

YCH Group Spearheading the ASEAN Smart Logistics Network (ASLN) with the Launch of Vinh Phuc ICD Logistics Centre (SuperPort™) Project

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- A joint venture project with T&T Group of Vietnam to develop an international logistics centre and an inland port in the northern part of Vietnam
- ASEAN Smart Logistics Network will focus on logistics infrastructure development in ASEAN, and creating supply chain reliability and resilience - agendas that are being pushed to the forefront amidst the COVID-19 pandemic

Singapore, 14 November 2020 – YCH Group, Asia Pacific’s leading integrated end-to-end supply chain management and logistics partner launched the ASEAN Smart Logistics Network (ASLN) this evening. The hybrid launch ceremony was graced by Singapore Prime Minister Lee Hsien Loong and Minister for Trade and Industry, Mr Chan Chun Sing, both attending virtually, with Vietnamese Prime Minister Mr Nguyen Xuan Phuc, and Deputy Prime Minister Mr Pham Binh Minh, together with other Vietnamese government officials, dignitaries, and business leaders of domestic and foreign trade associations attending on-site in Hanoi, Vietnam.



The launch event is a hybrid concept with a physical ceremony happening in Hanoi, Vietnam (top right), while Singapore Prime Minister Mr Lee Hsien Loong (top left) and Minister for Trade and Industry, Minister Chan Chun Sing (bottom right), together with Dr Robert Yap, Executive Chairman of YCH Group (bottom left, pictured together with Vietnam Ambassador to Singapore, Her Excellency Ms Tao Thi Thanh Huong) joining in virtually.

The launch event of ASEAN Smart Logistics Network (ASLN) is part of the agenda of the 37th ASEAN Summit that is held from 12 November to 15 November 2020 in Hanoi. The ASLN is a collaborative platform with a shared goal of smart and sustainable growth based on smart logistics infrastructure, aiming to support the ASEAN Connectivity Master Plan 2025. The network aims to achieve a seamlessly and comprehensively connected and integrated ASEAN that will promote competitiveness, inclusiveness, that will enable the region to be one formidable economic bloc.

YCH Group, Singapore’s homegrown logistics giant, together with Vietnamese conglomerate, T&T Group, will lead the first project of the ASLN with the Vinh Phuc ICD Logistics Centre (SuperPort), with both organisations being “match-made” by Vietnamese Prime Minister, Mr Nguyen Xuan Phuc during his visit to Singapore in 2018, where he toured Asia’s supply chain icon, Supply Chain City.

The concept of the ASLN was realised on the basis of ASEAN-Business Advisory Council (ASEAN-BAC) Fifth Legacy Project dubbed SGConnect - an initiative that aims to help growing cities alleviate their growing urbanisation pains by piloting Smart Growth Centres in each ASEAN state, each with varying sophistication of technologies and human capital intensity but similar in resource productivity and efficiency. It was then initiated in 2018, by Dr Robert Yap, Executive Chairman of YCH Group, in his capacity as Singapore Chair of ASEAN-BAC.

The Vinh Phuc ICD Logistics Centre, the first SGConnect project, and also known as SuperPort, will be a first of its kind, multi-modal logistics hub integrating dry port and advance supply chain nerve centre operation that focuses on four key pillars: connectivity, sustainability, scalability, and agility. It will demonstrate the advantages of multi-modal transportation through its road, rail, air and sea linkages, with road and rail linking China’s Yunnan province, Kunming city, to Hanoi city and eventually ends at Hai Phong international port. With its strategic location in the Vinh Phuc province, that is within reach of 20 industrial parks, this SuperPort will act as a supply hub for these manufacturing operations, which have projected to grow exponentially as manufacturing activities are shifting towards Vietnam.

Located near the capital city of Hanoi, the SuperPort will be a key connecting node for global and regional trade and supply chain between China, Vietnam, ASEAN, and other regional and international markets. The SuperPort will be able to further enhance the Chongqing Connectivity Initiative (CCI) by connecting Chongqing and China’s Western region with Southeast Asia via this hub in North Vietnam, supporting China-ASEAN connectivity in terms of trade and supply chain linkages.



Artist impression of the SuperPort project

“Through our hard-earned experience in driving connectivity in the region, YCH has risen over the last few decades to be the leading integrated end-to-end supply chain management and logistics partner – with this latest effort looking to further strengthen the China-ASEAN connectivity. It is important for us to grow as a pack, to share our best practices and to innovate together so that we can capture the great opportunities generated by the burgeoning ASEAN economy. We look to drive more initiatives for ASEAN enterprises and its community as we move together dynamically, enhancing our competitiveness, and towards an inclusive economic growth for all,” said Dr Robert Yap, Executive Chairman of YCH Group.

“This project is a symbol for the development of Vietnamese enterprises in the trend of global integration, thereby contributing to enhancing the image and position of Vietnam in the region and in the world. Above all, it has shown that ‘Cohesion and Proactive Adaption’ is not simply the theme of ASEAN 2020, but that is consistently our business mind and has turned into reality,” said Mr Do Quang Hien, Chairman and CEO of T&T Group.

While the pandemic crisis is driving the world to retreat from integration and accelerated deglobalisation, there are growing calls for regionalisation, and it certainly is gaining traction. Asia alone is already at the centre of two mega-regional trade agreements – the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) and the Regional Comprehensive Economic Partnership (RCEP), all with the aim of progressively reducing tariffs on many products within the respective regional trade bloc, as the region looks at mitigating the negative impact of COVID-19 and maintaining open supply chains.

There is also an increase in trade corridors, such as the International Land-Sea Trade Corridor, with each trade corridor connecting many remote ASEAN locations to trading hubs, lowering entry barriers to supply chain which will in turn have a positive effect on trade with cutting of logistics cost. In fact, the total volume of trade between China and ASEAN also looks to have a growing trend, with China being ASEAN’s largest trading partner for nine consecutive years as at end of 2018. Hence, intra-regional connectivity will play a key part in the entire supply chain development in ASEAN.

There are already plans to increase and enhance YCH’s existing investment in Vietnam, for additional warehousing capacity and on another major logistics infrastructure project. Since our entry in 2009, YCH has built extensive networks, asset footprints and partnerships within Vietnam and is well-positioned to meet the current and future supply chain requirements of the market. Coupled with our deep-rooted understanding of Asia Pacific and in-depth presence, this enables us to empower our customers to achieve a comprehensive footprint and a seamless global connectivity not only within Vietnam, but throughout the ASEAN region and beyond.