



Vietnam's marine economy - Opportunities and challenges in the new era

NGUYỄN ĐỨC TOÀN

Vietnam Agency of Seas and Islands

Vietnam, with a coastline of more than 3,260 km, an exclusive economic zone three times larger than its mainland area, and more than 3,000 large and small islands, has great potential for economic development along with abundant resources and a strategic position in regional and international maritime transport. In the context of the country entering an era of strong growth, with the goal of double-digit economic growth, the marine economy is identified as one of important pillars to realize this ambition. In particular, the merger of provinces, reducing from 65 coastal provinces to 34 provinces, of which 21/34 provinces have sea. Along with strong administrative reform, decentralization and delegation of power, it is opening up new opportunities and challenges for sustainable marine economic development.

1. OPPORTUNITIES FROM THE MERGER OF PROVINCES AND ADMINISTRATIVE REFORM

1.1. Legal framework on marine exploitation and use is increasingly improved

On 28th June 2024, the National Assembly passed Resolution No. 139/2024/QH15 on the National Marine Spatial Master Plan for the 2021-2030 period, with a vision to 2050. On 7 October 2024, the Government issued Decision No. 1117/QĐ-TTg on the approval of the Master Plan for Sustainable Exploitation and Use of Coastal Zone Resources for the 2021-2030 period, with a vision to 2050. Plans to implement the above Master Plan have been approved by the Government and the Prime Minister. The Master Plan has divided areas encouraged for economic development activities, areas prohibited from exploitation, areas restricted from exploitation, areas requiring special protection for national defence, security and conservation purposes. The Master Plan has also oriented to prioritize the development of marine economic sectors, identified 5 key tasks and 4 breakthroughs to implement its goals. This is an extremely important legal framework for sectors and coastal localities to orient and implement marine economic activities.

In addition, Decree No. 65/2025/ND-CP of the Government amending and supplementing a number of articles of Decree No. 40/2016/ND-CP and Decree No. 11/2021/ND-CP has fundamentally resolved shortcomings and limitations in the management and use of sea areas, especially provisions related to the order and procedures for assigning sea areas for offshore wind power development. On the other hand, Decree No. 58/2025/ND-CP dated 3 March 2025 details a number of articles of the Electricity Law on the development of renewable energy and new energy,

which stipulates specific criteria for selecting qualified contractors to participate in offshore wind power development. These issued legal regulations, master plans and plans have provided a solid legal framework for sustainable marine resource management, creating a comprehensive legal corridor to promote the development of marine economic sectors.

1.2. Increase space and management efficiency

The merger of provinces, in which one of the important criteria is to maximize the number of coastal localities, is a strategic step to optimize the exploitation and use of the potential of the sea. After the merger, new provinces will be larger in scale, with more concentrated resources, creating favourable conditions for the development of large-scale marine economic projects such as deep-water ports, coastal industrial parks and offshore wind farms, connecting the mainland with the sea. Provinces that are not coastal such as Hung Yen, Hai Duong, Ha Nam, Dak Lak, Dak Nong, Lam Dong, Can Tho, Binh Duong, etc. will have the opportunity to access the sea, thereby promoting production and reducing logistics costs (Table 1).

According to Resolution No. 36-NQ/TW dated 22 October 2018 of the 8th Meeting of the 12th Party Central Committee on the Strategy for Sustainable Development of Vietnam's Marine Economy to 2030, with a vision to 2045, the marine economy is expected to contribute about 10% of the country's GDP by 2030 and streamlining the administrative apparatus will help reduce overlaps, increase the effectiveness of inter-regional coordination to help accelerate the completion of the above goals. The merger also helps reduce administrative barriers between localities, creating favourable conditions for marine economic

Table 1: Summary of some major benefits of expanding marine space after the merger of provinces

Benefits	Details	Specific examples
Logistics enhanced	21 coastal provinces, the rate is increased from 44% to 62%, improving the seaport network.	Create a system of connecting roads from mountainous areas to seaports to speed up the transportation of goods and reduce logistics costs.
Large port clusters formed	Create mega cities with a strong port system, increasing cargo handling capacity.	Ho Chi Minh City crosses Hai Phong, Can Tho to the sea.
Inland & coastal economies connected	Link mountainous areas with the sea, expanding markets and supplies.	Dak Lak with Phu Yen, Lam Dong with Binh Thuan.
Investment in marine economy focused	Prioritize fisheries, renewable energy, beach tourism, sustainable growth.	Quang Ninh - Hai Phong - Ninh Binh with the core area starting to develop is Hai Phong - Quang Ninh with the focal point being Lach Huyen international port, developing Quang Ninh into a national tourist center connecting internationally. Ho Chi Minh City is developing into a leading maritime economic center in Southeast Asia. Priority areas are international transit ports, shipbuilding, ocean transportation; product inspection, training services for the marine economy; international trade and financial services.
Effectiveness of marine space management increased	Reduce administrative barriers, implement unified management of marine resources.	Develop Van Don and Dinh Vu economic zones, international financial centers in Da Nang and Ho Chi Minh City.

value chains to be more closely linked, from the mainland to offshore islands.

1.3. Implement administrative reform and decentralization, delegation of power

Along with the merger of provinces, Vietnam is promoting administrative procedure reform, reducing at least 50% of administrative procedures. Decentralization and delegation of power to coastal local authorities helps local authorities improve their efficiency and effectiveness at all levels. Specifically:

Enhance the initiative and flexibility of coastal local authorities: (1) Make decisions quickly in accordance with local characteristics: The policy on decentralization and delegation of power allows coastal provinces (especially after the merger, 21/34 provinces have sea) to be autonomous in planning, approving projects and allocating resources. For example, provinces such as Quang Ninh, Hai Phong, or Binh Thuan can quickly issue policies to attract investment in seaports, offshore wind power, or eco-

tourism without waiting for approval from the Central Government, minimizing administrative time and costs; (2) Take local advantages: Each coastal province has its own natural and economic characteristics (such as the potential for sea breezes in Binh Thuan, rich fishing grounds in Kien Giang, or strategic logistics location in Hai Phong). Delegation of power helps local authorities flexibly develop appropriate marine economic development strategies, such as developing deep-water ports in Cai Mep - Thi Vai or high-quality tourist areas in Phu Quoc.

Attract investment and develop key marine economic sectors: (1) Create a favourable business environment: Decentralization and delegation of power go hand in hand with administrative procedure reform, cutting at least 50% of the processing time for procedures related to investment, land and environment. This creates favourable conditions for domestic and foreign investors to participate in marine economic sectors such as renewable energy, logistics, tourism; (2) Encourage



innovation: Local authorities granted autonomy can pilot new marine economic models, such as coastal economic zones integrating green energy, circular aquaculture, or smart tourism. Provinces such as Khanh Hoa have deployed pilot models of high-tech marine farming, contributing to increased productivity and export value.

Strengthen the effectiveness of marine resource management and environmental protection: (1) Implement flexible marine resource management: Delegation of power allows local authorities to directly monitor and manage marine resources, such as fishing grounds, conservation areas and energy exploitation areas. Some provinces such as Quang Ngai and Phu Yen have applied the fisheries co-management model, in which fishing communities participate in protecting aquatic resources, helping reduce overexploitation and conserve ecosystems; (2) Implement Net Zero commitments: Coastal local authorities are empowered to develop specific action plans to reduce emissions, such as implementing offshore wind power projects, using circular technology in aquaculture and plastic waste management. Binh Thuan, with 200 GW of wind power potential, is working with international investors to build offshore wind farms, contributing to the goal of reducing emissions by 50% by 2030.

Promote regional connectivity and synchronous infrastructure development: (1) Implement more effective inter-regional coordination: After the merger of provinces, coastal areas are reorganized into larger economic zones, helping strengthen connectivity between previously landlocked localities that now become coastal localities such as Hai Duong, Hung Yen, Ha Nam, Kon Tum, Dak Lak, Lam Dong, etc. (2) Invest in strategic infrastructure: Delegation of power allows local authorities to mobilize capital and implement key infrastructure projects, such as seaports, coastal roads and wind farms.

2. OPPORTUNITIES FROM INTERNATIONAL INTEGRATION

Vietnam's deep integration and participation in Free Trade Agreements (FTAs) such as the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the Regional Comprehensive Economic Partnership (RCEP), the European Union - Vietnam Free Trade Agreement (EVFTA), and other international commitments bring many significant advantages for the development of the marine economy.

Promote seafood exports and increase added value: (1) Expand export markets: Free Trade Agreements such as EVFTA (with the EU) and CPTPP (including

Japan, Canada, Australia) reduce or eliminate tariffs on Vietnamese seafood products (shrimp, pangasius, and tuna). For example, EVFTA has reduced shrimp import tariffs from 12-20% to 0%, helping Vietnam increase seafood exports to the EU, Vietnam's second largest market (reaching about 1.2 billion USD in 2024); (2) Meet international standards: FTAs require high standards of traceability, combating illegal, unreported, and unregulated (IUU) fishing and environmental protection, encouraging Vietnam to improve fisheries management. This helps build a sustainable Vietnamese seafood brand, increasing competitiveness in the global market.

Develop the maritime industry and logistics: (1) Strengthen the role of a regional logistics center: Vietnam's geostrategic position on international shipping routes, combined with FTAs such as RCEP (including 15 Asia-Pacific countries), helps Vietnam become a cargo transit center. Seaports such as Cai Mep - Thi Vai and Hai Phong have welcomed the world's largest container ships, with a total cargo throughput of more than 750 million tons by 2024; (2) Attract investment in seaport infrastructure: Trade agreements facilitate attracting FDI capital into seaport development and logistics services. Corporations such as DP World (a multinational logistics company headquartered in Dubai, United Arab Emirates) and PSA International (the world's largest port operator, headquartered in Singapore) are investing in deep-water ports in Vietnam, thanks to tax incentives from FTAs and administrative reform; (3) Reduce logistics costs: FTAs help optimize global supply chains, reduce transportation costs and customs clearance times. According to the Draft Strategy for Vietnam's Logistics Services Development, logistics costs in Vietnam (accounting for 16-20% of GDP) can be reduced to 10-12% thanks to integration and reform.

Develop high-quality beach tourism: (1) Attract international visitors: Trade agreements and international integration, along with visa exemption commitments within the ASEAN and bilateral frameworks, help Vietnam attract a large number of tourists from major markets such as the EU, Japan and South Korea. In 2024, beach tourism contributed about 70% of the country's total tourism revenue (estimated at 28 billion USD), with destinations such as Ha Long Bay, Phu Quoc, Da Nang; (2) Invest in tourism infrastructure: Investors from Japan, Singapore, and the EU are investing capital in high-quality resorts and eco-tourism in coastal provinces, thanks to

incentives from FTAs and policies on decentralization and delegation of power; (3) Promote national brands: International integration helps Vietnam promote the image of island destinations, such as Ly Son and Con Dao, through global tourism promotion programs.

Develop marine renewable energy: (1) Attract capital and technology: International trade agreements and commitments (COP26) create favourable conditions for Vietnam to cooperate with advanced countries such as Denmark, Norway, the US and Germany in developing offshore wind power; (2) Access international green funds: International commitments on Net Zero help Vietnam access concessional capital sources from the World Bank (WB), Asian Development Bank (ADB) and Green Climate Fund (GCF) to develop renewable energy projects; (3) Transfer technologies: FTAs facilitate the transfer of advanced technologies, such as large-capacity wind turbines (10-15 MW) and floating foundations, helping Vietnam effectively exploit deep-sea areas.

3. CHALLENGES IN MARINE ECONOMIC DEVELOPMENT

Environmental pollution and climate change: Despite its great potential, Vietnam's marine economy is facing many challenges. Marine pollution, especially plastic waste and waste from aquaculture, is putting great pressure on marine ecosystems. It is estimated that each year, shrimp farming discharges nearly 3 million tons of solid waste and tens of millions of cubic meters of wastewater, causing degradation of ecological areas such as coral reefs and mangrove forests. Climate change, with rising sea levels and saltwater intrusion, also threatens coastal communities and port infrastructure.

Shortage of high-quality human resources: High-quality human resources in marine sector remain a bottleneck. Marine scientific research and human resource training facilities are currently in small scale, lacking modern equipment and failing to meet the needs of developing high-tech industries such as renewable energy or marine biology. The phenomenon of "brain drain" has also caused Vietnam to lose many experts in the field of marine economy, requiring policies to attract talent and invest in education.

Asynchronous infrastructure: Although there is a seaport system with a throughput capacity of over 750 million tons/year, many seaports are small, unsynchronized and have not been properly invested. Some localities have built seaports but cannot operate them effectively due to unreasonable calculations,

causing waste of resources. This requires a more comprehensive and synchronous planning to optimize marine economic infrastructure.

4. SOLUTIONS AND DIRECTIONS

To take advantage of opportunities and overcome challenges, Vietnam needs to synchronously deploy the following solutions:

Firstly, develop a blue marine economy: Shift from a "brown" to a "blue" marine economy model, prioritizing sectors such as renewable energy, eco-tourism, and sustainable aquaculture. For example, offshore wind farms need to be combined with coral reef and mangrove conservation programs to ensure ecological balance.

Secondly, invest in technology and human resources: Increase investment in marine scientific research, apply remote sensing, AI and IoT technologies in resource management and environmental monitoring. In addition, establish a high-quality marine human resource training center, with policies to attract international experts.

Thirdly, strengthen international cooperation: Cooperate with countries strong in wind power technology such as Denmark, Norway, and Japan to transfer renewable energy technology and marine management; Participate in global initiatives such as Sustainable Development Goal 14 - Life below Water (SDG 14) to protect the ocean and attract green capital.

Fourthly, implement institutional reform: Continue to reduce administrative procedures, increase decentralization and delegation of power to coastal local authorities, and build a transparent legal framework to attract investment in large-scale marine economic projects.

5. CONCLUSION

In the era of the Vietnamese people's rise, the marine economy is not only a driving force for growth but also a symbol of the aspiration to become a strong and rich maritime nation. With the merger of provinces, administrative reform and the double-digit growth target, Vietnam is facing a historic opportunity to position itself as the center of the marine economy of the region. However, to realize this ambition, close coordination between the Government, businesses and the community is needed, along with a strong commitment to environmental protection and sovereignty over the sea and islands. Vietnam's marine economy, if properly exploited, will be the key to taking the country further on the journey of prosperity and sustainability ■