# The Roles of International Sea Ports in Economic and Social Development in Asia and Vietnam

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#### **ABSTRACT**

Vietnam and Asia region expanded good and products exchanging via sea routes with the increasing roles of sea ports. By using mainly qualitative analysis, inductive and synthesis method, this study will investigate the roles of sea ports in Asia region including Vietnam. Sea ports has showed their important roles in import-export activities for the nation. Moreover, they function as trade centre, economic centre and distribution centre for the nation and the region, which contribute much for community development.

### **Keywords**

Sea Ports, Roles, Vietnam Asia, Economic Development.

### Introduction

As they help much for transportation of good, products and services, and supplying materials for manufacturing and industries, sea ports showed important roles for economic and social development of societies in Asia region.

Jouili (2016) specified that Seaport activity constitutes an important economic activity in terms of development and integration in the world economic market. The seaport is expected to play an important role in the strengthening of economic growth. The Tunisian government allocated annually a great amount to develop public seaports. The author show that public investments of seaports generate positive contributions to Tunisian economic growth; first, by direct contribution via its added value; and second, by indirect contributing via development of other economic activity. Whereas MOnroe (2016) showed that Major seaports in Southeast Asia and Northeast Asia have experienced significant growth in the last two decades. Several ports are known as "hub" ports due to the dominant volume of transshipments.

Hence, this paper will analyze vital roles of sea ports in Vietnam as well as in Asia region.

The paper structured with introduction, methodology, main results, discussion and conclusion.

### Methodology

This study mainly use qualitative analysis, analytical, synthesis and inductive methods, combined with dialectical historicalism method.

### **Main Results**

In following section we will analyze roles of sea ports in Asian countries including Vietnam.

### Roles of Sea Ports in Asia

### In Japan, we can named Kobe, Osaka and Yokohama sea ports

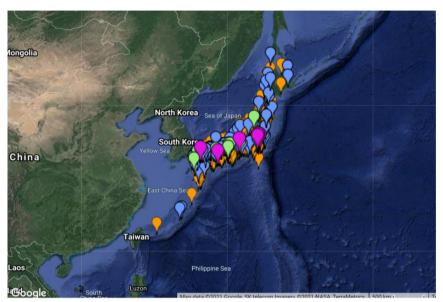
Kobe, together with Osaka and Yokohama port as one of Japan's main ports, a 30-minute train ride from Osaka, is a major seaport that has developed at a dizzying speed since the Meiji Restoration in 1868. It is a city of swamps with many narrow and windy streets. It has contributed to economic and tourism of the country.

The seaport is one of the decisive factors to the provision of development infrastructure systems

for new industrial zones. The regional development plan must have a reasonable mix of types and sizes of industries in the region, through which to decide the design of highways, road

networks, railway, water supply and drainage systems and seaport services.

Below chart will show Japan ports:



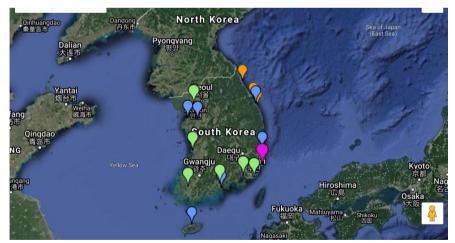
**Chart 1.** Japan ports (source: worldportsource.com)

## In Korea, we can named Busan and Ulsan,... sea ports.

Korea is a developed country in Asia with huge activities on industrial and economic development.

Shipping industry is one of major industries of Korea. For instance, 3 big groups of Korea: Samsung, Huyndai and Daewoo has managed more than 50 shipping factories.

Korea owned more than 30 trading sea ports. Below chart will show Korea ports:



**Chart 2.** Korean ports (source: worldportsource.com)

# In China, we can named Port of Shanghai, port of Shenzen, port of Tianjin, etc...

China owned more than 32 sea ports which bring huge economic and social values for the country.

Shanghai Port is considered one of the busiest ports in the world. This is a mixed port as both a deep seaport and a river port.

It played major roles for local good and product circulation and international trade.

### In India, they own more than 12 sea ports

For instance, Jawaharlal Nehru Port

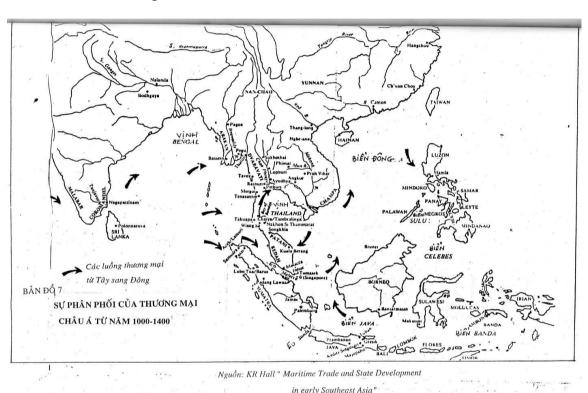
Jawaharlal Nehru Port is the largest container port in India. It is also in the TOP 50 largest ports in the world (27th place). It is also known as JNPT and Nhava Sheva. It was established on May 26, 1989. These ports handle 55% of the total domestic container volume, thus exceeding 4 million TEUs.

Therefore we see important roles of sea ports in Asian countries, contributing to economic

development and growth among regional nations and between Western countries with Asia.

Beside, Other countries in Asia region such as Malaysia, Indonesia and Singapore and Thailand a well as South east asia countries also benefits much from sea ports.

Roles of Sea Ports in South East Asia Majapahit - The flourish of Java Trade



Foreign traders also observed that markets are set up in a huge square surrounding by buildings being covered with friezes which depicted famous scenery from renowned historical poems of *Mahabharata*. The trade of Majapahit motivated Java to reach to its golden age of trade in history as it gathered all necessary factors which created a strong trade and leading economy in maritime South East Asia (Nguyen Minh Man and Dinh Tran Ngoc Huy, 2021).

### **Roles of Sea Ports in Vietnam**

First, Saigon - Ho Chi Minh City port includes the following ports:

• Modern Hiep Phuoc seaport on Soai Rap river (relocated port from Khanh Hoi Nha Rong and Tan Thuan ports). The city began dredging Soai Rap river (in the Dong Nai river system) up to 9m deep in 2010 so that when Hiep Phuoc port comes into operation, it will be able to receive ships of 50,000 tons (Dead Weight Tonnage - DWT), and after 2010 will dredge up to 12m deep to accommodate 70 thousand tons (DWT) ships, thereby increasing capacity to 250 million tons / year, a specialized wharf of ship service and repair facilities. riverside for ships of 2-3 thousand DWT.

- Cat Lai port on Dong Nai river (relocating from Tan Cang) can receive ships of up to 30.000 tons (DWT).
- The wharf area on the Saigon Nha Be rivers will be upgraded for ships to 3DWT to follow the Long Tau river. New construction of a passenger ship terminal with a modern synchronous terminal to receive an international tourist boat of 50,000 GRT (Gross Tonnage) in Phu Thuan, downstream of Phu My bridge.

Second, Ba Ria - Vung Tau's urban establishment is 14 industrial parks, an area of about 8,400ha with industrial parks for petrochemical refining, petrochemical product processing and supporting industries serving the activities of port Including:

 Cai Mep, Sao Mai-Ben Dinh wharf areas are container ports used for import and export, on long sea trips for ships of 6,000 TEU (Cai Mep) and 8,000 TEU (Sao Mai-Ben Dinh).

TEU (Twenty- Foot Equivalent) is a unit equivalent to 20foot, the unit of measure of containerized cargo equivalent to a standard container: 20ft (long) x 8ft (wide) x 8.5 ft (high) approx. 39m3 volume.

- Phu My Thi Vai wharf area, container port for ships of 4,000 TEU or 5-7,000 DWT.
- Long Son wharf area, in direct service of a buoy that imports crude oil 30,000 DWT, berth cranes for 30,000 80,000 DWT (Ba Ria Vung Tau has an oil reserve of 1.5 billion tons and a gas reserve of 10,000 billion ton)

Third, Hai phong sea port continue to contribute to budget of the country and province:

They aims to build a professional and synchronous post-port logistics system. Thus, the new company can meet the requirements of a transit point and separation of goods in the global logistics chain.

Fourth, Cam Ranh port in Khanh Hoa province:

Becoming a seaport well serving the needs of customers (KH) and integrating with the world, the port is constantly investing in infrastructure, equipment for loading and unloading.

The wharf is also invested in installing technology equipment for handling general cargo, container cargo and super heavy cargo including: 2 fixed rotating cranes on the wharf with a lifting capacity of 40 tons, 2 di cranes the motor has a lifting capacity of 40 tons and a reach of 36m, the ladle, the forklift.

### **Discussion and Conclusion**

The establishment of sea ports in Asia and in Vietnam has contributed very much for social and esp. Economic development of the nation and the region.

Viet Linh and Ta Yeo (2017) said that The importance of planning strategies to achieve higher competitiveness has become more apparent in the context of seaports since seaports have been encountering quickly changing and highly competitive business environments. Therefore, the strategic competitive position of seaports needs to be investigated using strategic positioning methods.

The role of ancient ports in maritime South East Asia was not only transit ports for Chinese, India and West Asian traders but also had significant influence on South East Asia and world trade such as ports of Sri Vijaya, Mojopahit and Malacca. They were not just the economic centres but also cultural ones where the exchange of cultural and civilisation took place during this period of history.

The government agencies will pay attention to financial investments for basic infrastructure projects such as highways, roads, and rail networks, water supply for industries, and basic partial financial subsidies for infrastructure seaport layers such as construction of breakwaters, wharves, dredging of canals to ports, and improvement of anchorage points for gas ships entering ports of loading and unloading. The Japanese seaport system plays an important role in the national economy.

In our country, Vietnam, sea ports continue to invest and upgrade to meet higher demand and higher productivity of international trade over sea routes. The local and national authorities and governmental agencies are building proper policies to attact more and more capitals and increase more good and products volumn exchanged over sea routes and by using proper import-export encouraging policies.

Haralambides (2017) also noted that most governments were considering their port sector as one requiring massive public investment for port development; of strategic interest to the nation; or a service industry, crucial to the *common interest*.

### **Limitation of Research**

Authors can make deepening analysis on sea ports and analyze historical stories of Asian sea ports. Acknowledgement: Thank you editors, friends and Mr Dinh Tran Ngoc Huy (dtnhuy201@gmail.com) to assist this publishing.

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