



Institutionalizing Resolution No. 18-NQ/TW: Key points in the Land Law 2024

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Conference of the 13th Party Central Committee, Resolution No. 18-NQ/TW was promulgated to advance institutional and policy innovations and enhance operational efficacy in the realm of land management and utilization. The resolution delineated a strategic trajectory aimed at propelling the nation towards the status of a high-income developed country, encompassing five perspectives, three overarching objectives, six clusters of strategies, and eight principal policy domains geared towards refining the legislation governing land usage. This resolution constitutes a pivotal political framework and a fundamental doctrinal compass guiding the formulation and refinement of the Land Law 2024, which occupies a preeminent position in the legal landscape, bearing significant ramifications for political, socio-economic, defense, security, and environmental spheres, and exercising a profound influence across diverse sectors and the commercial sphere, as well as intersecting with numerous other legislative frameworks.

The process of crafting and finalizing the Land Law 2024 witnessed a conscientious, thorough, and meticulous approach by the relevant bodies of the National Assembly, governmental institutions, and affiliated agencies and organizations. Extensive consultations were conducted with the populace, institutions, organizations, experts, and scholars, culminating in four deliberative sessions within the 15th National Assembly, where the draft underwent rigorous scrutiny and elicited diverse perspectives. Subsequently, on January 18th, 2024, during the fifth extraordinary session of the 15th National Assembly, the Land Law 2024 was ratified through a decisive vote, marking a watershed moment in the evolution of land policies and legislative frameworks, tailored to meet the exigencies of socio-economic development in the context of advancing industrialization, modernization, and the socialist-oriented market economy, while facilitating seamless integration into the global economic landscape and ensuring the country's socio-political equilibrium.

Comprising 16 chapters and 260 articles, the Land Law 2024 represents a substantive augmentation from its predecessor, the 2013 Land Law, featuring two additional chapters — one dedicated to the development of land resources and another bifurcating the chapter about land reclamation, requisition, compensation, and resettlement support. Moreover, the Land Law 2024 introduces several innovative provisions, aligned with the ethos of Resolution No. 18-NQ/TW of the 13th Party Central Committee, and responsive to the collective aspirations of the populace and the business community. Within the confines of this discourse, a selection of these pioneering provisions will be expounded upon.

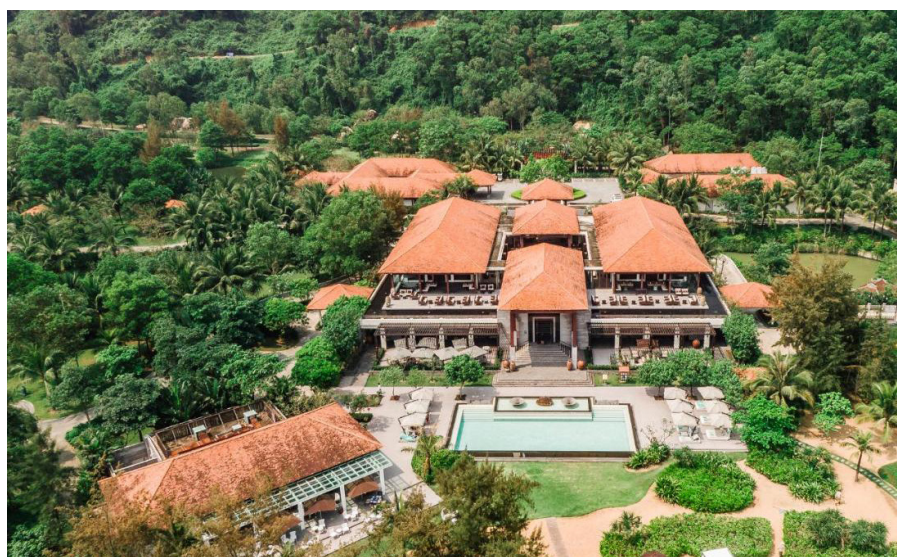
1. RIGHTS, RESPONSIBILITIES AND OBLIGATIONS REGARDING LAND

The delineation of rights, responsibilities, and obligations concerning land within the legal framework is aimed at institutionalizing the policies and directives laid out in Resolution No. 18-NQ/TW of the Party Central Committee. The ambit of the Land Law 2024 encompasses the regulation of the powers and duties vested in the State to act as the custodian of the collective land ownership of the populace and to ensure the cohesive management of land, alongside elucidating the rights and obligations of citizens and land users within the territorial jurisdiction of the Socialist Republic of Vietnam.

With the delineation of State powers and responsibilities and the concomitant rights and obligations of citizens, the Land Law 2024 has undergone revisions and enhancements to distinctly articulate the mandates of agencies and the decentralization of authority associated with overseeing and enforcing regulations. This includes ensuring a harmonized approach to land management across central and local levels, and the supplementation of regulations about the roles and obligations of entities such as the Vietnam Fatherland Front and its constituent organizations in land governance. Additionally, specific provisions have been introduced to delineate the State's obligations concerning land matters affecting ethnic minority groups, as delineated in Article 16. Further augmentations include regulations governing state management

tasks in determining land prices, as well as provisions concerning the development, management, and utilization of land funds, and the national land information system, as articulated in Article 20. A novel addition to the legislation is the incorporation of a new section (Section 3) addressing the rights and obligations of citizens regarding land.

Concerning the rights and obligations of land users, the Law introduces expanded and additional entitlements, such as the regulation of distinct groups of land users, including household members and individuals. Furthermore, provisions are made to regulate the land use rights of groups of users that cannot be subdivided and to facilitate the transfer or donation of rice land use rights to individuals not directly involved in agricultural production. The Law also permits the transfer of agricultural land use rights within the same provincial administrative unit. Notably, Vietnamese citizens residing abroad are granted land-related rights akin to those enjoyed by domestic citizens. The legislation further supplements and completes regulations concerning the exercise of rights such as conversion, transfer, lease, sublease, inheritance, and donation of land use rights, as well as mortgage or capital contribution with land use rights. Criteria for the transfer or donation of land use rights are outlined in Clause 1, Article 45, while additional conditions for transferring land use rights in real estate projects with technical infrastructure are stipulated under relevant laws.



▲ *The Land Law 2024 introduces amendments concerning construction land*

Under Resolution No. 18-NQ/TW, which advocates for the formulation of suitable policies to prioritize the allocation of land to ethnic minorities lacking productive land, and emphasizes the establishment of effective mechanisms to curb post-allocation land transfers, the Land Law 2024 delineates the State's obligations concerning land allocation for ethnic minority communities (Article 16). Additionally, the legislation reaffirms the State's commitment to ensuring communal land tenure for ethnic minorities, tailored to accommodate the unique customs, practices, beliefs, cultural identities, and contextual realities prevailing in each region. To facilitate the realization of land support initiatives for ethnic minorities, the Law mandates that district-level planning and land use plans incorporate criteria for delineating land types suitable for residential and agricultural purposes specific to ethnic minority communities (Clause 2, Article 66). Furthermore, the Law mandates the execution of projects aimed at arranging residential and agricultural land for ethnic minorities (Clause 3, Article 67). Additionally, the legislation regulates instances of land recovery to facilitate projects aimed at allocating residential and productive land to ethnic minorities in furtherance of land support objectives (Clause 29, Article 79).

2. LAND USE PLANNING

In alignment with Resolution No.18-NQ/TW, Chapter V of the Land Law introduces comprehensive regulations concerning land use planning and plans, aimed at enhancing the quality and efficacy of land utilization strategies. The legislation augments and refines the guiding principles underpinning land use planning, while innovating and refining the structure of the land use planning system across three administrative tiers: national, provincial, and district levels, alongside defense and security land use planning considerations.

The legislation introduces novel provisions

regarding the content of national land use planning, delineating specific land use criteria encompassing various categories such as agricultural land, non-agricultural land, rice-growing land, special-use forest land, protective forest land, production forest land (including natural forest areas), national defense land, and security land (Article 243, Clause 1). Additionally, regulations about provincial-level land use plans are integrated into the framework of provincial-level land use



planning (Article 65, Clause 2). Notably, separate provincial-level land use plans are mandated solely for centrally administered cities, with other provincial-level land use planning requirements subject to specific stipulations (Article 243, Clause 2). Moreover, defense and security land use plans are regulated and integrated within the ambit of defense and security land use planning considerations (Article 243, Clause 2).

Furthermore, the legislation delegates the authority to approve national land use plans to the Government, while endowing Provincial People's Councils with the prerogative to decide on provincial land use plans. This decentralization of decision-making authority aims to foster initiative and flexibility in governance at both the central and local levels.

3. LAND ACQUISITION

The new Land Law delineates the conditions under which land may be reclaimed, emphasizing its imperative necessity for the realization of socio-economic development projects geared towards national and public welfare, aimed at optimizing land resources and enhancing land utilization efficiency. These initiatives encompass the development of contemporary socio-economic infrastructure, the execution of social security policies, environmental preservation efforts, and the safeguarding of cultural heritage. The Law delineates three distinct sets of criteria governing land recovery for socio-economic development endeavors serving national and public interests (Article 79). Correspondingly, the legislation enumerates 31 categories of projects and undertakings necessitating land reclamation by the State. Moreover, the Law includes a provision empowering the National Assembly to amend or supplement land recovery conditions for projects or undertakings serving national or public interests not covered by the aforementioned criteria, expediting responses to evolving socio-economic needs and facilitating land utilization in consonance with the exigencies of ongoing projects. This provision underscores the imperative to adapt to evolving socio-economic dynamics and to promptly address emerging land utilization requirements amidst the backdrop of the

nation's deepening integration into the global economy.

Of particular note, the legislation specifies criteria governing land reclamation for investment projects aimed at constructing mixed-use urban areas equipped with comprehensive technical and social infrastructure, as well as housing provisions in compliance with construction laws for urban redevelopment or revitalization efforts. Additionally, provisions are made for "rural residential area projects" to guide land recovery initiatives (Article 79, Clause 27). Furthermore, the legislation introduces provisions pertaining to land recovery in cases where forests have undergone reclamation in accordance with forestry laws, aimed at streamlining administrative procedures and ensuring the expeditious progression and timely completion of projects and construction endeavors (Article 82, Clause 1).

4. COMPENSATION, SUPPORT, AND RESETTLEMENT FOR LAND RECOVERY IN VIETNAM

The new Land Law introduces supplementary provisions aimed at refining and enhancing the principles governing compensation, support, and resettlement procedures when the State recovers land. Emphasis is placed on upholding democratic, objective, fair, transparent, and timely processes by legal frameworks, to advance the collective welfare and foster sustainable, civilized, and modern community and regional development. Special attention is directed towards social policy beneficiaries and direct participants in agricultural production.

Of particular note, the supplementary law specifies that in instances where the State reclaims land and the remaining area of the land parcel falls below the minimum threshold stipulated by the Provincial People's Committee, consent from the land user facilitates the State's authority to execute land reclamation and administer compensation, support, and management by prevailing legal provisions. Furthermore, the supplementary legislation mandates that in cases where a compensation, support, and resettlement project is delineated as an independent venture according to the provisions of public investment laws, the associated processes of land recovery, compensation, support, and resettlement shall adhere to the parameters outlined within the present Law (Article 93).

5. LAND ALLOCATION, LAND LEASE AND CHANGE OF LAND USE PURPOSES

Institutionalizing Resolution No. 18-NQ/TW, which addresses the refinement of regulations about land allocation, land lease, and alterations in land use purposes, the Land Law 2024 embodies substantive innovations. Among these, the Law supplements and enhances regulations governing the grounds for land allocation, land lease, and permissions for changes in land use purposes (Article 116). Notably,



amendments include provisions allowing for the conversion of agricultural land into residential land within residential areas, as well as the transformation of non-residential agricultural land into residential land, contingent upon the approval of district-level land use planning authorities. Additionally, the Law broadens the scope of land allocation recipients subject to land use fee collection, extending eligibility to individuals of Vietnamese origin residing abroad and economic entities with foreign investment capital engaged in commercial housing projects, by housing laws, or involved in real estate project transfers, as per real estate business regulations.

Regarding land-lease scenarios, the supplementary legislation stipulates that public service entities opting to utilize allocated land for production, business, or service provision may elect to transition to state land leasing arrangements, subject to annual land rental fees for the allocated area. Furthermore, the Law streamlines land use management by eliminating intermediary bodies in land allocation and leasing, conferring authority solely to the State, thereby enhancing administrative efficiency and oversight.

In delineating procedures for land allocation and lease, the Law distinguishes between cases involving auctioning or bidding for land use rights for project implementation (Articles 124 and 125). It introduces specific criteria for auctioning and bidding processes, emphasizing transparency and fairness. Similarly, in instances where investors are selected through bidding to execute land-based projects, the legislation outlines conditions, including provisions for foreign investor participation, stipulating that successful bidders establish economic entities to oversee project implementation, in compliance with investment, bidding, and related legislation.

Moreover, the Law introduces provisions for socio-economic development project implementation through land use agreements (Article 127). It retains regulations from the Land Law 2013 and specifies instances where such agreements apply, particularly in commercial housing projects where only residential land use rights may be acquired. Additionally, the Law grants land user's autonomy to execute projects, subject to provisions outlined in Clause 7, Article 127.

In addressing alterations in land use purposes, the Law delegates authority for approving such changes, particularly concerning rice cultivation land, protective forest land, special-use forest land, and production forest land, to provincial People's Committees. This decentralization aims to streamline administrative processes, expediting project progress, particularly for public investment ventures. Furthermore, the legislation mandates alterations in land use purposes for residential and other land types to accommodate commercial housing projects, safeguarding land user rights.

For lands designated for multiple purposes, stringent management measures are imposed to regulate purpose conversions. Specific provisions outline permissible scenarios for combined use, emphasizing the retention of the primary land use purpose. Moreover, where multiple-purpose land use is sanctioned, the preparation and submission of land use plans to competent state agencies for approval are mandated, ensuring compliance and oversight.

6. LAND FINANCE, LAND PRICING

Under the directives outlined in Resolution No. 18-NQ/TW of the 13th Party Central Committee, the Land Law 2024 undergoes revisions, augmentations, and refinements concerning land finance and pricing mechanisms, aimed at fostering a harmonious alignment of interests among the State, land users, and investors. Key amendments include the annulment of governmental regulations about land price frameworks, alongside the specification of principles and methodologies governing land price determination. Notably, the Law mandates the annual compilation, public announcement, and application of land price lists commencing January 1 of each calendar year. Moreover, a provision is introduced stipulating the stable application of annual land rents over 5 years following the State's decision to lease land, allowing for adjustments associated with changes in land use purposes concurrent with the transition to state land leasing arrangements. Subsequent land rent calculations are predicated on the land price list applicable for the ensuing period.

The legislation delineates specific methodologies for land valuation, encompassing the comparison method, income method, surplus method, and land price adjustment coefficient method, alongside specifying the circumstances and prerequisites for the application of each valuation approach (Article 158). Furthermore, provisions are made for the development of land price lists contingent upon value area categorizations and standardized land plots, leveraging digital cadastral maps and land price databases to facilitate accurate valuation (Article 159). To enhance transparency and objectivity in the valuation process, the composition of the Land Price Appraisal Council is expanded to include representatives from the People's



Council, the Vietnam Fatherland Front Committee, and advisory organizations, alongside land price experts, in addition to specialized agencies under the purview of the People's Committee (Article 161).

The Law also introduces amendments, supplements, and refinements concerning exemptions and reductions of land use fees and rents. Notably, domestic organizations allocated land by the State or those leasing land are afforded exemptions or reductions in land use fees or rents for the entire lease term, provided they comply with regulations governing project implementation, thereby preserving their rights and obligations akin to those not benefiting from such exemptions or reductions (Clause 3, Article 33). Furthermore, additional exemptions and reductions are extended based on investment incentive criteria encompassing specific fields, regions, and policy subjects. Importantly, land users qualifying for exemptions or reductions in land use fees and rents are relieved of the obligation to undergo procedural formalities to secure such exemptions or reductions (Clause 2, Article 156).

7. LAND-USE REGIME

In line with the directives outlined in Resolution No. 18-NQ/TW of the 13th Party Central Committee, the Land Law 2024 introduces amendments concerning the land use regime, focusing on broadening the scope of eligible recipients and thresholds for the transfer of agricultural land use rights, as well as refining regulations to meet practical exigencies and facilitate optimal land resource utilization. Specific amendments encompass the enhancement of mechanisms and policies governing the management and utilization of agricultural land, with a particular emphasis on expanding the permissible limits for transferring agricultural land use rights to no more than 15 times the local land allocation threshold. Furthermore, eligibility criteria for transferring rice land use rights are extended to encompass economic entities and individuals not directly engaged in agricultural activities, thus facilitating access to land for entities possessing capital and technical acumen to invest in commercial agricultural endeavors, while mitigating the risk of land abandonment or underutilization. The Law additionally permits agricultural land users to integrate agricultural activities with trade, services, animal husbandry, and medicinal plant cultivation, supplementing regulations to incentivize the consolidation and aggregation of agricultural land parcels, thereby mitigating fragmentation and fostering an environment conducive to investment and the adoption of mechanization and advanced agricultural technologies.

Concerning non-agricultural land, the Law integrates land designated for long-term stable use into residential land without distinction between land users. Additionally, it abolishes regulations governing the allocation and leasing of land by Airport Authorities,

High-Tech Park Management Boards, and Economic Zone Management Boards, transferring this authority to the State.

Moreover, the Law introduces amendments concerning underground construction land, including provisions of sea reclamation activities and multi-purpose land use. Specific regulations stipulate requirements to ensure the prudent utilization of land for the construction of underground infrastructure and outline procedures for the allocation and leasing of land for the construction of surface infrastructure to support the operation, exploitation, and utilization of subterranean facilities. Furthermore, the Law incorporates an article addressing sea reclamation activities, establishing a legal framework to harmonize land and maritime laws, with an emphasis on encouraging capital investment, technical innovation, and the implementation of incentive policies for investors engaged in such activities. Additionally, a new article on multi-purpose land use outlines permissible land types and requisite conditions for land utilization, including the preparation of combined land use plans for commercial and service-oriented activities.

Furthermore, the Law introduces regulations governing land use rights contributions and land readjustment, aimed at facilitating the exercise of land user rights in scenarios involving the consolidation of agricultural land for agricultural production, rural residential area development projects, rural road expansion, and enhancement initiatives, urban area beautification projects, and the renovation, expansion, or reconstruction of apartment buildings.

These innovations underscored in the Land Law 2024 necessitate meticulous examination and adherence to the legal frameworks and guidelines set forth by competent state agencies. Ensuring the accurate and comprehensive implementation of land law policies is imperative to enhancing the efficiency and efficacy of land management and utilization, thereby fostering the conditions conducive to the transformation of the nation into a high-income developmental entity in consonance with the spirit of Resolution No. 18-NQ/TW of the 13th Party Central Committee ■