

RESEARCH

Further discussion on regulations of the logistic services in Vietnam—and construction issues for logistics in Ca Mau province

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Purpose: This research paper aims to present discussion on regulations of the logistic services in Vietnam and a case study of logistics in Ca Mau province. By using the panel approach, our findings: As the role of logistics has been increasingly important and China is a big export partner of our country, in Ca Mau, according to the approved plan, Nam Can Seaport is a local general port (type II), including Nam Can ports on Cai Lon river for ships up to 5,000 tons and the study "Development of seaports for ships of up to 5,000 tons". large load capacity in the Hon Khoai island area in accordance with the needs and capacity of investors.

Keywords: logistic performance, export, gravity model, OLS, efficiency, logistic activities

1. Introduction

Logistic activities have developed since the 1950s, and much research has focused on this area in different applications.

Infrastructure issues in logistics with a case in Ca Mau:

It is necessary to make detailed planning for logistic infrastructure development, including transportation infrastructure in accordance with plans for industrial

production, agriculture, import-export, and socio-economic development strategies. Association of localities in the region.

We summarize related studies in below figure:

Vietnamese logistic businesses need to develop the market, build brands, propagate to shippers to use logistics in the direction of specialization, change import and export practices of buying CIF – selling FOB to avoid dependence on

other logistic companies. Foreign partners in transportation leasing, creating conditions for logistics businesses to participate in many stages of providing services with high added value.

In addition, State management agencies need to develop and apply stringent electronic customs clearance procedures, build infrastructure, and share information between specialized agencies to simplify procedure.

2. Theoretical framework

Inefficient logistic activities will increase business costs and reduce revenue and the potential for domestic and international integration (1). According to the World Bank, countries with efficient logistic operations are estimated to have 1% higher GDP growth and 2% higher trade growth compared to those countries with similar per

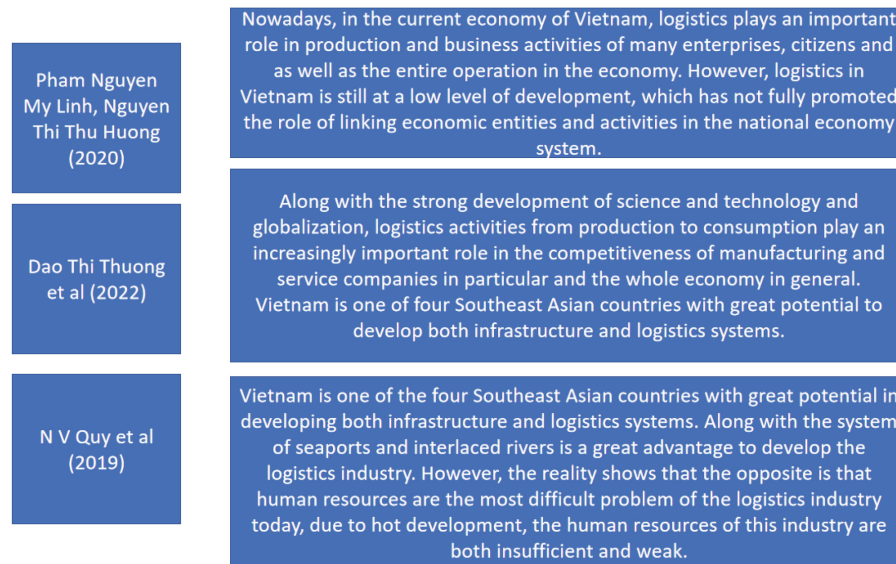


FIGURE 1 | Summary of previous studies. (Source: author synthesis).

TABLE 1 | Descriptive statistics of variables used in the model.

Dependent variable	Number of observations	Average value	Standard deviation	Minimum value	The most significant value
LnEX	195	9.236	1.406	6.29	13.027
lnGDPi	214	12.110	0.171	11.720	12.106
lnGDPj	195	13.109	1.348	9.201	15.762
lnD	214	8.561	0.892	6.182	9.805
FTA	240	0.172	0.376	0.000	1.000
lnLPIi	214	3.044	0.132	2.885	3.272
lnLPIj	214	3.158	0.554	1.862	4.201
Infrastructurei	195	2.759	0.223	2.550	3.101
Infrastructurej	214	3.709	0.673	1.658	4.192
Competencei	195	2.942	0.173	2.601	3.009
Competencej	214	3.152	0.570	1.701	4.316
Shipmenti	240	3.118	0.057	3.001	3.290
Shipmentj	195	3.120	0.483	1.723	4.239
Timelinessi	214	3.949	0.150	3.600	3.801
Timelinessj	195	3.544	0.533	2.008	3.310
Trackingi	214	3.000	0.203	2.831	3.429
Trackingj	240	3.2430	0.553	1.508	4.312
TOP	195	0.420	0.373	0.000	1.000
FTA	214	0.0420	0.293	0.000	1.000
Landlock	240	91.973	67.047	0,218	430.569

Source: Xuan et al. (2022).

capita incomes. With 1% shipping costs lower than their competitors, exporters will likely have a 5% to 8% higher market share (2). Meanwhile, every one-day delay in the export process may increase the production costs by 1%. Therefore, reducing trade and logistic service costs and improving national logistic capacity will increase the country's competitiveness and facilitate international trade.

Töngür et al. (3), conducted a study for the case of Turkey and found the following results: Turkish exporters are more sensitive to the LPI, which positively affects the export value. Also, changes in logistic conditions are more significant in the country than in the importing country.

3. Materials and methods

Table 1 presents the panel approach with stats. The standard deviation for most of variables varies in the range 0.8–1.4 shown in Table 1.

4. Findings

Table 2 below shows that using of the lagged explanatory variable and the new proxy variable, the partner country's per capita income instead of the partner country's economic size, remains relatively the same in estimated results. The coefficients of the explanatory variables in Tables have the same sign and almost the same magnitude.

Moreover, we analyze the potential of logistic services through the case of Ca Mau province:

Ca Mau is the only province in our country bordered by the sea on three sides, with a coastline of 254 km. With this feature, Ca Mau is also one of the four key fishing grounds of the country and potentials for Corridor (Bangkok – Phnom Penh – Ha Tien – Ca Mau).

However, in recent years, the coastal erosion situation in Ca Mau has tended to be stronger, losing hundreds of hectares of land due to landslides, causing a lot of damage to people's lives and production. The province's GRDP growth rate in the 2011–2020 period was only 4.7% per year, lower than the Mekong Delta and the national average.

In order to open up a new development space for the province in the coming period, with the goal of turning Ca Mau into a well-developed province of the Mekong Delta by 2025, this province focused on developing and completing the Draft Planning in the period of 2021–2030, with a vision to 2050.

Ca Mau province emphasized at the Ca Mau Provincial Planning Consultation Workshop for the period of 2021–2030, with a vision to 2050, which took place on August 5.

According to the planning consultancy unit, Ca Mau has the advantage of being located in a geostrategic location in the center of the waters of Southeast Asian countries,

TABLE 2 | Impact of national logistics capacity on Vietnam's export value – replace LPI with indexes (3) RE and (4) RE.

Dependent variable	(3)RE lnExport	Dependent variable	(4)RE lnExport
lnGDPi	0.701*** (0.045)	lnGDPi	1.651*** (0.033)
lnGDPj	0.669*** (0.075)	lnPPPj	0.435*** (0.137)
lnD	-0.486*** (0.058)	lnD	-0.581*** (0.069)
Ln(3)REi	0.400*** (0.120)	Ln(3)REi	
Ln(3)REj	0.689*** (0.076)	Ln(3)REj	
Ln(4)REi		Ln(4)REi	1.197*** (0.383)
Ln(4)REj		Ln(4)REj	0.402** (0.196)
FTA	1.014*** (0.135)	FTA	1.018*** (0.147)
lnLPIi	1.172*** (0.337)	lnLPIi	1.146*** (0.332)
lnLPIj	1.181*** (0.400)	lnLPIj	1.209** (0.565)
TOP	0.002*** (0.001)	TOP	0.002*** (0.001)
Landlock		Landlock	-0.499*** (0.151)
Block factor	-19.557*** (1.800)	Block factor	-28.993*** (1.689)
Several observations	195	Several observations	240
Country number	76	Country number	80
R2	0.764	R2	0.454

Source: Author's calculation, 2022.

located on the Southern Economic Development Corridor of the Sub-Region Development Cooperation Program Greater Mekong. In particular, the Hon Khoai island cluster is suitable for building a large-scale general seaport, thereby turning Ca Mau into a center of logistic services, connecting trade of the Mekong Delta on the Coastal Corridor. South of the Greater Mekong Sub-region.

The second advantage of Ca Mau is the development of clean energy, renewable energy, when the wind power in the coastal area of the province reaches a capacity of over 12,000 MW.

“Ca Mau has favorable conditions for an energy-specialized industrial cluster and a project for a green hydrogen gas plant,” the consulting unit said.

Another potential also raised by the consultant is tourism development, with tourism products associated with nature, sea and island tourism, tourism to experience river life (source: baodautu.vn).

5. Conclusions

In this paper, result shows China as big export partner.

And moreover, In Ca Mau, According to the approved plan, Nam Can Seaport is a local general port (type II), including Nam Can ports on Cai Lon river for ships up to 5,000 tons and the study "Development of seaports for ships of up to 5,000 tons". large load capacity in the Hon Khoai island area in accordance with the needs and capacity of investors."

Hon Khoai is about 15 km from the coast of Ca Mau, located on a vibrant international maritime route. Especially after the Kra Canal project Thailand's "Asian Panama Canal" is completed, allowing ships from the Indian Ocean to enter the Gulf of Thailand to the Pacific Ocean without having to go through the Strait of Malacca, shortening maritime shipping. According to the project, Hon Khoai is located right on the new sea route.

According to seaports and logistics experts, the invested Hon Khoai port will become the largest seaport in Vietnam, making our country the main link, opening an important connection port in the world, enabling global distribution chain of goods and services (global logistics hub), especially commodities such as coal, oil products, and containers (source: logistics.gov.vn).

6. Limitations and directions for future research

Future studies must continue to clarify which logistic criteria will impact Vietnam's international trade most for policymakers and come up with more specific policies.

Also, further research is needed for transportation costs and trade (1, 4–16) and for education researches (17–23).

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