

VIETNAM MARITIME INDUSTRY (Presentation at ASEF 9th Forum)





Contents



Vietnam Overview



Vietnam Maritime Industry

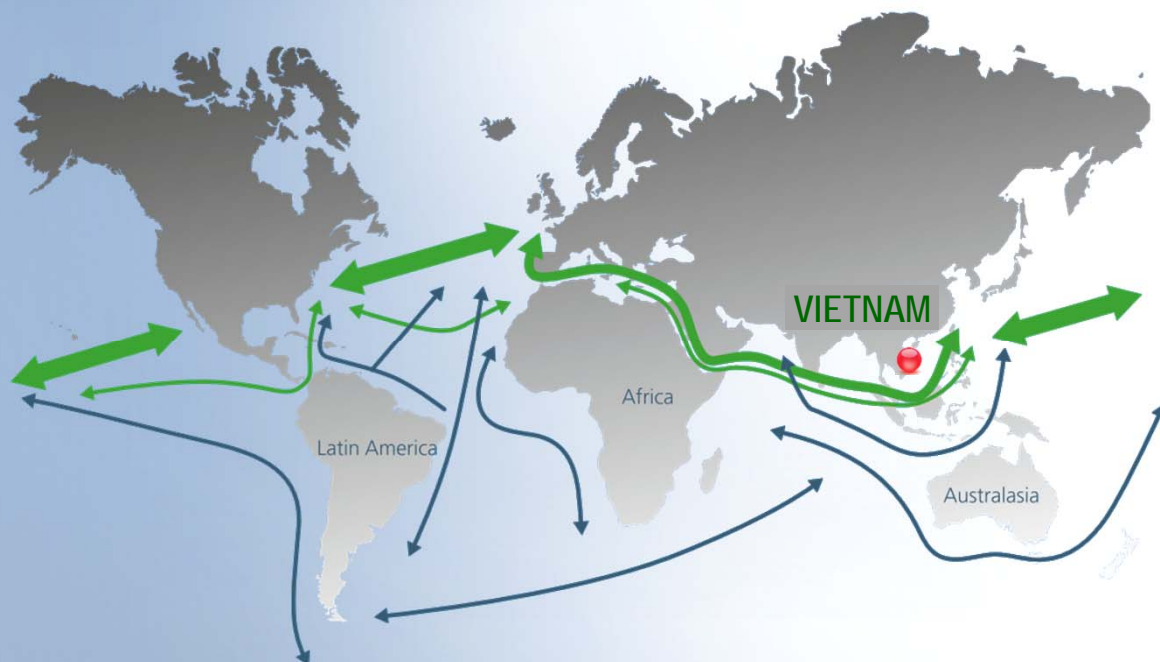


Vietnam Shipbuilding Industry Corporation





Location



•Vietnam locates on The World major shipping routes. *Maritime related business is forecasted to account for 50% of national economy in 2020.*

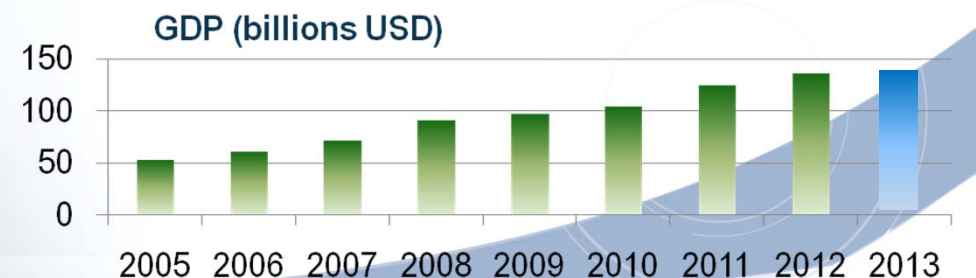
And locates in the center of the Southeast Asia, in the eastern part of the Indochina peninsula, facing the Pacific Ocean to the south east..





General Information

- Area 343,000 km²
- Coast line 3,200 km; Navigable inland waterways ...1,900 km
- Over 4,000 years history and culture
- Capital city Hanoi
- Population ... 90 millions (60mil in working age)
- GDP..... 140 billions USD
- Growth 6 - 9% in last 10 years

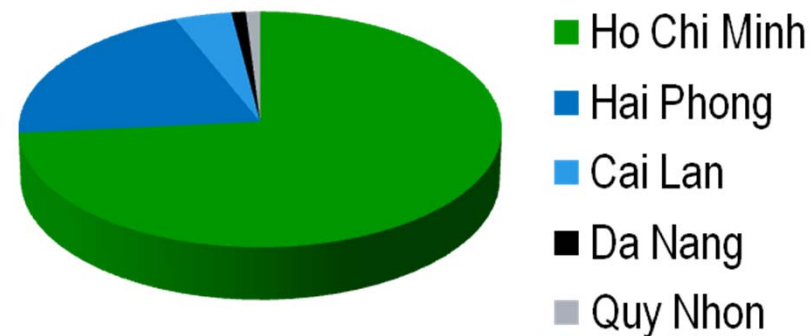




Vietnam's Master plan for seaports

- Up to 2008 Cargo throughputs reached **196.6 mil.ton** (2.7 times higher than 1999), including **5.02 mil.TEU** (5.3 times higher than 1999)
- The five (5) main locations that receive regular container services in Vietnam are **Ho Chi Minh City** (handles **72%** of total cargo throughput), **Hai Phong** (20%), **Cai Lan** (4%), **Da Nang** (1%), **Quy Nhon** (1%)..

Cargo throughput

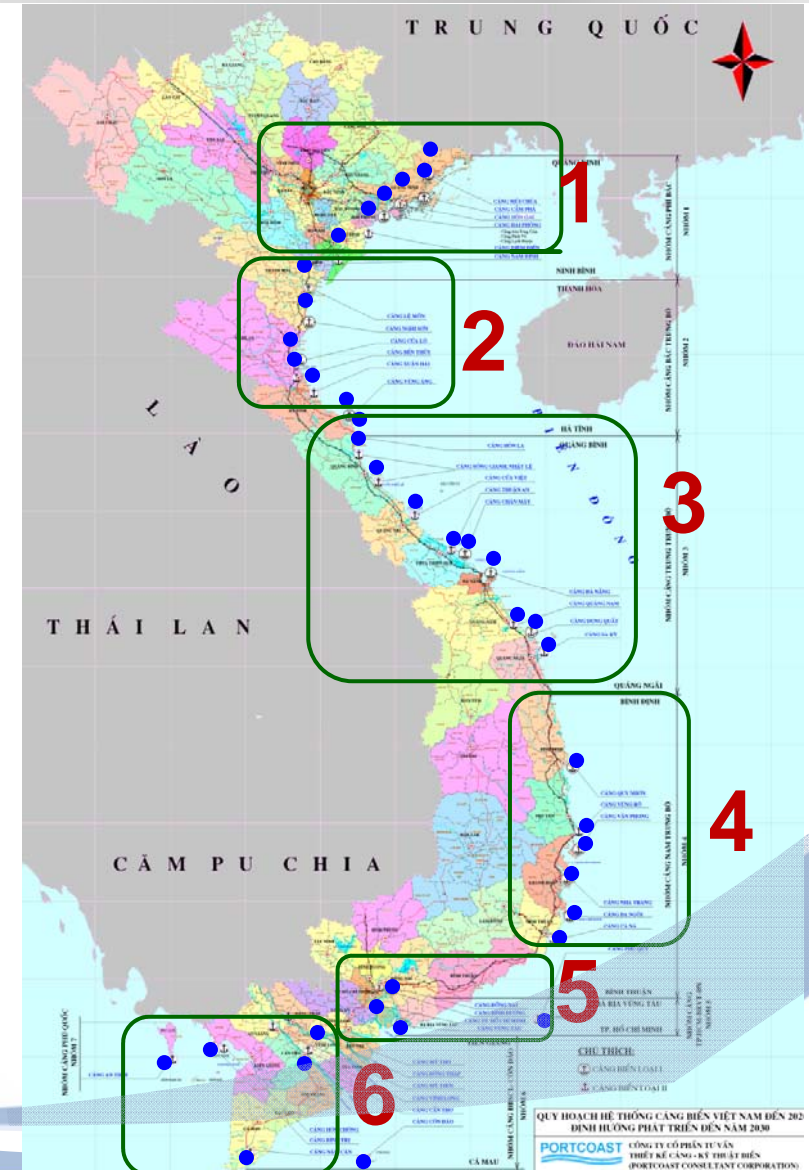




Demand of sea born transportation

- Vietnam has 127 ports, of which 37 are ocean cargo ships.
- Sea born trade volume forecast to be tripled in 2020.

Viet nam seaborne trade volume forecast (Mil tons/year)





Vietnam's Master plan for seaports

- The government plan to invest **18 – 20 billion USD** in stage to 2020 to improve seaport infrastructure.



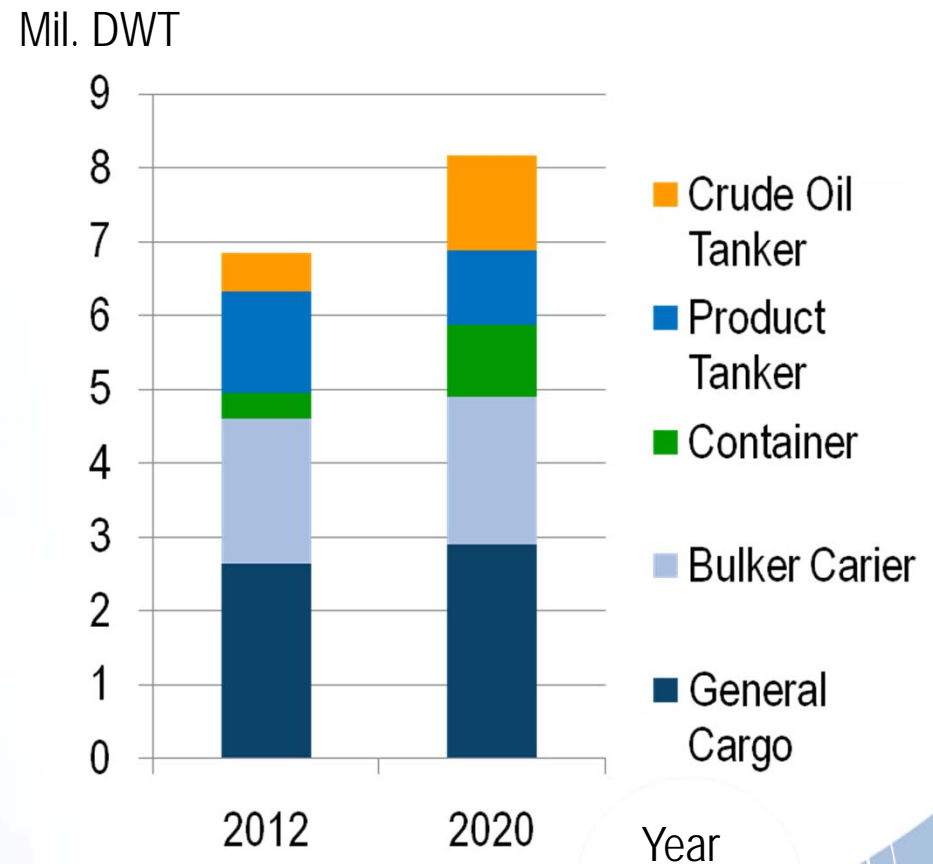
● *Ho Chi Minh City Sea Port:
25th on the Top 50 World Container Ports
of World Shipping Council, handling 5.15
mil TEU in 2012.*





Vietnam Shipping fleet and demand

- Currently is above 1,300 vessels with total capacity of 6.5 million DWT, ranked about 30th in the world and 4th in the region.
- Vietnamese flag ships have target to share about 30% volume of Vietnam import / export sea cargo.
- Vietnam's forecast to have a shipping fleet of total capacity about 9 million DWT in 2020.





Domestic Shipyards



- Vietnam has about 20 major domestic Shipyards

SBIC's Shipyards

Ha Long shipyard
Pha Rung shipyard
Bach Dang shipyard
Thinh Long shipyard

Huyndai Vinashin shipyard
Cam Ranh shipyard

Saigon Shipbuilding (SSIC)
Saigon Sipmarin (SSMI)

Other state Owned Shipyards:

Vinacomi shipyard
Lilama shipyard
Hong Ha shipyard
Hai Long shipyard

Dung Quat shipyard
Song Thu shipyard

PTSC shipyard
Ba Son shipyard



Foreign Shipyards

- Major foreign Shipyards in Vietnam.



DAMEN

 **HYUNDAI**



Strategic Marine
Maritime Solutions

 **PIRIOU**

SEAS

 **TRIYARDS**

 **EMAS**

VARD™
a Fincantieri company



Maritime Human Resource

- Vietnam has 4 universities with maritime related degree annual graduation about 4,000 ship crews, naval architect and marine engineer:

Vietnam Maritime University (VIMARU)

Hanoi University of Technology (HUT)

Nha Trang City University

Ho Chi Minh City University of Transport

- And 4 maritime vocational colleges providing annually 8,000 skilled technician.

Hai phong Maritime College

Hai phong Poly-Technical College

Maritime Vocational College

Ho Chi Minh City Maritime College





Market Potential

- Maritime industry is central focus of Vietnam development plan.
- Continuous growth of demand for shipping, port infrastructure, offshore industry.
- Good foundation of shipbuilding facilities and maritime human resource





SHIPBUILDING INDUSTRY CORPORATION



BUSINESS OVERVIEW

SBIC is the largest state-owned corporation in Vietnam in:

- Shipbuilding and ship repair
- Shipbuilding supporting industries
- Engineering and R&D in shipbuilding



**Shipbuilding
& Ship Repair**



**Shipbuilding Supporting
Industries**



Engineering and R&D

SBIC's shipyards are accounted for about 70% total domestic shipbuilding capacity in Vietnam



» SHIPBUILDING AS CORE BUSINESS

Building capacity:

- Up to Panamax size vessels
- Tanker, Bulk carrier, Container, Car carrier, LPG carrier, Cement carrier, FSO/FPSO, Tug boat, Fishing Boat, Offshore vessel.



- Delivery in 2010: **60 Vessels**
- Delivery in 2011: **75 Vessels**
- Delivery in 2012: **40 Vessels**
- Delivery in 2013 : **50 Vessels**
- Delivery in 2014 : **74 Vessels**
- Delivery in 2015 : **150 Vessels** (*expected*)



SHIP REPAIR

- **SBIC is capable of carrying out various types of repair**, conversion and modification work up to the size of Handysize
- **Typical ship types:** tankers, bulk carriers, LPG carriers, container vessels, offshore supply vessel, etc.
- **Main repair facilities:**
 - Northern area: Bach Dang shipyard, Pha Rung shipyard, Nam Trieu shipyard
 - Southern area: Saigon Shipmarin, Saigon shipbuilding shipyards.



Floating dock repair



Dry dock repair



Voyage repair



SUPPORTING INDUSTRY

- ▶ Support to shipbuilding and repair activities
- ▶ Localization of marine equipment and accessories
- ▶ Products include
 - Steel (plate and profile)
 - Welding material
 - Diesel Engines (low and high speed)
 - Boiler
 - Crane, hatch cover and other deck equipment
 - Interior material
 - Air conditioning system
 - Switch board and Electric Cable



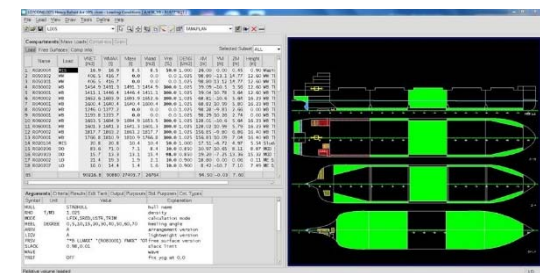


SHIPBUILDING INDUSTRY CORPORATION



ENGINEERING R&D

- In-house design and testing facilities in collaboration with Design Institute & Engineering companies enables SBIC to offer research, design and consulting services including:
 - Research and development of new concept
 - Model test
 - Basic design
 - Workshop design
 - Shipyard design





1996-2009: Investment phase

- **1996:** Establishment of Vietnam shipbuilding industry corporation (VINASHIN) from Shipbuilding union.(9 shipyards; 5,000 workers; 3,000dwt coastal vessel)
- **2000:** First ocean going vessel (6,500dwt) delivered to domestic owner
- **2001:** First exported cargo vessel (10,000 dwt) to Japanese owner
- **2003:** Modernization and new construction of Vinashin shipyards
- **2006:** Establishment of Vinashin Group (more than 200 Subsidiaries, 30 shipyards;80,000 workers)
- **2007:** Delivery of the first 53,000 dwt Bulk carrier
- **2008:** Delivery of the first 4,900 CEU Car Carrier
- **2009:** Delivery of 150,000 dwt FSO unit





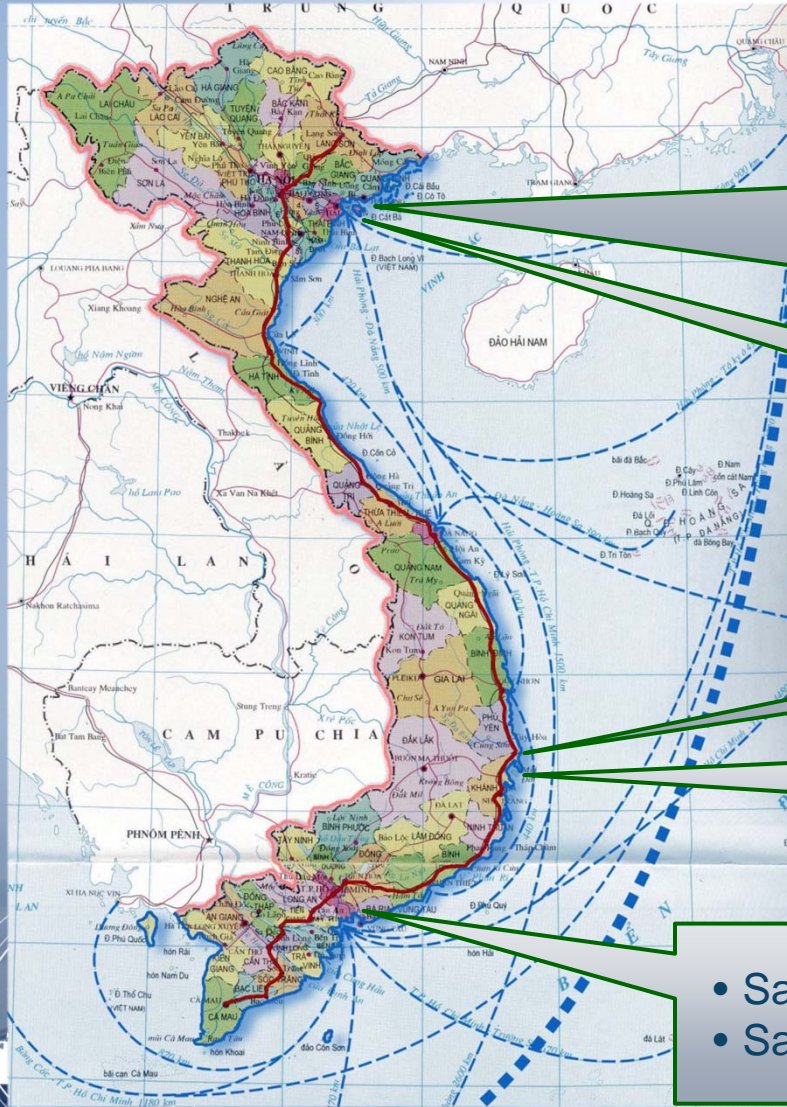
2010-Now : Restructuring Phase

- ❖ **2010:** Transfer of shipping division to Vinalines and several under construction industrial zones and shipyards to Petrovietnam
- ❖ **2011-2012:** Downsize organisation to 43 subsidiaries including 20 shipyards
- ❖ **2013:**
 - Finish restructure of 2 billion USD bank loan
 - Establishment of a new shipbuilding corporation, called SBIC, with 8 solely owned shipyards.
 - SBIC focuses on shipbuilding and repair business only, using existing shipyard facilities and man power.
 - Continue to transfer/sell remaining subsidiaries and projects to private/ foreign investors to concentrate resources to develop the new corporation.





SBIC SHIPYARDS



- Ha Long shipyard
- Bach Dang shipyard
- Pha Rung shipyard
- Song Cam shipyard
- Thanh Long shipyard

- Damen - Song cam

- Hyundai - Vinashin

- Cam Ranh shipyard

- Saigon Shipmarin (SSMI)
- Saigon Shipbuilding (SSIC)



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SHIPYARD FACILITIES

Key Data for Shipyards

Shipyard	Slipway L x B (m)	Dock	Crane (ton)	Quay (m)	Capacity (DWT)	
					New building	Repair
Bach Dang	184.5 x 24 186 x 34	Floating 4,500 DWT	120	200 x 18	Up to 40,000	Up to 10,000
Pha Rung	156 x 25 270 x 32	Floating 4,200 DWT Dry 15,000 DWT	200	200 x 18 150 x 11	Up to 40,000	Up to 20,000
Song Cam	194 x 30	Dry 97m x 23m	200	Q1: 90 Q2: 200	Up to 20,000	Up to 10,000
Ha Long	350 x 48 250 x 36	-	400	Q1: 450 Q2: 200	Up to 80,000	
Thinh Long	186 x 37	-	200	250	Up to 30,000	
Cam Ranh	320 x 48	-	300	-	Up to 50,000	
Saigon Shipmarine	-	Floating 8,500 DWT Floating 6,000 DWT	150	Q1: 100 Q2: 50	Up to 10,000	Up to 20,000
Saigon Shipyard	181 x 25	Dry 180m x 30m	100	100	Up to 10,000	Up to 30,000
Nam Trieu	180 x 32 320 x 48	Floating 8,500 DWT Dry 10,000 DWT	300	Q1: 353 Q2: 206	Up to 80,000	Up to 30,000



SHIPBUILDING INDUSTRY CORPORATION



MAIN PRODUCTS:



56,000 dwt Bulk carrier
Nam trieu Shipyard



53,000 DWT Bulk Carrier
Ha Long Shipyard



1730 TEU Container Carrier
Bach Dang Shipyard



34,000 DWT Bulk Carrier
Pha rung Shipyard



SHIPBUILDING INDUSTRY CORPORATION



MAIN PRODUCTS:



**4,900 Cars PCTC
Ha Long Shipyard**



**150,000 DWT FSO
Nam Trieu Shipyard**



**14,000 dwt Cement Carrier
Bach Dang Shipyard**



**13,000 DWT Chemical Carrier
Pha rung Shipyard**



MAIN PRODUCTS:



70t BP ASD TUG – Song Cam shipyard



4500cbm Ethylene LPG- Bach Dang Shipyard



3,000 m3 Hopper Dredger – Ben Kien Shipyard



Fast Crew Boat– Song Cam Shipyard



SHIPBUILDING INDUSTRY CORPORATION



Foreign Partners



Rolls-Royce®



CHUGOKU MARINE PAINTS, LTD.



Goltens



EMAS



BRØDRENE DAHL



ORIENT
MARINE LINES



Strategic Marine
Maritime Solutions



Offshore & Marine



SIGMA
COATINGS



International Cooperation directions

Forming alliance

**Building the quality ships in
Vietnam at competitive price**

Joint venture

Consulting

Business Collaboration

Shared, licenced
manufacturing

Foreign technology and
management skill

Investing on new sites

Transfer non core businesses to
other investor

Investing in shipyards and factories





Shipbuilding Industries



THANK YOU !

