



Overview of Logistics 4.0 Era

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Vietnam Business Logistics Association (VLA)

Jul-2018





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AGENDA

❖ Brief introduction of VLA

- About VLA
- VLA Mission & Vision
- VLA Membership

❖ Overview of Vietnam Logistics Industry:

- Industry players
- Evolution of LSPs
- Logistics Industry Challenges & Government Plans

❖ What's Logistics 4.0

- Industry 4.0
- Technological pillars
- Logistics 4.0

❖ Roles of VLA in the transition

- VLA Roadmap to Digitalization
- Support to membership

ABOUT VIETNAM LOGISTICS ASSOCIATION (VLA)

Connecting Logistics Professionals

Vision

Connecting and cooperating with local and foreign freight forwarders, logistics services providers in order to create the leading industry of Vietnam

Mission

To enhance the professionalism, to promote the modern logistics, to integrate the national logistics with the region and globally in order to efficiently contribute into the development of enterprises in the industry as well as the country's economics development in Vietnam

ABOUT VIETNAM LOGISTICS ASSOCIATION (VLA)

- Established in 18 November 1993, formerly Vietnam Freight Forwarders Association (VIFFAS)
- Renamed Vietnam Logistics Business Association (VLA) on 4 January 2013 to reflect new industry trend
- National Association Member of FIATA: active member, participating in various working groups
- 370+ members (80 are members of FIATA)

Our services

- Freight Forwarding
- Transport (sea, air, land, inland waterway)
- Integrated Logistics (3PL)
- Warehousing, Ports, Stevedoring, Distribution
- Customs Brokerage
- Delivery Services
- Others Logistics Related Services

Website: www.vla.com.vn

Warehousing



Freight Forwarding



Trucking



Ports & Airports



Int'l Transport

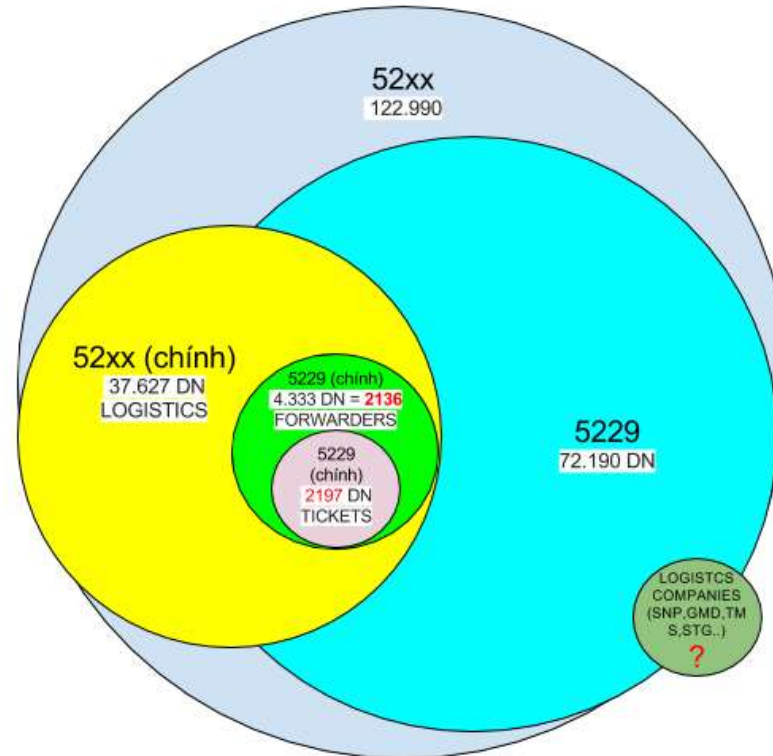


Em suggest nên bỏ slide cũ dùng slide 5 để n...
tin là được ạ

Number of Logistics companies about 3000 according to VLA research and estimate

Transport & Logistics:

- Land, Rail Transport: 49xx
- Waterborne Transport: 50xx
- Air Transport: 51xx
- Warehousing & Auxiliary: 52xx
- Post & Express: 53xx



52xx: Kho bãi và các hoạt động hỗ trợ cho vận tải
5229: Hoạt động dịch vụ hỗ trợ khác liên quan đến vận tải

VLA has 372 members as of 30-Jun-18, among them:
- 316 ordinary members
- 56 associated members (36 FDIs)
- by 2020: 500 members

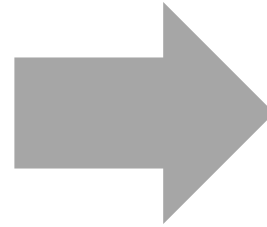
Services provided by the Members:

- Freight Forwarding : 53.34%
- Warehousing, ports, stevedoring, distribution : 15.48%
- Transport (trucking, sea, inland waterway, air): 37.50%
- Customs Agents : 14.08%
- Delivery services: 06.55%
- Integrated logistics, 3PL: 26.64%
- Other related logistics: 12.41%

EVOLUTION OF VIETNAM LOGISTICS INDUSTRY



2011



2016



CHALLENGES



Legal
frameworks



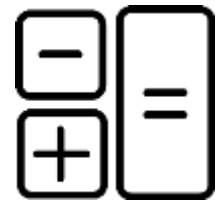
Infrastructure,
connectivity



Logistics
Service
Providers
Capability and
Quality of
Service

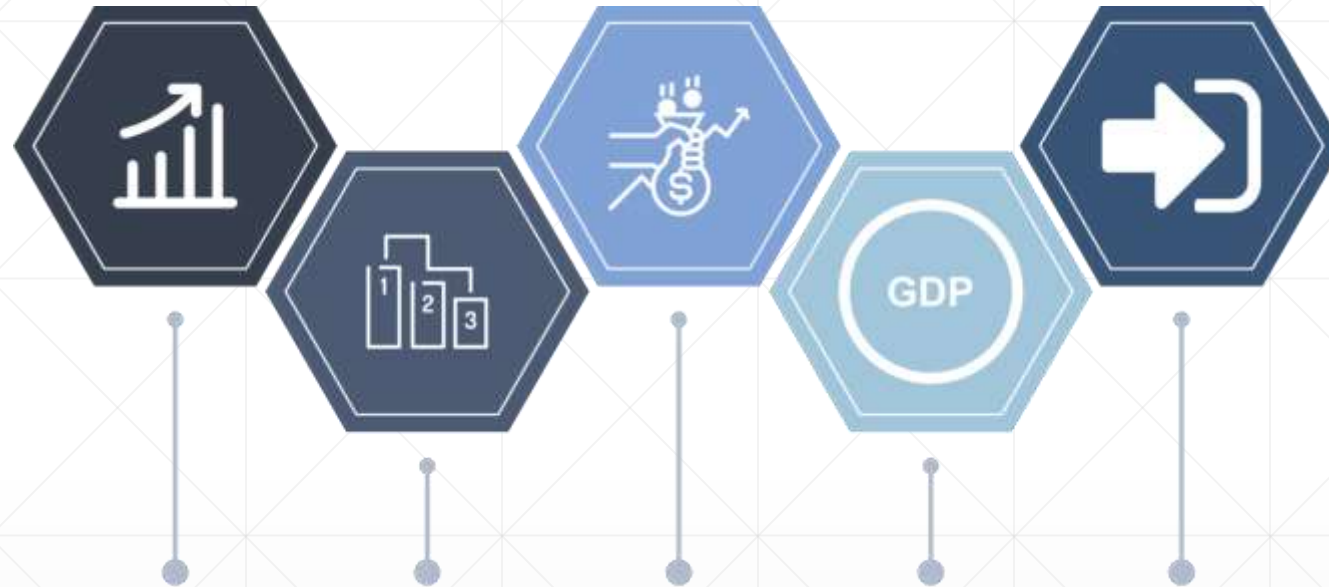


Logistics
market



Human
Resources

VIETNAM LOGISTICS CURRENT STATUS & DEVELOPMENT



<p>Current Status</p>	<p>Growth Rate 15-16% per annum</p>	<p>LPI 64th /160 and ranks 4th in ASEAN (2016 World Bank)</p>	<p>High Logistics Cost, 20.8% of GDP (WB report 2014)</p>	<p>Contribute to 3% of GDP (2014)</p>	<p>Low Outsourcing rates 35-40%</p>
<p>National Logistics Action Plan up to 2025 (NLAP No.200)</p>	<p>Growth Rate 15- 20% per annum up to 2025</p>	<p>Logistics Performance Index (LPI) top 50th</p>	<p>Reduce High Logistics Cost, 16-20% of GDP</p>	<p>Contribute to to 8-10% of GDP (2025)</p>	<p>Higher Outsourcing rates 50-60%</p>

ACTIONS TAKEN BY THE GOVERNMENT

- National Logistics Action Plan by Decree 200 (14-Feb-2017)
- Decree 163 (30-Dec-2017) on provision of logistics services
- National Conference on Logistics 16-Apr-2018
- Resolution 19 (15-May-2018) on “ONGOING IMPLEMENTATION OF MAJOR DUTIES AND MEASURES TO IMPROVE BUSINESS ENVIRONMENT AND ENHANCE NATIONAL COMPETITIVENESS IN 2018 AND SUBSEQUENT YEARS “
- [NEW] Directive on promoting measures to reduce logistics costs, effectively connect the transport infrastructure system (18-Jul-2018):

“Domestic logistics enterprises need to enhance the application of modern science and technology in line with the tendency of forming the logistics services industry in the industrial revolution of 4.0 to improve competitiveness, service quality ..”

WHAT IS INDUSTRY 4.0?

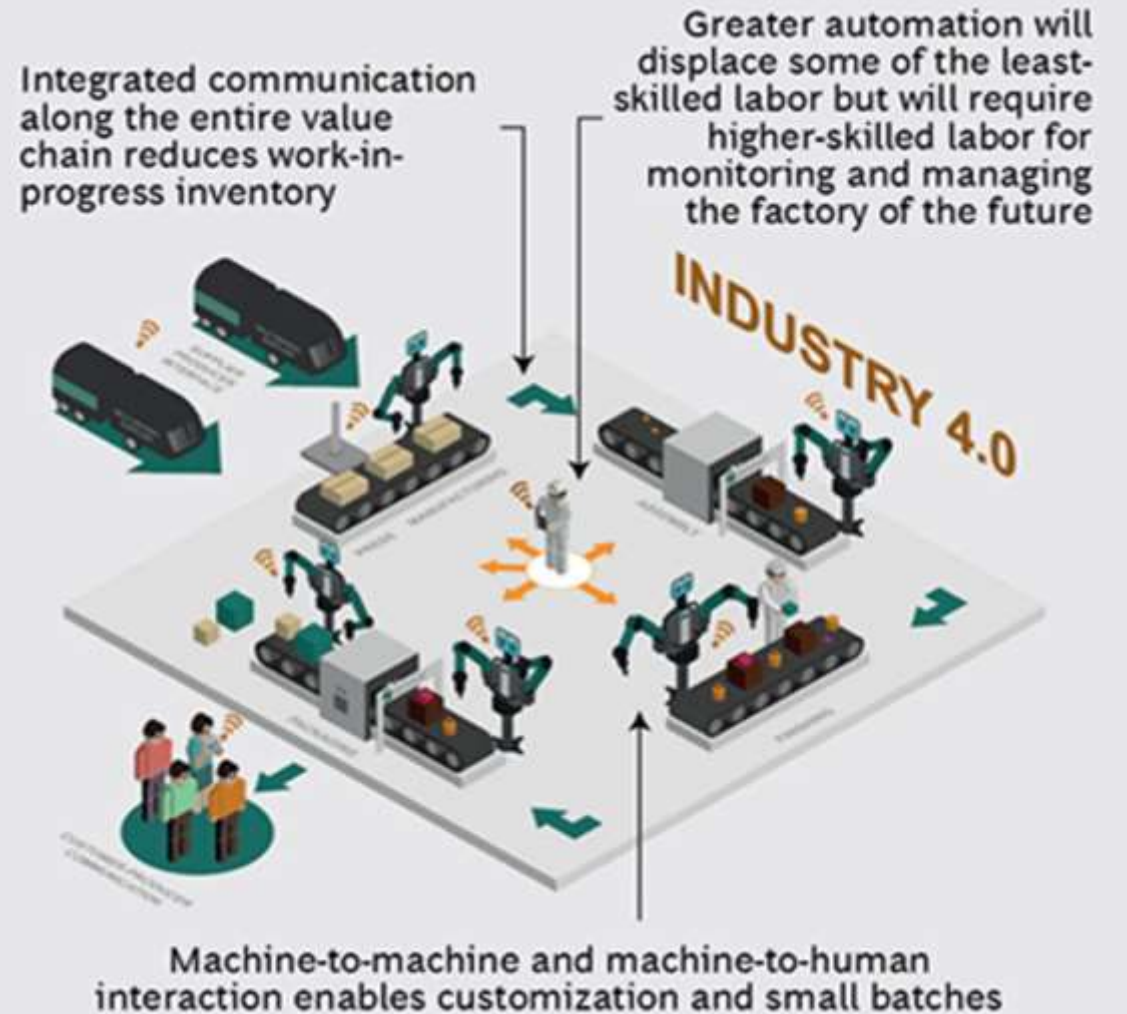
A state in which manufacturing systems and the objects they create are not simply connected, drawing physical information into the digital realm, but also communicate, analyze, and use that information to drive further intelligent action back in the physical world to execute a physical-to-digital-to-physical transition.

THE NINE PILLARS OF TECHNOLOGICAL ADVANCEMENT

EXHIBIT 1 | Nine Technologies Are Transforming Industrial Production



Source: BCG.



THE LOGISTICS REVOLUTION



1

First Industrial Revolution

Introduction of mechanization, water power, steam power.



2

Second Industrial Revolution

Use of electrical energy. Mass production, assembly lines.



3

Third Industrial Revolution

Use of electronic, computer and automation systems.



4

Fourth Industrial Revolution

Cyber Physical Systems.

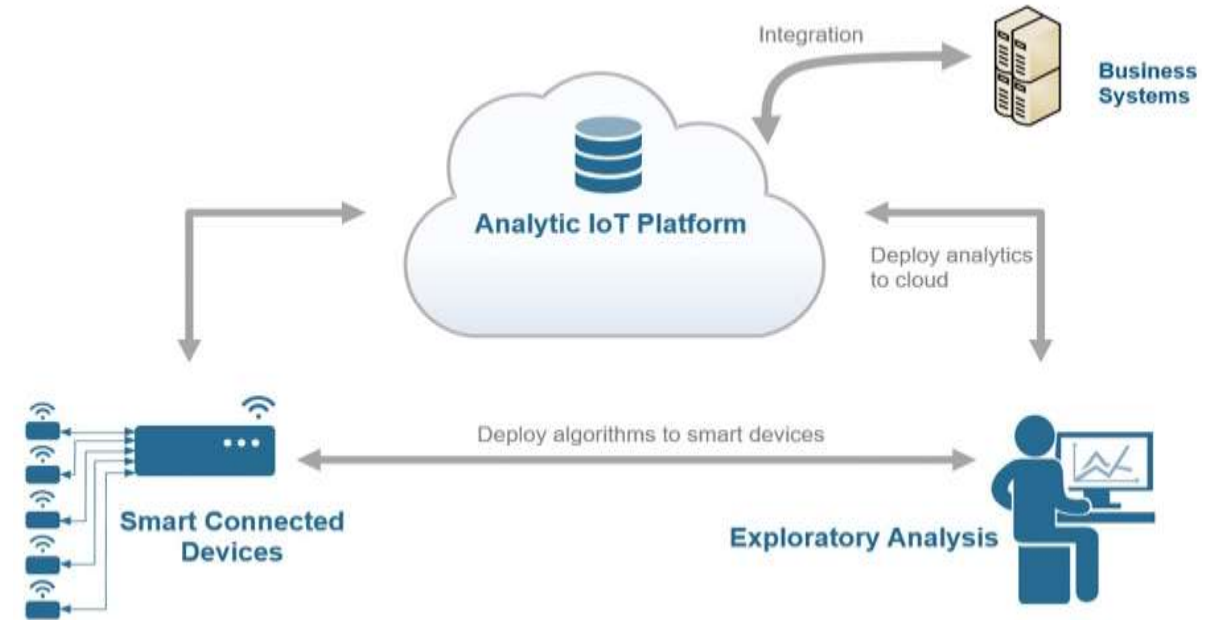
LOGISTICS 4.0 DEFINITION



WHAT DEFINES LOGISTICS 4.0



Robots & automation



IoT integrated devices

WHAT DEFINES LOGISTICS 4.0



AI/ Big Data



Virtual reality (VR) & augmented reality (AR)

HOW WILL VIETNAM LOGISTICS INDUSTRY NEED TO EVOLVE TO MEET THE DEMANDS OF INDUSTRY/LOGISTICS 4.0?

**Knowledge of
technology**

**Knowledge
across supply
chain**

**Change
management skill**

VLA Roadmap to Digitalization



VLA **25**
VLA

**DIGITALISATION OF
TRANSPORT & LOGISTICS
FROM TRENDS
TO PRACTICE**



Link download: <https://goo.gl/S6X9Eg>
Please contact VLA Office for
Documents of the Seminar
Ho Chi Minh City, 6th April 2018

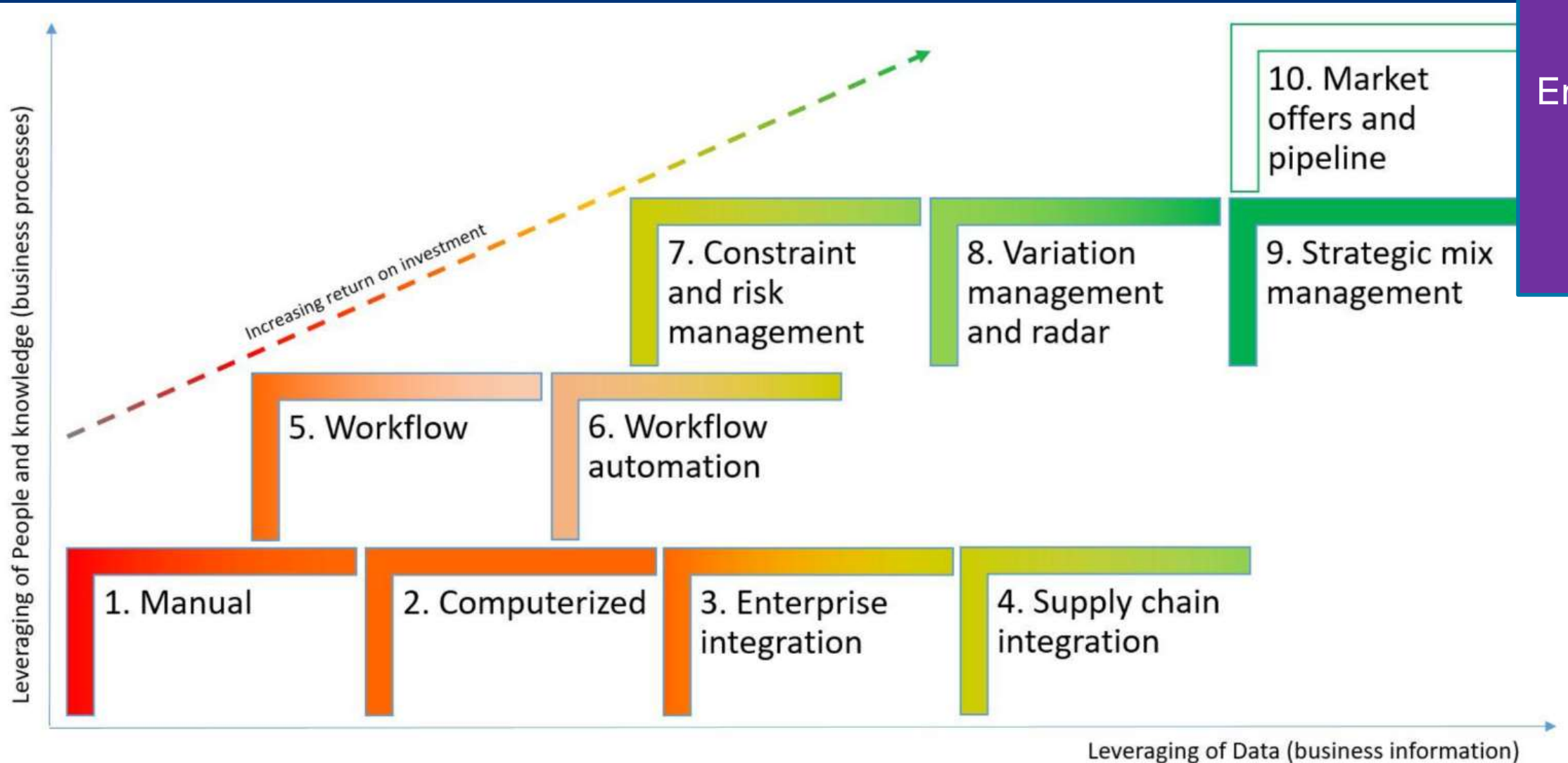


VLA eFBL Project
participate in FIATA/
project of digitalizat
the FBL

Em sugges
discus

VLA eDO Project:
working on Electronic
Delivery Order project
based on blockchain

Creating of Awareness: Healthcheck & Productivity Improvement Opportunity



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Connecting Logistics Professionals

www.vla.com.vn