
- The difference in cost between petrol motorcycle and electric motorcycle



General & Logistic Policies

MOTORCYCLE USER

1st means

Reduce motorcycle users

Keeping the individual vehicle's price high and subsidies money to bus users.

2nd means

Restrict existing users

Comprehensive helmet law with extreme punishment - substantial fine more than ten times the previous law.

Supply chain

LOGISTIC

Private Sector



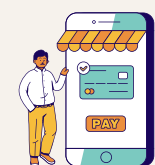
Development

Develop the supply chain management for an increase in the added value.



Average cost

After the development, the average logistic cost will reduce.



Competitiveness

After the development and reduction in the average cost, the competitiveness will increase.



Invest

Vietnam government should encourage private sector to invest more in transportation



Subsidy

The strategy that will entice investors is the tax subsidy. If they invest accordingly they will get reduction in the tax level later.



Price level

If the plans above succeed, the available company will be more. The logistic price level will be lower due to an increase in the supply chain.



Policies for E2Ws

(electric two-wheeler)

INFORMATION

Create a research group to study urban traffic, urban planning, and technical guidelines

REGULATIONS

Providing separate lanes for excluding E2Ws from city tolls will encourage the development of E2Ws

IMPACT

Observe the impact of E2Ws on the existing infrastructure, so the government can generate appropriate facilities

POLLUTION

Authority should evaluate the environmental impact, especially how to handle the battery at the end of its life

STANDARD

Studying and proposing the technical standard and regulations for E2Ws

SERVICES

Offering the charging station and evaluating the efficiency of business models will make E2Ws more attractive

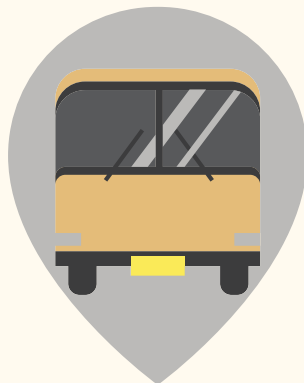
Policies for externalities

- New bus routes
- Investing in a new vehicle fleet
- Modernizing the bus infrastructure
- Making passenger information easier to access

- Strengthening the planning and regulatory system, recruiting more experts, and constructing high-capacity, proficient transport infrastructures and services

- Expand the public transport and facilities to all area
- Promote education and invest in study centers to lessen the hidden inequality

- Amend transport expenditure control policy and infrastructure pricing system



CONCLUSION

KEY ISSUES

- **Overview:** migration, urbanization, inequality, and degraded natural resources
- **Motorcycle:** mortality rate
- **Logistics:** weak supply chain & inadequate logistic fragments
- **E2Ws:** lack of promotion, facilities, and policies.
- **Externalities:** environment, expense control, human resources, urbanization, and inequality

LESSON LEARNED

- **Helmet law** -> less mortality rate
- **Supply chain + logistic fragments** = economic growth
- **More studies on E2Ws** -> effective policy
- **Charging station** -> make E2Ws attractive
- **Promoting buses usage** -> pollution level drop
- **Invest in transportation facilities** -> inequality decreases

POLICY EVALUATION

Interesting



Promoting buses usage

- High success rate if there are enough public services and facilities
 - Government has to invest appropriately
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Hard to practice



Helmet laws

- Individuals stuck with their old behaviors
- People try to disobey the laws
- Hard to observe everyone if there are not enough closed-circuit camera

THANK YOU
FOR
LISTENING!

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