

THE CURRENT SITUATION AND SOLUTIONS FOR DEVELOPING GREEN LOGISTICS TOWARDS A SUSTAINABLE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO THE AUSTRALIAN MARKET



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1. Vietnam Logistics System



2. The supply chain for Vietnamese agricultural exports to Australia

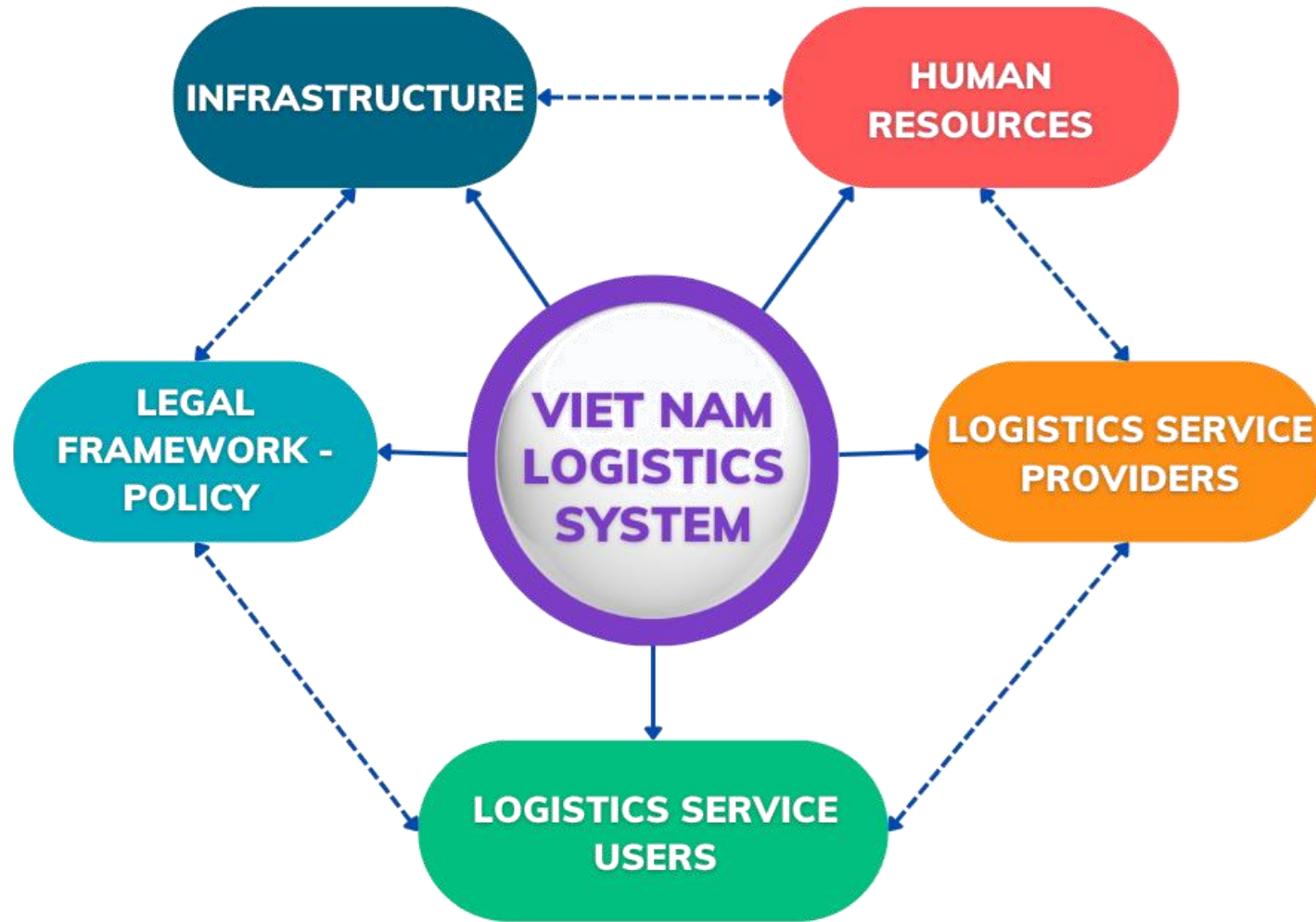


3. The current status of Agricultural Green Logistics



4. Solutions

1. VIETNAM LOGISTICS SYSTEM



Source: Vietnam Logistics Business Association (VLA) and Vietnam Logistics Research and Development Institute (VLI), 2023

1. VIETNAM LOGISTICS SYSTEM

Vietnam's Logistics Performance Index (LPI) in 2007 – 2023

2007-2023: WB ranks LPI of 155, 160 (from 2014) countries



Criteria	Year							Decision 221/QĐ-TTg (2021): Targets to 2025
	2007	2010	2012	2014	2016	2018	2023	
Score	2.89	2.96	3	3.15	2.98	3.27	3.3	
Rank	53	53	53	48	64	39	43	50 or higher

6 LPI evaluation indicators:

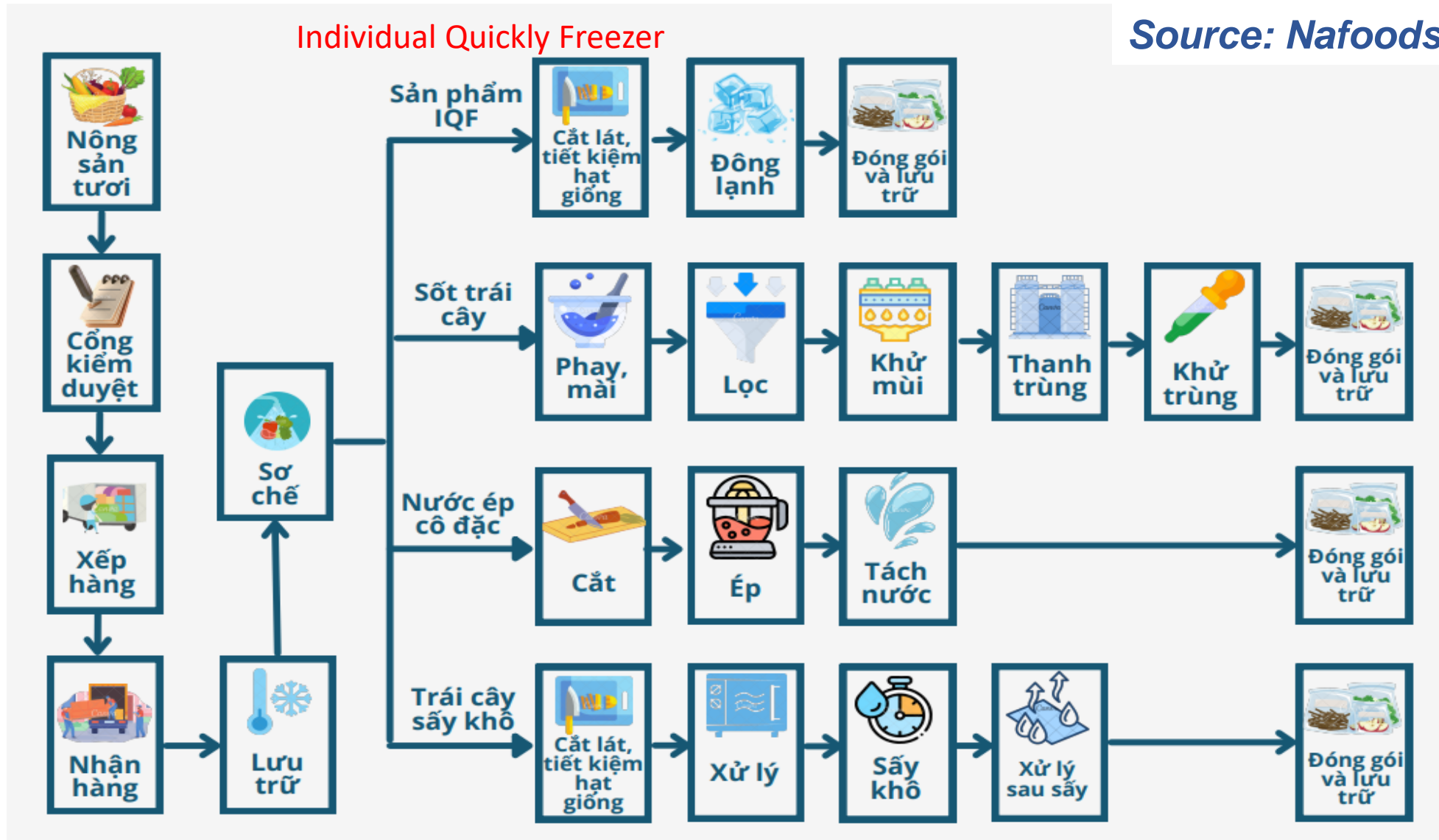
- Infrastructure
- International Shipments
- Logistics Competence
- Tracking and Tracing
- Timeliness
- Customs



- ✓ The contribution proportion of logistics services to GDP reaches **5%-6%**
- ✓ The growth rate of logistics services reaches **15%-20%**
- ✓ The outsourcing rate of logistics services reaches **50%-60%**
- ✓ Logistics costs are reduced to **16%-20%** equivalent to GDP

Source: Decision 221/QĐ-TTg (Feb. 22, 2021) of the Vietnam Prime Minister Logistics Performance Index (LPI) of The Worldbank (2023)

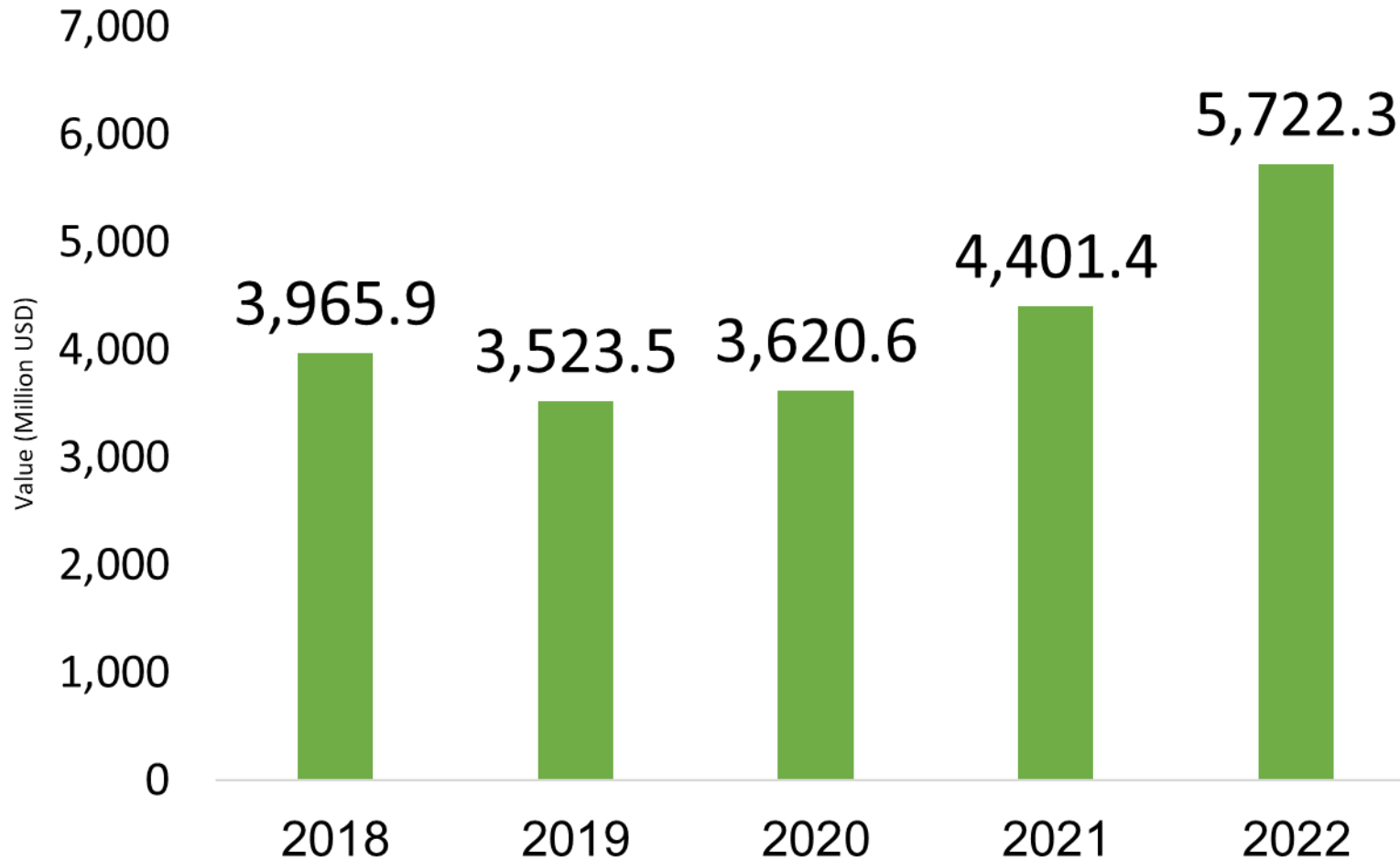
2. THE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO AUSTRALIA



Source: Nafoods Group, (2021)

2. THE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO AUSTRALIA

THE VALUE OF VIETNAMESE PRODUCTS EXPORT TO AUSTRALIA



The average growth rate (2018-2022): 11%/year

Source: Ministry Of Industry And Trade, Collected by Vietnam Logistics Research and Development Institute (VLI), 2023

2. THE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO AUSTRALIA

Some fresh Vietnamese fruits have been exported to the Australian market



Mango



Dragon Fruit



LONGAN



LYCHEE

2. THE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO AUSTRALIA

The export volume of agricultural products from Vietnam to Australian market *Unit: ton*

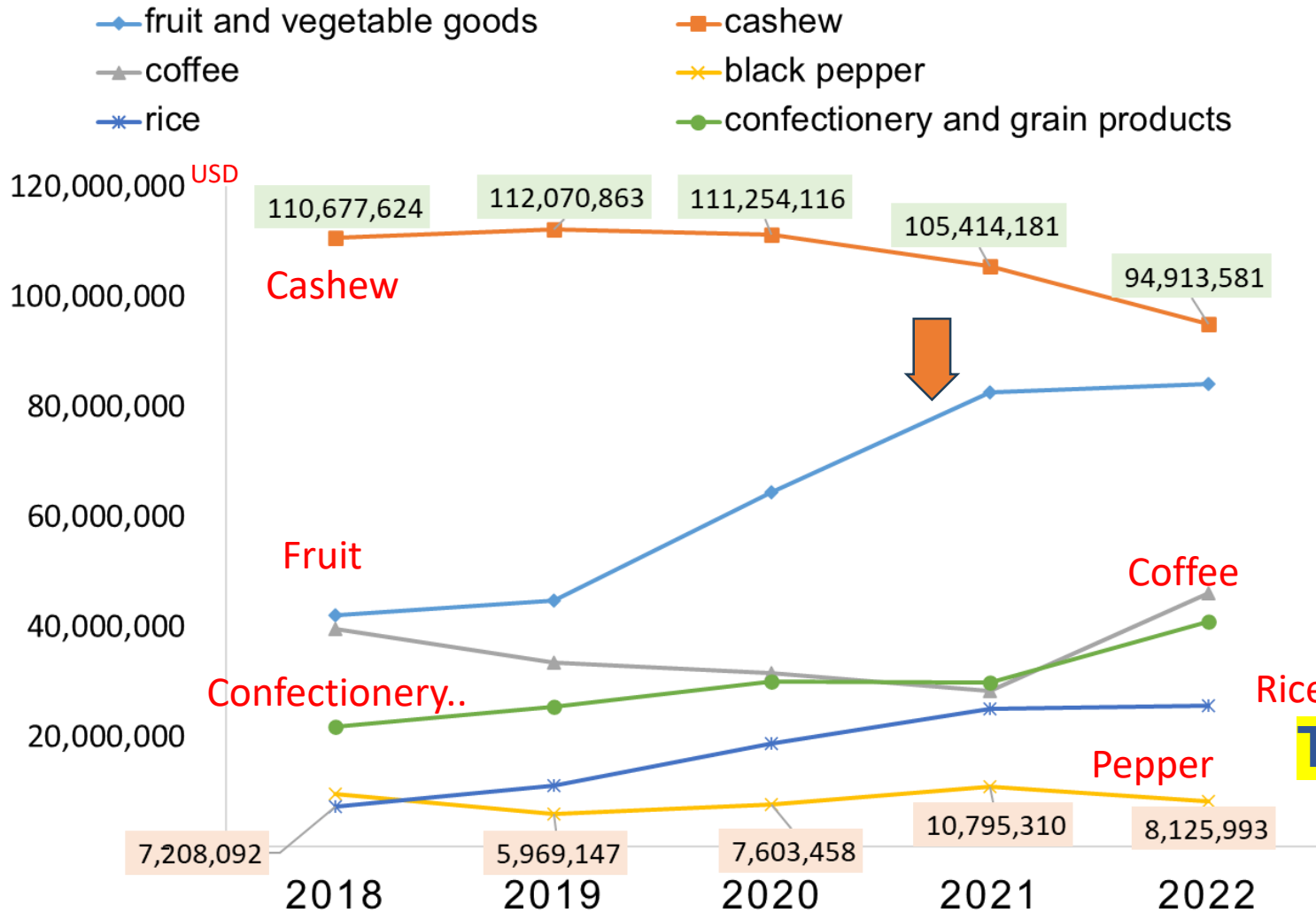
Year Products	2018	2019	2020	2021	2022
Fruit and vegetable goods	No statistics	No statistics	No statistics	No statistics	No statistics
Cashew	12,580	15,848	18,811	16,904	15,948
Coffee	20,435	18,453	17,747	14,409	20,168
Black pepper	2,393	1,875	2,618	2,762	1,678
Rice	10,816	17,832	29,523	38,326	37,966
Confectionery and grain products	No statistics	No statistics	No statistics	No statistics	No statistics

Source: Ministry Of Industry And Trade, Collected by Vietnam Logistics Research and Development Institute (VLI), 2023

2. THE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO AUSTRALIA



The export value of agricultural products from Vietnam to Australian market

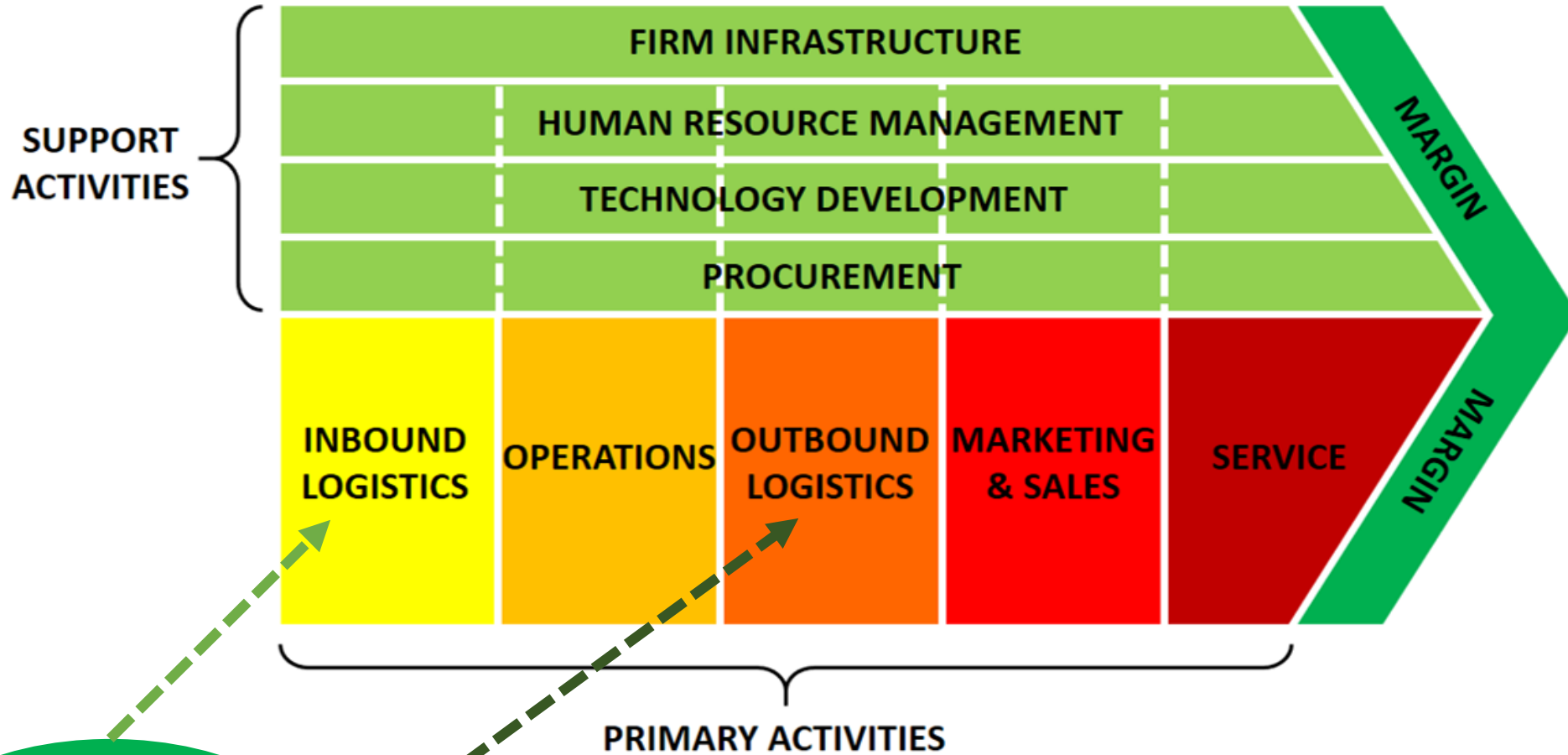


Year	Growth rate
2018	5.8%
2019	6.6%
2020	7.3%
2021	6.4%
2022	5.2%

The average growth rate = 6.8 %

Source: Ministry Of Industry And Trade, Collected by Vietnam Logistics Research and Development Institute (VLI) 2023

2. THE SUPPLY CHAIN FOR VIETNAMESE AGRICULTURAL EXPORTS TO AUSTRALIA



Source:
Adapted from
M. E. Porter,
*Competitive
Strategy*, Free
Press, 1985.
Copyright 1985
Michael E.
Porter

**Green
Logistics**

Green Logistics plays a very essential role for improving the value chain of agriculture exports

✓ Green logistics of agricultural products:

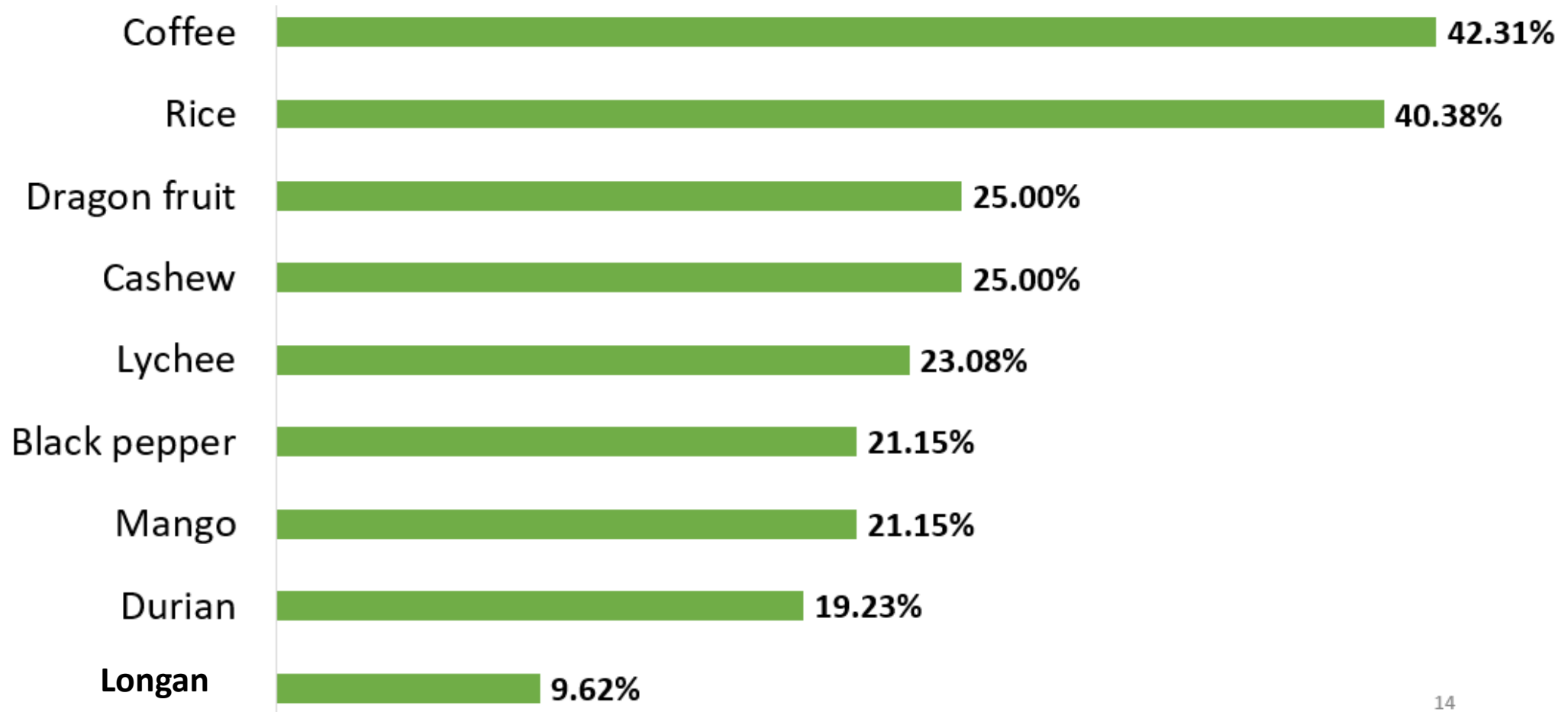
- ✓ the process of forward logistics and reverse logistics of agricultural products to **minimize the impact on the ecological environment**, using advanced management concepts to manage the logistics process and achieve full and rational use of agricultural product logistics resources.
- ✓ includes the following contents: **intensive resources for agricultural products**. The integration and rational use of existing resources, improve the **efficiency of resource utilization**, **reduce unnecessary waste** (repackaging, recycling, reused, etc.) and **achieve sustainable development**.



Source: Liu et al,
2019

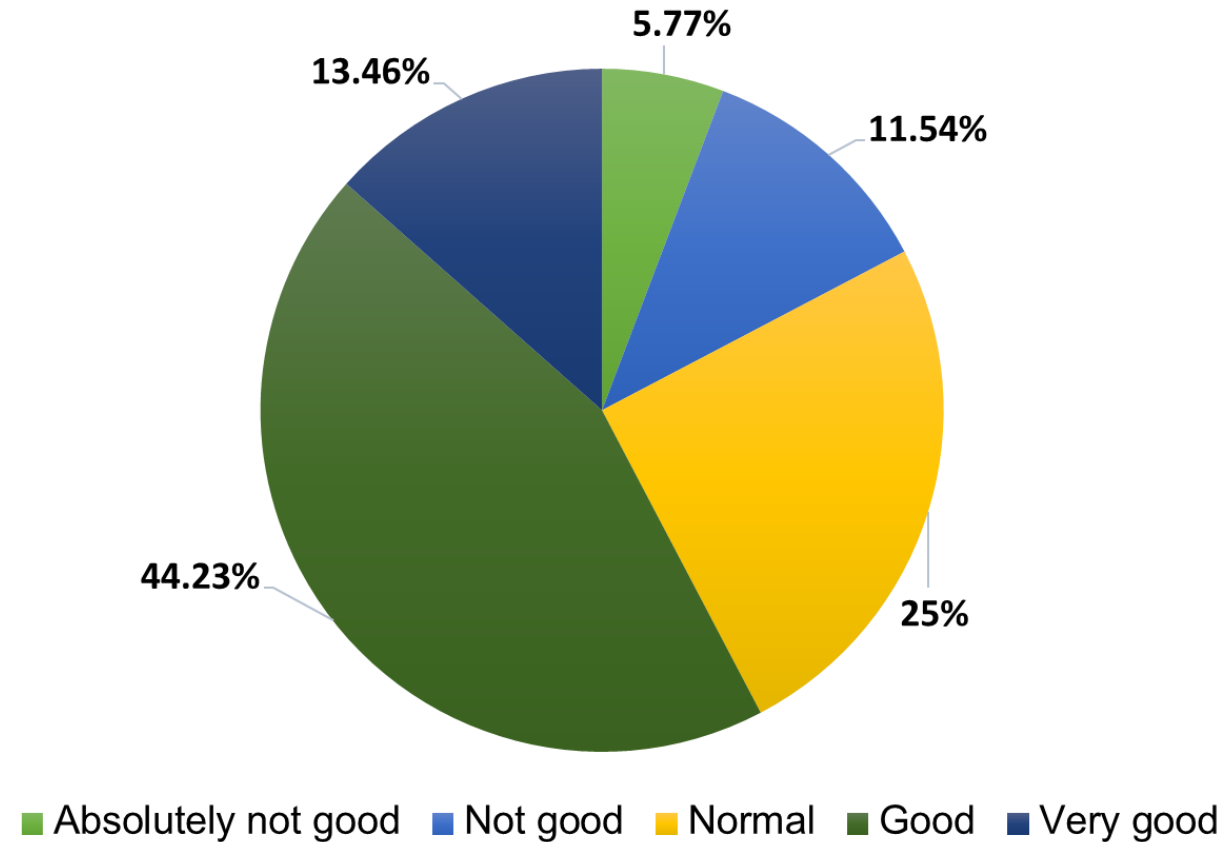
3. THE CURRENT STATUS OF GREEN LOGISTICS

THE MAIN VIETNAMESE AGRICULTURAL EXPORTS TO THE AUSTRALIAN MARKET IN THE FUTURE



Source: The Survey from Cargo Owners (CO) and Logistics Service Providers (LSP) conducted by Vietnam Logistics Research and Development Institute (VLI) August – October, 2023

THE COMPANY'S COMMITMENT TO GREEN LOGISTICS TOWARDS A SUSTAINABLE SUPPLY CHAIN FOR AGRICULTURAL PRODUCTS

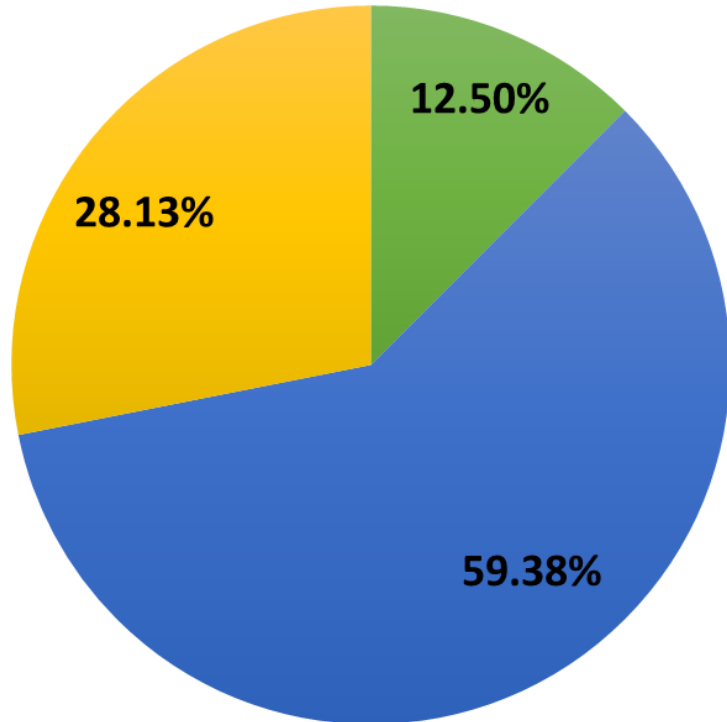


Source: The Survey from Cargo Owners (CO) and Logistics Service Providers (LSP) conducted by Vietnam Logistics Research and Development Institute (VLI) August – October, 2023

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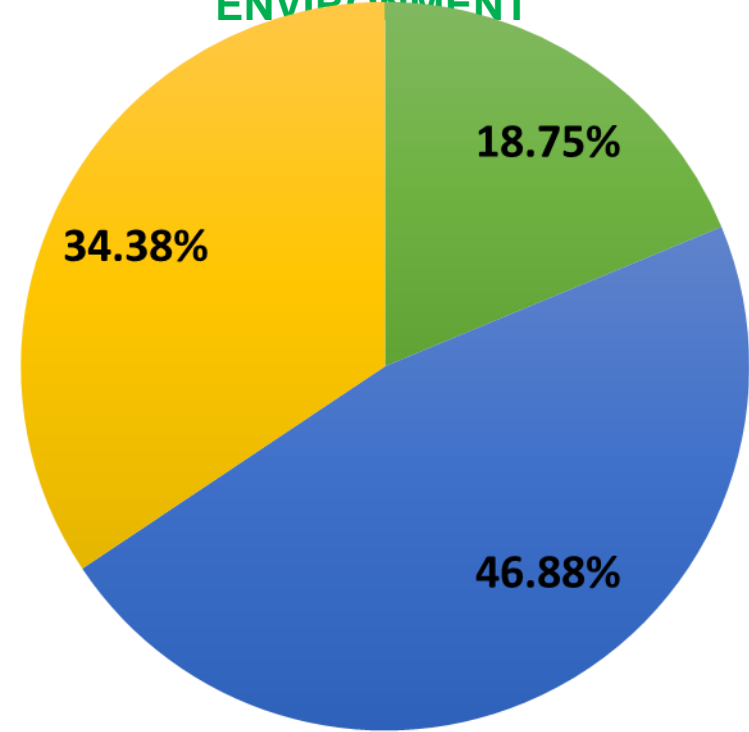
Awareness of agricultural businesses

IMPLEMENTING GREEN PRODUCTION AND PROCESSES TO MINIMIZE ENVIRONMENTAL



■ Unfulfilled ■ Processing ■ Expected implementation

REQUIRING COMMITMENT FROM LOGISTICS SERVICE PROVIDERS TO MINIMIZE ACTIVITIES THAT IMPACT ON THE ENVIRONMENT



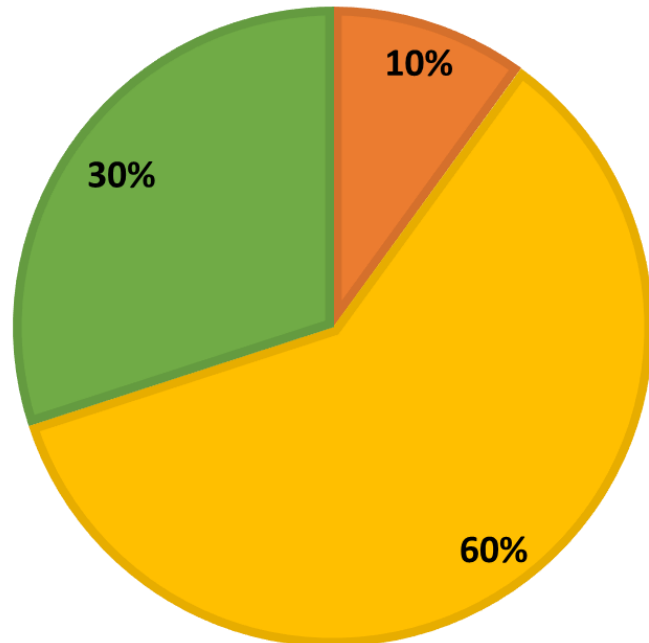
■ Unfulfilled ■ Processing ■ Expected implementation

Source: The Survey from Cargo Owners (CO) conducted by Vietnam Logistics Research and Development Institute (VLI) August – October, 2023

3. THE CURRENT STATUS OF GREEN LOGISTICS

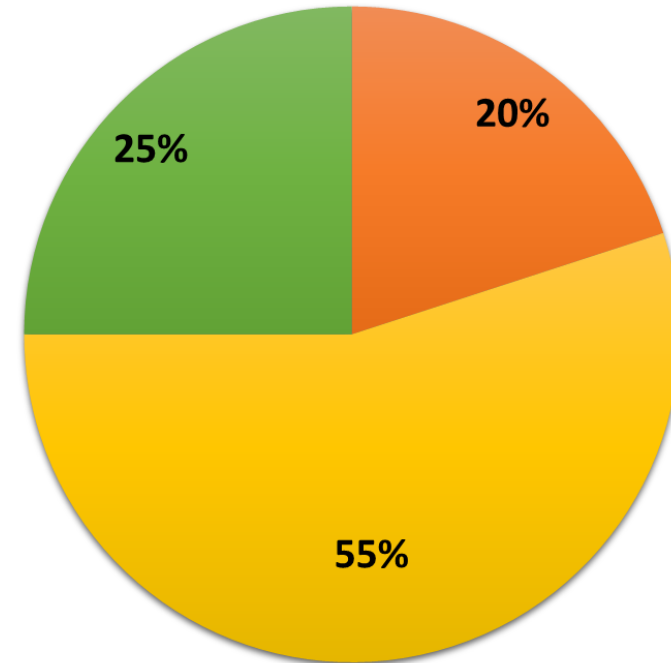
Awareness of logistics businesses

PROMULGATING COMPANIES' POLICY ON INNOVATION OF ENVIRONMENTALLY FRIENDLY EQUIPMENTS



■ Unfulfilled ■ Processing ■ Expected implementation

IMPLEMENTING GREEN LOGISTICS POLICIES AND PROCESSES TO MINIMIZE ENVIRONMENTAL IMPACTS



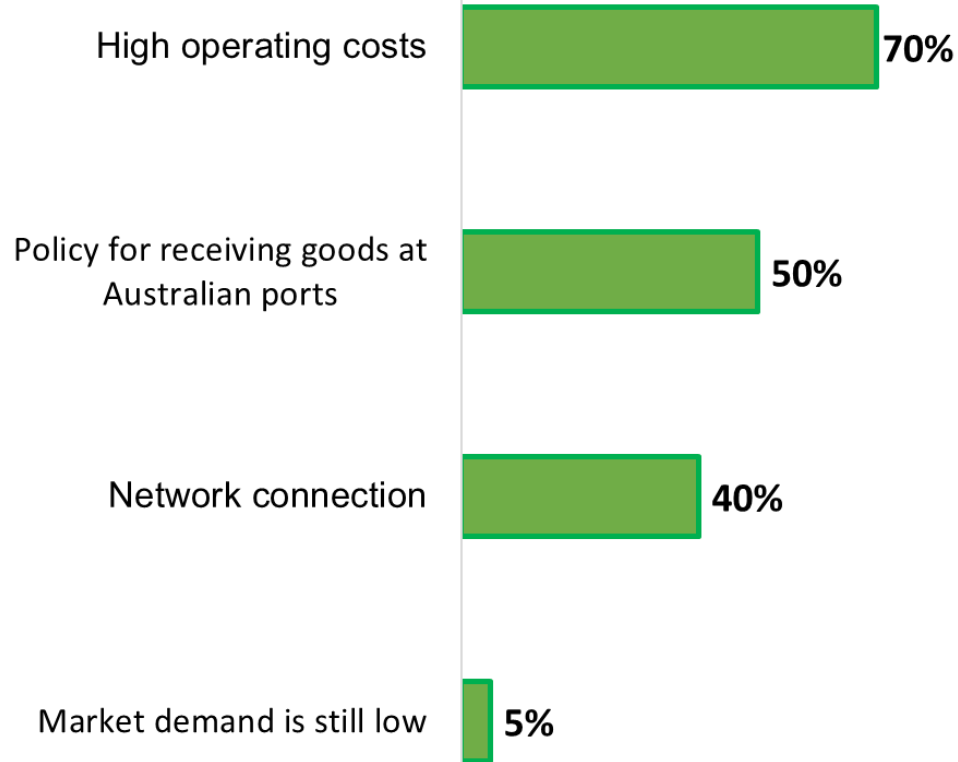
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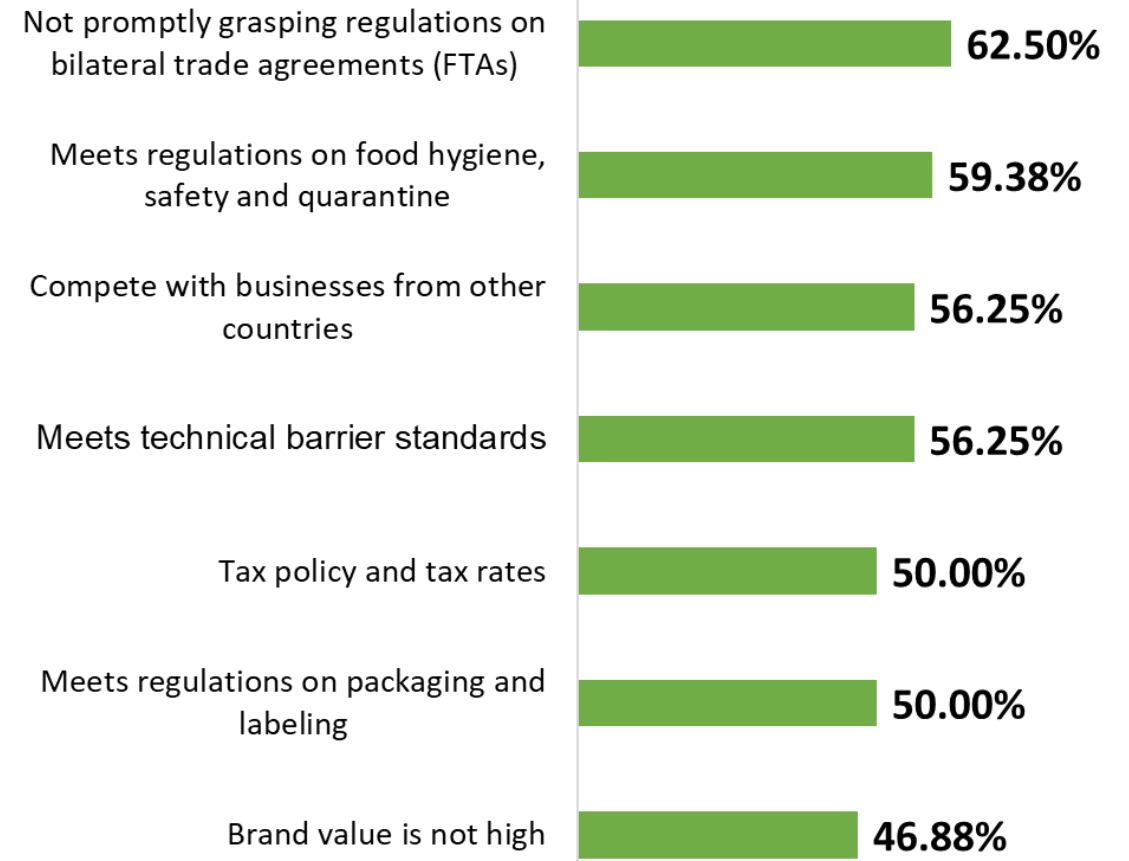
3. THE CURRENT STATUS OF GREEN LOGISTICS

CHALLENGES TO DEVELOP GREEN LOGISTICS IN VIETNAM

DIFFICULTIES OF LOGISTICS BUSINESSES WHEN EXPORTING AGRICULTURAL PRODUCTS TO THE AUSTRALIAN MARKET



DIFFICULTIES OF AGRICULTURAL ENTERPRISES WHEN EXPORTING AGRICULTURAL PRODUCTS TO THE AUSTRALIAN MARKET



Source: The Survey from Cargo Owners (CO) and Logistics Service Providers (LSP) conducted by Vietnam Logistics Research and Development Institute (VLI) August – October, 2023

3. THE CURRENT STATUS OF GREEN LOGISTICS

RECOMMENDATION TO DEVELOP GREEN LOGISTICS IN VIETNAM

WHAT DO BUSINESSES NEED TO DO TO IMPROVE THE EFFICIENCY OF EXPORTING AGRICULTURAL PRODUCTS TO THE AUSTRALIAN MARKET?

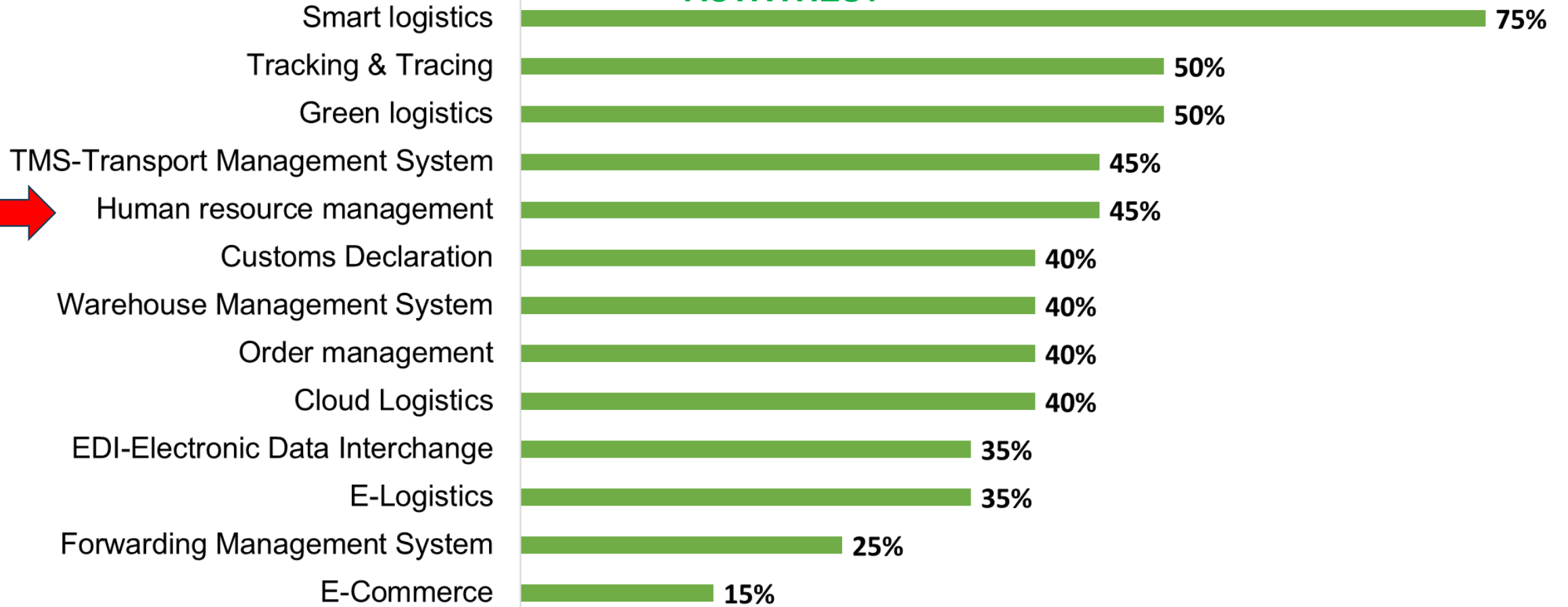


Source: The Survey from Cargo Owners (CO) and Logistics Service Providers (LSP) conducted by Vietnam Logistics Research and Development Institute (VLI) August – October, 2023

3. THE CURRENT STATUS OF GREEN LOGISTICS

RECOMMENDATION TO DEVELOP GREEN LOGISTICS IN VIETNAM

WHAT INFORMATION TECHNOLOGY APPLICATION TRENDS DO BUSINESSES NEED TO APPLY IN LOGISTICS ACTIVITIES?



Source: The Survey from Cargo Owners (CO) and Logistics Service Providers (LSP) conducted by Vietnam Logistics Research and Development Institute (VLI) August – October, 2023

❖ *Solutions for logistics infrastructure*



- Enhance and improve **Logistics infrastructure** (cold chain - warehouse and transportation) towards the specialization of stages to **optimise** transportation activities.
- Enhance environmentally friendly transportation to **reduce emissions**
- Invest in a **Green warehouse system** to meet the needs of **Green Storage and Green Packaging**
- Upgrade and build the new specialized warehouses (**Smart warehouses**) which use modern cold storage technologies, save energy and limit the environmental impact of the operational facilities.

Connection of the relevant members to participate in the pilot



Enhance the connection between **VLA - Aus4Skills - VLI** for training, coaching and implementing the Projects which promote the development of Green Logistics for agricultural products in Vietnam



Preparing to announce

The Logistics Competitiveness Index (LCI) at Provincial level of Vietnam 2022

This research project is chaired by **Vietnam Logistics Business Association (VLA)** and the participations of **Vietnam Logistics Research and Development Institute (VLI)** and **Dream Incubator (DI)** → **The**

regular evaluation

THANK YOU!



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