

# SWOT ANALYSIS OF VIETNAMESE LOGISTICS ENTERPRISES IN THE CONTEXT OF CPTPP INTEGRATION

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**Abstract:** *With Vietnam's participation in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the country is undergoing a deeper and more extensive phase of economic integration than ever before. This integration brings numerous opportunities but also presents significant challenges, particularly for the logistics sector. In response, Vietnamese logistics enterprises are compelled to restructure and innovate to align with the evolving competitive landscape. This study aims to analyze and identify the strengths, weaknesses, opportunities, and threats (SWOT) of Vietnamese logistics enterprises in the context of CPTPP integration, thereby providing strategic insights to enhance their adaptability and competitiveness.*

• **Keywords:** *CPTPP, Vietnamese logistics enterprises, SWOT (strengths, weaknesses, opportunities, and threats) of Vietnamese logistics enterprises.*

**JEL codes:** O15, I29, J49

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## 1. SWOT analysis of Vietnamese logistics enterprises in the context of CPTPP integration

Vietnam has engaged in numerous free trade agreements (FTAs), including traditional ones such as ATIGA, ACFTA, AKFTA, and AJEPA, as well as new-generation FTAs like CPTPP, EVFTA, and RCEP. These agreements have significantly expanded the import and export markets available to Vietnamese enterprises. In addition, many international logistics companies have extended their operations in Vietnam, contributing to the growth of import-export turnover, promoting cross-border logistics activities, and enhancing the competitiveness of domestic logistics enterprises. Furthermore, improving the competitiveness of Vietnamese logistics enterprises brings long-term benefits to the national economy. A sustainably developed logistics sector not only enables Vietnam to take full advantage of opportunities arising from FTAs but also helps mitigate risks in the face of global economic shocks.

This study develops a SWOT model to provide a comprehensive view of the strengths, weaknesses, opportunities, and threats facing Vietnamese logistics enterprises in the context of CPTPP integration. This model serves as a strategic tool to help these enterprises fully leverage the advantages offered by the CPTPP in order to enhance their operational efficiency and overall business performance.

**Table 1: SWOT analysis of Vietnamese logistics enterprises in the context of CPTPP integration**

<b>Strengths</b> S1: Geostrategic location S2: Competitive labor costs (low and cost-effective workforce) S3: Rapid infrastructure development S4: Strong inflow of foreign investment	<b>Weaknesses</b> W1: High logistics operating costs W2: Incomplete logistics infrastructure W3: Lack of high-quality logistics human resources W4: Absence of internationally certified logistics centers
<b>Opportunities:</b> O1: Attracting investment and international cooperation in the sector O2: Expanding and developing the logistics market O3: Promoting digital transformation and technology application O4: Enhancing the quality of logistics human resources	<b>Threats</b> T1: Competitive pressure from foreign enterprises T2: Pressure from international standards and digitalization requirements T3: Policy fluctuations and international trade risks T4: Internal pressure to develop value-added logistics services

*Source: Author's compilation*

From the SWOT analysis table above, the following detailed analyses can be made:

***Strengths of Vietnamese logistics enterprises include:***

*First, Vietnam's geostrategic location.*

Located in the heart of Southeast Asia with a long coastline and close proximity to major international shipping routes, Vietnam enjoys a strategic location that facilitates trade connectivity with CPTPP member countries, offering a considerable advantage for logistics enterprises.

*Second, competitive labor costs.*

Compared to many other CPTPP countries, labor costs in Vietnam's logistics sector remain relatively

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low. This allows enterprises to maintain a competitive edge in pricing and provides cost-effective services to domestic and international clients.

*Third, rapid infrastructure development.*

The Vietnamese government is making substantial investments in ports, airports, highways, and warehouses, providing favorable conditions for logistics enterprises to enhance their transportation and distribution capabilities within the CPTPP region.

*Fourth, strong inflows of foreign investment.*

The CPTPP enables Vietnamese logistics enterprises to collaborate with international partners, access investment capital, acquire advanced technologies, and learn from global management experiences, thereby improving service quality and competitiveness.

***Weaknesses of Vietnamese logistics enterprises include***

*First, high logistics operating costs.*

Vietnamese logistics services remain largely traditional and underdeveloped, with limited value-added offerings such as supply chain management (SCM) or fourth-party logistics (4PL). Moreover, quality management systems are not yet professionally standardized, leading to suboptimal performance and high operational costs.

*Second, incomplete logistics infrastructure.*

There is a lack of effective integration among different transport modes such as road, rail, and seaport systems. Ports and railway networks in Vietnam do not adequately meet import-export demands, reducing overall logistics competitiveness. Poor intermodal connectivity, the absence of transfer hubs, and limited use of smart technologies (e.g., automated cargo management systems) result in congestion and delays.

*Third, shortage of high-quality human resources.*

Vietnam's logistics workforce often lacks critical skills in supply chain management, technological proficiency, and foreign language ability. These shortcomings hinder international cooperation and limit operational effectiveness in a globalized context.

*Fourth, limited internationally certified logistics centers.*

Vietnam currently has only a few large-scale logistics hubs. Most enterprises rely on small, fragmented warehouses and traditional transport systems. As a result, exporters are often dependent on foreign logistics providers, which raises costs and undermines competitiveness. In contrast, countries like Singapore and Japan have made significant

investments in modern logistics systems, optimizing supply chains and lowering costs.

***Opportunities for enhancing competitiveness include***

*First, attracting investment and international collaboration.*

The CPTPP opens doors for Vietnamese logistics enterprises to attract investment and form strategic partnerships. With access to an expanded market of 11 member countries, businesses can engage with large global partners, adopt cutting-edge technologies, and implement automation and AI in supply chain management, thereby increasing competitiveness and enabling sustainable growth.

*Second, expanding and developing the logistics market.*

Tariff reductions and the removal of trade barriers under the CPTPP stimulate import-export activities, boosting demand for logistics services. Vietnamese enterprises can scale up operations, enhance international transport services, and optimize supply chains, strengthening their position in regional and global markets.

*Third, accelerating digital transformation.*

Modern technologies such as AI, the Internet of Things (IoT), and Big Data offer opportunities to optimize logistics operations, cut costs, and improve service quality. Digital transformation helps Vietnamese enterprises meet international standards and compete with foreign companies. Emerging logistics models like green logistics, logistics 4.0, and multichannel services increase flexibility and operational efficiency, enhancing Vietnam's global logistics standing.

*Fourth, improving workforce quality.*

CPTPP integration provides momentum for logistics enterprises to improve workforce capacity in line with international requirements. Collaboration with global partners allows access to advanced training and modern management practices. This boosts productivity and opens up international career pathways for workers, contributing to the long-term sustainability of the industry.

***Challenges for Vietnamese logistics enterprises include:***

*First, competitive pressure from foreign enterprises.*

Market liberalization under the CPTPP enables foreign logistics firms to enter Vietnam with minimal legal and investment restrictions. These firms often have stronger financial backing, global networks,

and advanced technologies, creating substantial competitive pressure for domestic enterprises.

*Second, stringent international standards.*

CPTPP members impose strict service quality, environmental, and technological standards. Vietnamese firms must adopt international certifications such as ISO 28000, ISO 9001, and ISO 14001 to remain competitive. Meeting these requirements demands significant upgrades in infrastructure, human resources, and technological capability.

*Third, exposure to trade policy risks.*

Despite tariff benefits, CPTPP members may implement sudden changes in trade regulations or technical barriers. Anti-dumping, anti-subsidy measures, and complex origin rules (e.g., the “yarn-forward” rule in textiles) limit Vietnam’s ability to fully capitalize on CPTPP preferences. Smaller firms, in particular, struggle to meet these stringent requirements.

*Fourth, limited development of value-added logistics services.*

Vietnamese logistics firms mostly offer basic services like transportation and warehousing, lacking integration across modes and automation. Systems such as warehouse management (WMS) or digital customs processing are rarely implemented. Most providers are SMEs with limited capital and technological capacity, restricting their competitiveness against international firms.

## 2. Several strategic recommendations for Vietnamese logistics enterprises under CPTPP

Based on the insights derived from the SWOT analysis above, several strategic directions can be proposed to help Vietnamese logistics enterprises strengthen their competitive position in the context of CPTPP integration. These include:

*SO (Strengths - Opportunities) strategies insights*

- Leverage Vietnam’s geostrategic location and rapidly developing infrastructure to expand cross-border logistics operations within CPTPP markets.

- Attract foreign investment and technological transfer by promoting Vietnam’s competitive labor costs and stable investment environment.

- Invest in digital transformation, including automation and smart logistics, to enhance operational efficiency and service quality.

*ST (Strengths - Threats) strategies insights*

- Develop integrated and value-added logistics services (e.g., 3PL, 4PL) to compete with foreign logistics corporations.

- Form domestic logistics alliances to consolidate resources and counteract competitive pressure from international firms.

- Standardize service quality and operations to meet international certifications (ISO 9001, ISO 28000) and improve global credibility.

*WO (Weaknesses - Opportunities) strategies insights*

- Enhance logistics workforce capacity through international training programs focusing on SCM, digital skills, and foreign languages.

- Invest in internationally certified logistics hubs to support efficient supply chain services and reduce reliance on foreign logistics providers.

- Collaborate with international partners to adopt advanced technologies and professional management practices.

*WT (Weaknesses - Threats) strategies insights*

- Establish industry-specific logistics associations to support SMEs in standardization, cost reduction, and compliance with CPTPP requirements.

- Implement digital solutions to reduce logistics costs and improve service accuracy, especially in warehousing and multimodal transport.

- Promote green logistics and sustainability initiatives to comply with strict environmental and labor standards in CPTPP markets.

## Conclusion

The CPTPP not only presents tremendous opportunities for trade expansion but also poses substantial challenges for Vietnamese logistics enterprises, particularly in meeting international standards, ensuring efficient supply chain management, and adopting modern technologies. By clearly identifying their strengths, weaknesses, opportunities, and threats, Vietnamese logistics firms can formulate effective strategies to enhance competitiveness and achieve sustainable development in the context of CPTPP integration. Based on the SWOT analysis above, the following strategic insights are suggested. Within the scope of this study, only a few strategic recommendations are proposed. More in-depth analyses and comprehensive strategies will be addressed in future research reports.

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