

**PROJECT INFORMATION DOCUMENT (PID)  
IDENTIFICATION/CONCEPT STAGE**

Report No.: PIDC53293

<b>Project Name</b>	Vietnam Logistics Statistical System
<b>Region</b>	EAST ASIA AND PACIFIC
<b>Country</b>	Vietnam
<b>Sector(s)</b>	General transportation sector (50%), General industry and trade sector (50%)
<b>Theme(s)</b>	Export development and competitiveness (20%), Regional integration (20%), Trade facilitation and market access (30%), Other trade and integration (30%)
<b>Lending Instrument</b>	Lending Instrument
<b>Project ID</b>	P158817
<b>Borrower Name</b>	Ministry of Transport
<b>Implementing Agency</b>	Transport Development and Strategy Institute
<b>Environment Category</b>	C - Not Required
<b>Date PID Prepared</b>	12-Jan-2016
<b>Estimated Date of Approval</b>	02-May-2016
<b>Initiation Note Review Decision</b>	The review did authorize the preparation to continue

**I. Introduction and Context**

**Country Context**

Trade plays an essential role in Vietnam's economic growth and development. The remarkable achievement of 7 percent of economic growth rate on average over the past two decades is a reflection of efforts by the country towards trade liberalization, especially through reducing tariff and non-tariff barriers, and signing and implementing a number of free trade agreements with trade partners. As the international integration process has already advanced with full WTO implementation, and the conclusion of the Trans-Pacific Partnership negotiations, further contributions of trade to growth will require additional approach of deepening trade facilitation. Effective logistics development would greatly facilitate trade facilitation through global connectivity as it contributes to lower costs and clearance time for imports and exports, and this in turn would enhance market expansion especially for export cargo due to improved cost competitiveness and shorter time to markets.

The Government of Vietnam is in the process of development of a National Action Plan (NAP) for trade logistics development for 2016-2020 and the direction to 2030 to improve market access, connectivity and trade facilitation, and subsequently enhance the country's competitiveness. Effective monitoring the implementation of the NAP require the government enhanced capacity to collect, process, and present logistics statistical data in a national standard system.

Vietnam's National Strategy for the Development of Statistics 2011-2020 (NSDS), approved by the

Prime Minister through the Decision 43/2010/QĐ-TTg dated June 2, 2010, highlights the needs to construct and complete the statistical systems of sectoral indicators and data by ministries in consistence with the national statistical system. In implementing the NSDS 2011-2020, the Ministry of Transport (MOT) issued the Circular number 41/2014/TT-BGTVT on “The system of Statistical Indicators for Transport Sector” dated September 15, 2014. This project is to support the MOT to implement the NSDS, the PM Decision 43, and the MOT Circular 41.

### **Sectoral and Institutional Context**

Despite substantial increases in public investment in infrastructure, trade-related infrastructure has not maintained pace with the growth of its exports. Weak infrastructure and transport links, especially weak corridors connecting major growth poles to main international gateways, high transport costs, poor quality of transport and logistics services are among key contributors constraining Vietnam’s trade potential. Vietnam lacks an actionable plan for logistics development for the medium term, accompanied by a robust logistics data system for monitoring and evaluation of plan implementation.

### **Relationship to CAS/CPS/CPF**

This activity is fully aligned with the CPS Competitiveness Pillar 1, and outcomes 1.1 Improved Economic Management and Business Environment and 1.3 Increased Capacity of Innovation and Value Addition. As highlighted by the CPS, Vietnam’s aspirations to avoid the middle income trap and become a successful middle income country (MIC) will require strengthening the economy’s competitiveness to which logistics efficiency is key.

## **II. Project Development Objective(s)**

### **Proposed Development Objective(s)**

The main development objective of this project is to support the Government of Vietnam to establish a national system for collecting, processing and publishing transport and trade logistics statistics on an annual basis. The statistical data will be used by Government agencies for strategic planning purposes and to formulate and monitor implementation of policies related to transport infrastructure and trade logistics development and to help the private sector, in particular trade and by the private sector logistics firms to access to reliable data for their business development. The trade logistics data system will therefore contribute to improved transparency in the business environment in Vietnam.

### **Key Results**

- i. A definition of indicators and guidelines for the collection, processing, and reporting of trade logistics data on an annual basis;
- ii. A pilot comprehensive logistics survey report with processed data;
- iii. A published pilot annual report on trade logistics statistics based on the survey results; and,
- iv. Enhanced capacity within the MOT for collecting and reporting trade logistics data.

## **III. Preliminary Description**

### **Concept Description**

The project will consist of four main components as follows:

Component 1: Developing standardized trade logistics indicators and the methodology of collection,

processing and reporting trade logistics data on an annual basis.

This component will define key logistics indicators and identify sources of trade logistics data to be collected, from government agencies, terminal operators, multi-modal transporters, and logistics firms etc., propose, discuss and develop the guidelines for collecting and processing data and reporting them in standardized indicators.

- i. Projected cost for Component 1: \$128,500.
- ii. Key activities: Consulting services for (i) identifying and defining indicators and developing of guidelines for collecting, processing and reporting trade logistics data; (ii) contextual design of VLSS (assessing available software, identifying a suitable data format and potential agencies / partners to share data with including potential integration into existing portals) and (iii) extensive consultations with relevant stakeholders from public and private sector to assess different data needs.
- iii. Expected outputs: (i) agreed types of indicators for different types of stakeholders (policy level, strategic, decision-making); (ii) definition of indicators and guidelines for the collecting, processing, and reporting trade logistics data on annual basis; (iii) design of a comprehensive pilot survey; data processing and reporting; (iv) report preparation and detailed documentation of technical design of system, including rationale and results; and dissemination of report

Component 2: Conducting one comprehensive pilot survey- to collect data in accordance with the guidelines provided from the Component 1.

The survey is to collect the comprehensive data for one pilot trade logistics statistical annual reports in 2017. It should also provide specific data on major corridors, especially the North-South Corridor which links major economic centers and key national trade gateways.

- i. Projected cost for Component 2: \$190,160.
- ii. Key activities: Consulting services for: (i) design of survey: after a desk review of the current status of data on trade logistics and its associated sources, and a review of key data providers, and consultation workshops with the private sector, a set of questionnaires will be designed, pilot tested, and then finalized; (ii) development of survey plan: based on the above point, a survey plan will be developed including modifications to sample design and other aspects of survey implementation to minimize non-sampling error; and (iii) conduct of the survey and dissemination of its results.
- iii. Expected output: (i) comprehensive survey report on pilot basis with processed data and results; (ii) revised definition of indicators and guidelines to collect, process and present logistics data on annual basis; and (iii) detailed documentation on rationale, technical input received, lessons learned and results.

Component 3: Prepare and disseminate the pilot annual report on trade logistics statistics.

The report will be based on the guidelines provided from Component 1 and the results of the surveys provided from Component 2.

- i. Projected cost for Component 3: \$92,500.
- ii. The activities: Consulting services and related consultations to publish one pilot annual report on trade logistics statistics. Through publishing an annual report and consulting process, this component will provide feedback to improve the guidelines developed under the Component 1.
- iii. Expected output: (i) published pilot annual report on trade logistics statistics.(ii) released data in open data format;

Component 4: Activities to support the project implementation.

This component is to provide training and consultation for enhancing capacity of the project implementing agencies.

- i. The activities will include workshops, and training courses;
- ii. Projected cost for Component 4: \$87,500
- iii. Expected outputs: (i) MOT's enhanced capacity for collecting and reporting trade logistics data; (ii) fast and effective implementation of the activities under the TF; and (iv) approved definition of indicators and guidelines to collect, process and present logistics data on annual basis for the TF outcome sustainability and a proof of the capacity built remain with the recipient.

#### IV. Safeguard Policies that Might Apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
Environmental Assessment OP/BP 4.01		x	
Natural Habitats OP/BP 4.04		x	
Forests OP/BP 4.36		x	
Pest Management OP 4.09		x	
Physical Cultural Resources OP/BP 4.11		x	
Indigenous Peoples OP/BP 4.10		x	
Involuntary Resettlement OP/BP 4.12		x	
Safety of Dams OP/BP 4.37		x	
Projects on International Waterways OP/BP 7.50		x	
Projects in Disputed Areas OP/BP 7.60		x	

#### V. Financing (in USD Million)

Total Project Cost:	0.51846	Total Bank Financing:	0
Financing Gap:	0		
<b>Financing Source</b>			<b>Amount</b>
Borrower			0.02
Trust Fund for Statistical Capacity Building			0.49846

## **VI. Contact point**

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