

# Viet Nam News

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### World traffic experts to meet in Hà Nội

**HÀ NỘI** — Leading transport industry professionals from around the world will arrive in the capital city to attend Viet Traffic 2008, Việt Nam's premier international traffic and overland transport conference and exhibition, to be held October 15-17.

Delegates will learn about local and international case studies, urban transport planning and sustainability, advances in technology, transport financing and investments, intelligent transport systems (ITS) and road safety. They'll also gain critical insights into Việt Nam's road and rail development plans.

The conference features an exhibition showcasing railway infrastructure, highway construction and management, roadside extras

and public utilities, ITS for traffic management and safety, and parking facilities, systems and management.

Việt Nam's need for an efficient transportation infrastructure has increased significantly as a result of its tremendous economic growth since joining the World Trade Organisation in January 2007. In recent years, the country's Gross Domestic Product has consistently hovered around the 8 per cent mark, with 2007's foreign direct investment (FDI) hitting a 20-year high.

Major projects are underway to build more ports, highways, railways, roads, bridges, tunnels, interchanges, overpasses, car parks and other auxiliary facilities.

However, Việt Nam's rapid economic growth has not been matched by infrastructure improvements, said William Lean, VinaCapital's managing director of infrastructure.

So, why has development of the country's transport infrastructure lagged far behind general growth of the economy?

Statistics point to inevitable growth in the Vietnamese transportation sector. In Việt Nam, there are 12 cars per 1,000 people. In the US, this number is 893 and in Thailand it's 209. As Việt Nam's wealth increases, the road network will have to be able to handle many more vehicles.

Investment in transport infrastructure provides healthy risk

adjusted returns, due to relatively high and predictable yields from road tolls, user fees and rents.

In the first six months of 2008, Việt Nam recorded FDI in transport of US\$31.6 billion, said Hoàng Văn Huấn, an official from the Ministry of Planning and Investment. Nearly 9,200 projects were underway, with a total registered capital of more than \$116 billion.

The country's poor transport infrastructure is restricting its economic growth. Some \$60 billion of foreign investment has not yet been spent, Huấn said. It is clear that rapid development of infrastructure is vital to spur economic development in Việt Nam, he said. — VNS