Land for Tourism Accommodation Development
– A New Driver for Large-Scale Land Acquisition in Vietnam

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Abstract: Since the implementation of economic reform, tourism has developed rapidly in Vietnam and investment in tourism accommodation is actively encouraged by the Vietnamese government. As a result of changing and reforming legal systems, many cities in Vietnam have recently experienced strong growth in tourism accommodation as well as the significantly increased demand for land for that development. The paper explores the influence of land acquisition processes and landed property rights arrangements in Vietnam’s transitional period on tourism accommodation development. Three different geographical case studies have been selected, and in-depth interviews with relevant stakeholders in the land acquisition process in each case study have been conducted. The paper finds that locally affected people are facing similar problems concerning their rights over the land such as a right to access, a right to be fairly compensated, a right to be prevented from the negative impacts of land development for tourism projects, a right to participation. Based on those findings, three conclusions can be drawn based on our research: (1) under the present ambiguous and unsecure property rights system in Vietnam, the rights of local people are not guaranteed in mechanisms of land acquisition; (2) the development of tourism accommodations has become a new driver for large-scale land acquisitions in Vietnam in recent years; (3) the present legal system in land and property rights might have facilitated the land-grabbing phenomenon in Vietnam.

Key words: Vietnam, tourism accommodation, land acquisition, property rights
1. INTRODUCTION

While studies on the implications of land acquisitions for tourism investment on local development are scattered and incomplete (Zoomers, 2011), the focus of this paper therefore is on the influence of land acquisition processes and landed property rights arrangements in Vietnam’s transitional period on tourism accommodation development. On the one hand, Vietnam, similarly with other developing countries, is well-defined the role of tourism as a key sector contributing to its economic growth and has welcomed investments in tourism. According to the Vietnam National Administration of Tourism (VNAT), tourism has contributed significantly to the national economy, created jobs, generated income for local communities, and become one of the major sources to attract foreign investments (VNAT, 2014). While tourism continues to develop, it is understandable that the demand of land for tourism infrastructure, facilities, and for tourism-associated businesses and services has increased significantly. To meet that demand, land acquisition for tourism investment projects in Vietnam is unavoidable. On the other hand, Vietnam is different from other countries because of the transition period and land ownership. The transitional period in Vietnam provides the institutional changes related to land, i.e. land law is changing overtime, land property rights is uncertainty since land owned by the State, legal framework for land acquisition is reforming. Consequently, the transitional period is creating more issues for land acquisition because the rules have changed more complex and uncertainty for stakeholders who involve in the process. Numerous studies, in fact, shows that the process of land acquisition for investment projects has caused problems for local communities, landholders such as unequal benefit sharing (T. H. T. Nguyen, Tran, Bui, Man, & Walter, 2016), the displacement of farmers (Phuc, Westen, & Zoomers, 2014), and challenges in generating sustainable livelihoods (Vu & Kawashima, 2017). In this context, Vietnam is an interesting case to study the research question of how the land property right arrangement in Vietnam’s transitional period influences tourism development and how the process of land acquisition for tourism development affects local people. Secondary data from academic articles, interviews with experts and official government laws and regulations related to land issues and tourism, were used for this paper. Case studies were carried out in three different geographical regions to explore the second part of the research question. The paper consists of the following sections. Section 2 provides an overview of how tourism and tourism accommodation have developed over the transition process in Vietnam. Section 3 is a literature review of property rights over land in Vietnam’s transition period. Section 4 offers a literature review on land acquisition issues in Vietnam. In Section 5, three
case studies from three different tourist areas are described to identify what are the influences of land acquisition processes for tourism projects on local people. Section 6 will deal with matters for a conclusion.

2. TOURISM IN VIETNAM

This section aims to provide an overview of tourism in the transitional economy of Vietnam in general and the development of tourism accommodations in particular.

2.1. Tourism development in Vietnam: The benefits for macro economy of Vietnam

According to VNAT’s report, tourism has significantly contributed to the national economy, created jobs, and generated income for local communities (VNAT, 2014). As can be seen in Table 1, more than 550 thousand jobs were created in 2015 in compared with only 20 thousand jobs in 1990. The industry also brought about 338000 billion VND to the GDP in 2015, a 19 times higher than the year 2000 and a 3.5 times higher than the year 2010.

<table>
<thead>
<tr>
<th>Year</th>
<th>International arrival</th>
<th>Tourism receipts (in billion VND)</th>
<th>Labor force in tourism</th>
<th>Tourist accommodations</th>
<th>Total room number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>250000</td>
<td>1340</td>
<td>20000</td>
<td>350</td>
<td>16000</td>
</tr>
<tr>
<td>1994</td>
<td>1020000</td>
<td>8000</td>
<td>n/a</td>
<td>1928</td>
<td>36000</td>
</tr>
<tr>
<td>1995</td>
<td>1351300</td>
<td>8730</td>
<td>64000</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>1996</td>
<td>1607200</td>
<td>9500</td>
<td>n/a</td>
<td>2540</td>
<td>50000</td>
</tr>
<tr>
<td>1998</td>
<td>1520100</td>
<td>14000</td>
<td>n/a</td>
<td>2510</td>
<td>61000</td>
</tr>
<tr>
<td>2000</td>
<td>2140100</td>
<td>17400</td>
<td>150000</td>
<td>3267</td>
<td>72200</td>
</tr>
<tr>
<td>2001</td>
<td>2330050</td>
<td>20500</td>
<td>150662</td>
<td>4366</td>
<td>86809</td>
</tr>
<tr>
<td>2002</td>
<td>2627988</td>
<td>23500</td>
<td>196873</td>
<td>4773</td>
<td>95033</td>
</tr>
<tr>
<td>2003</td>
<td>2428735</td>
<td>22000</td>
<td>208777</td>
<td>5620</td>
<td>110639</td>
</tr>
<tr>
<td>2004</td>
<td>2927873</td>
<td>26000</td>
<td>241685</td>
<td>6567</td>
<td>129137</td>
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<tr>
<td>2005</td>
<td>3477500</td>
<td>31000</td>
<td>275128</td>
<td>7603</td>
<td>150105</td>
</tr>
<tr>
<td>2006</td>
<td>3583486</td>
<td>51000</td>
<td>310675</td>
<td>8516</td>
<td>168315</td>
</tr>
<tr>
<td>2007</td>
<td>4229350</td>
<td>56000</td>
<td>391177</td>
<td>9633</td>
<td>189436</td>
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<tr>
<td>2008</td>
<td>4235792</td>
<td>60000</td>
<td>424740</td>
<td>10638</td>
<td>205979</td>
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<tr>
<td>2009</td>
<td>3747431</td>
<td>70000</td>
<td>434240</td>
<td>10935</td>
<td>209076</td>
</tr>
<tr>
<td>2010</td>
<td>5049855</td>
<td>96000</td>
<td>450000</td>
<td>12000</td>
<td>235000</td>
</tr>
<tr>
<td>2011</td>
<td>6014032</td>
<td>130000</td>
<td>371980</td>
<td>13756</td>
<td>256739</td>
</tr>
<tr>
<td>2012</td>
<td>6847678</td>
<td>160000</td>
<td>391705</td>
<td>15381</td>
<td>277661</td>
</tr>
<tr>
<td>2013</td>
<td>7572352</td>
<td>200000</td>
<td>453070</td>
<td>n/a</td>
<td>331538</td>
</tr>
<tr>
<td>2014</td>
<td>7874312</td>
<td>230000</td>
<td>507735</td>
<td>16000</td>
<td>357150</td>
</tr>
<tr>
<td>2015</td>
<td>7943651</td>
<td>338000</td>
<td>554700</td>
<td>19000</td>
<td>419280</td>
</tr>
</tbody>
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Source: (VNAT, 2009, 2016)
It is no doubt that Vietnam tourism is expanding rapidly and playing more important role in Vietnam’s economic development (Doan, 2010; Y. Le, Steven Hollenhorst, Charles Harris, William McLaughlin, and Steve Shook, 2006; Truong, 2013). Therefore, the government of Vietnam has put priorities on tourism development and created favorable conditions to promote the investment in the industry’s facilities such as tourist accommodations.

2.2. The tourist accommodation growth: Conflicts concerning land use and resource

With the increase of numbers of tourists, the number of tourism accommodations in Vietnam also increased dramatically. For instance, number of tourist accommodations rose strongly from 350 to 19000 in the period 1990 -2015 (seen Table 1). Besides, the approval of new laws significantly contributed to the development of this sector.

In the 1990s, there were a boom in joint ventures hotel projects as the result of the introduction of economic reform with the 1987 law on foreign investment, and the revised law on foreign investment in 1992 (N. T. Le, Pearce, & Smith, 2018). The 1987 Foreign Investment Law stated that in JV projects, Vietnamese partners could contribute their land use rights as the form of invested capital while foreign partners might contribute capital, technology, management, etc. As a good example of this form, Hanoi Melia Hotel was established under a joint venture between a Vietnamese partner and a Thailand investor. The contribution of Vietnamese party in Hanoi Melia Hotel was $7, 920,000 in the form of the value of the right to use 11,000 square meters of land for 40 years. The Vietnamese side accounts for 35% of total investment capital while the rest of capital belonged to Thailand partner¹. According to a senior official of Hotel Department of VNAT, a form of joint ventures investment was encouraged by the government of Vietnamese in the context of limited capital resources of Vietnam’s enterprises. The government, therefore, needed to attract foreign investment to develop Vietnam’s tourist facilities namely hotels. Thus, JV became the most common form of investment in the late 1980s and the early 1990s, as evidenced by an increase from 45 projects by the end of 1992 (Perry Hobson, Heung, & Chon, 1994) to 160 projects by the end of 1995(Cooper, 2000). Since the 2000s, the tourists sector has witnessed a development of foreign-invested hotels and a growth of domestic privately-owned hotels. The VNAT reported that there were 625 projects with foreign investment in the tourism sector (including tourism real estates), with 12.258 billion USD of registered capital up to the end of November 2010. In term of investment form, the establishment of JV companies dominated, by accounting for 80.8% in term of projects and 87.6% in term of total registered capital. Regarding the business types, investment in hotels accounted for 67.5% of total projects and 81.4% of registered capital, while the rests are invested in golf courses and tour operator (VNAT, 2012). Furthermore, private domestic investors have also gradually confirmed their position in the Vietnamese hospitality market in recent years (VNAT, 2016). Notably, the large domestic investors that are often characterized by a robust financial ability have gradually replaced foreign investors in many luxury hotel projects in Vietnam. Examples are: Vinpearl, an exclusive collection of 5-star hotels & resorts in Vietnam, invested by Vingroup²; a range of luxury hotel chains in mountainous areas like Danang, Sapa funded by Sun Group³; FLC group is famous for a variety of high-class beach

¹ Investment License No.1018/GP dated on 25th October 1994 of The State Committee for Cooperation and Investment on establishing a Joint Venture Company
² https://vinpearl.com/en/
resorts in Thanh Hoa, Quang Ninh, Quy Nhon; Muong Thanh Group is one of the largest hotel chains in Vietnam⁴.

Apparently, increasing investment in hotels and resorts has been significantly contributing to the development of Vietnam’s tourism industry recent years. Nevertheless, the growth of tourist accommodation investment specifically has also brought conflict with local community concerning land use and resource in many places in Vietnam due to the process of large-scale land acquisition for those investment projects. Evidently, the scales and complexity of tourism projects in Vietnam are dramatically increasing and require large area of land from diversify current land users who could be farmers, workers, small business households, or/and fishermen. There is considerable foreign investment in the hotel sector in coastal areas, which has led to expropriation of land from farmers as well as loss of access to beach areas by fishers (Philip Hirsch, 2016). Other example is reported by Reuters (2012) that a large scale land acquisition has occurred in the city of Van Giang-Hung Yen for the Eco park development project that includes tourism activities. This US$ 8 million project covered 173 ha of land and affected more than 4,000 households. It means that land development for tourism projects is happening in both coastal areas, urban areas and rural areas and this development is no doubt causing negative influences on the livelihoods of local community whose land was taken.

In essence, whereas the reforms of laws such as foreign investment law, the revised land law, law on real estate business, and laws on tourism since 2000s have actively favored both domestic and foreign investment in tourism sector, there is a need to consider tourism investment’s impacts on locally affected communities concerning the issue of land use, particularly the process of land acquisition.

3. PROPERTY RIGHTS OVER LAND IN VIETNAM’S TRANSITION PERIOD

The transition of Vietnam towards a socialist economy to a market—oriented economy which is often known as Doi moi has strongly affected on the changes in property right regimes for land (T. B. Nguyen, Van de Krabben, & Samsura, 2016). Particularly, by limited property rights over land together with the current land management and ownership’s structure might be a major cause for a negative phenomenon, known as ‘land grabbing’ and land conflicts in Vietnam (T. Le, 2015).

3.1. Land ownership

Although transition has conducted significant reform on land policy, the State remains its ownership over land and the State also is the manager of all land in Vietnam (2013 Constitution). While retaining its powers regarding ownership, management, and valuation of land, the State simultaneously striving for strengthening the process of land privatization (Labbé & Musil, 2013). However, up till now, the idea of private land ownership has not been accepted in both Land Law and National Constitution – the two important legal documents to govern land resources in Vietnam namely the Constitutions of 1980 and 1992, and Land Laws in 1988, 1993, 2003 and 2013. In essence, this hybrid structure has created an ambiguous and uncertain regime of property rights over land (Labbé & Musil, 2013; Phuc et al., 2014). Under this regime, the rights of land users who are not landowners are not well-guaranteed,

particularly in the process of land acquisition. Consequently, it might lead to some negative impacts on the traditional livelihoods, sources of income, social conflict, and other problems.

3.2. Land use rights

Land in Vietnam is allocated to individuals, family households and organizations as land users by the (local) government rather than by the market mechanism (Dang, Tu, & Burke, 2016; H. K. a. L. H. Nguyen). Thanks to the reform of land policies, land users in Vietnam can currently obtain more rights over their land (Sun Sheng & Kim Trang, 2008). According to the land laws of 1993, 2003, and 2013, land users have the right to use, transfer, exchange, lease and sublease, inherit, donate, contribute land as capital to joint ventures, and the right to claim for compensation when the government acquires their land for development (see Table 2). The Land Law also provides more protection to the people who hold land use rights by extending the duration of land use rights for agriculture and the condition for requisition land (Toan, 2016). For example, land use rights for agricultural land and forestry land extend to 50 years; to apply the public land use right auctions mechanism, and to permit non-state developers manage their developments (T. B. Nguyen, van der Krabben, & Samsura, 2014).

Although to be granting more rights to use land, land users in Vietnam are subject to follow the obligations regulated by the landowners – the State and are still facing a lot of challenges. Notably, it is the obligation to give the land back to the State when the land is required (Sun Sheng & Kim Trang, 2008) and then the State shall hand over that land to new land users (Land Law 2013). The issues of 2003 Land Laws, 2003 Construction Law, 2005 Housing Law, and 2006 Real Estate Business Law has led to a radical shift regrading to the possessory rights over agricultural lands. The State has loosening the conditions under which agricultural land can be revoked and reassigned to new users. It means original land users can be evicted from their land for redevelopment projects (Boudreau, Gilbert, & Labbé, 2016). The process of land transfer is very closed to the land grabbing process in terms of dispossession and displacement thousands of local people (Boudreau et al., 2016; Huu, Phuc, & Westen, 2015). In fact, a total of 366,440 hectares of agricultural land had been expropriated for industrial estates (39,560 ha), urban housing (70,320 ha), and infrastructure (136, 170 ha). This number accounted for 3.89% of the total agricultural land area of Vietnam in the period 2001-2005.

Another figure shows that during the period 2003-2008, land revocation affected the lives of nearly 627,495 households, which consist of about 950,000 laborers and approximately 2 million people. Many peasant households now have no land to cultivate, and thus ending up in poverty (Ngoc, 2011). It is no doubt that the land-acquired communities are the most injured party in the process of land redevelopment in Vietnam.

In essence, the present unsecured property rights systems in Vietnam with the domain power of the State over land could not only unable to guarantee the rights of land users but also pay them in fear of expropriation.

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### Table 2. Laws on Land in 1987, 1993, 2003, and 2013

<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
<tr>
<td><strong>Land ownership</strong></td>
<td>“Land is public property and is owned by all the people, and managed by the State” - The Constitution of 1980, 1992 and 2013</td>
<td>No private land ownership in Vietnam</td>
<td>State determines price of land and amounts of compensation for damages when land is recovered</td>
<td>1. State determines land price framework</td>
</tr>
<tr>
<td><strong>Land transaction</strong></td>
<td>Strictly forbidden</td>
<td>State determines price of land and amounts of compensation for damages when land is recovered</td>
<td>1. Set by the provincial/municipal People’s Committees 2. Auction or Bidding Price of land use right 3. Agreed price between land users and the involved persons</td>
<td>1. State determines land price framework  2. Provincial-level People’s Committees decide on specific land prices with the help of the organization with the function of consultancy on land price</td>
</tr>
<tr>
<td><strong>Land transactions were strictly forbidden</strong></td>
<td>20 years: planning annual trees and aquaculture 50 years: perennial trees</td>
<td>20 years: planning yearly trees and aquaculture 50 years: Perennial trees &amp; forests and Investment projects (at normal conditions) 70 years: Investment projects in difficult socio-economic conditions</td>
<td>20 years: planning yearly trees and aquaculture 50 years: Perennial trees &amp; forests and Investment projects (at normal conditions) 70 years: Investment projects in difficult socio-economic conditions</td>
<td>20 years: planning yearly trees and aquaculture 50 years: Perennial trees &amp; forests and Investment projects (at normal conditions) 70 years: Investment projects in difficult socio-economic conditions</td>
</tr>
<tr>
<td><strong>Land for Tourism Accommodation Development</strong></td>
<td>Exchange/ Transfer/ Rent/ Inherit/ Mortgage</td>
<td>Exchange/ Transfer/ Lease/ Bequeath/ Donate/ Mortgage/ Sublease/ Contribute the value of Land use right as a capital</td>
<td>Exchange/ Transfer/ Lease/ Bequeath/ Donate/ Mortgage/ Sublease/ Contribute the value of Land use right as a capital</td>
<td>Exchange/ Transfer/ Lease/ Bequeath/ Donate/ Mortgage/ Sublease/ Contribute the value of Land use right as a capital</td>
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4. LAND ACQUISITION IN VIETNAM

In this section, we explore how land acquisition process has happened under the present ambiguous and unsecured property rights regime in Vietnam and its influences on local people, particularly land-acquired communities whose rights are not well guaranteed. By concerning with those issues, one important conclusion to be drawn is that the issues related to land acquisition in the case of Vietnam are very relevant for the topic of land grabbing.

Drivers of Land Acquisition and Its problems

The push for modernization, industrialization, and urbanization’s policies has facilitated the process of land conversion and land taking in Vietnam (Huu et al., 2015; Labbé, 2016; T. Le, 2015; Philip Hirsch, 2016). In theory, land from relatively low productivity rural/agricultural will be converted to higher productivity urban/industrial/commercial activities (McPherson, 2011) such as the expansion of urban areas, the creation of national parks and infrastructure development (Huu et al., 2015). The process of land redevelopment is expected to bring more benefits for multiple stakeholders and promote socio-economic development.

Nevertheless, in reality, under the notion of urbanization and modernization which Danielle Labbe referred to as the Third Land Reform in Vietnam in her study, a substantial area of land which used to support for a living of thousand farming and fishing households has been taken (Labbé, 2016). Moreover, urbanization can lead to intense competition of land, loss of access to natural resources and effect on natural resource-based livelihoods (Tran, 2013). Clearly, land redevelopment through the process of land acquisition in Vietnam still remains problematic due to its influences on affected people who have to give up their land and start an off-farm livelihood since no alternative farmland for them (Dang et al., 2016). For this reason, the issues of land acquisition have attracted not only academics but also lawmakers, governmental officers and media sources to debate.

Land Acquisition Mechanism: Conditions for land-grabbing phenomenon in Vietnam

Before the year of 2004, compulsory land acquisition mechanism by the state authority was the only way to change land use rights from one user to the other in Vietnam. However, this mechanism is leading to important conflicts among related stakeholders namely the local authority, developers and land losers because land could be taken from the hand of land users easier. Firstly, the unclear definition of the notion national and public interest is problematic. For instance, the land laws of 1993 and 2003 defined economic development projects such as entertainment, recreation, and tourist centers as the scope of national and public interests (The government of Vietnam, 1998) and therefore land for those projects was taken by compulsory mechanism. However, land redevelopment for those projects caused social conflicts because for example in the case of tourism development projects, public land resources which are defined as belonging to the entire people have de facto changed into private hands (Labbé & Musil, 2013; Phuc et al., 2014). In 2013, despite of the fact that the term of public purposes has been adjusted significantly in New Land Law, compulsory acquisition has still been applied for domestic private investment for commercial purposes (Philip Hirsch, 2016). It means that land continues to be taken from the hand of land users despite of the serious conflicts and disagreement among local people and related stakeholders concerning the definition of national and public interest. Secondly, more powers related to land use have given for the local government. According to the Law, the provincial government has the power to make a change in land use plan (Labbé, 2016). Additionally, since 2006, the government decided to decentralization of land use control and expropriation powers by allowing provincial government to approve investment projects on their territory, and to

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After the year of 2003, the 2003 and 2013 land law introduced a self-negotiation mechanism of land conversion which applies to economic investment projects that are not applicable to the compulsory system. Under this system, if domestic private investors want to seize land for a development, they must either negotiate directly at the local level or go through the national assembly or prime minister (Marci, 2015). It means that investors have to negotiate directly with the current land-users without the intervention of government, to obtain the land by land transfer, lease of land or as a contribution of land as capital. This mechanism could create some advantages such as a decrease of land disputes among locally affected people, local government, and investors regarding compensation level, a high rate of compensation for affected people (Interview with a senior local government official). However, the mechanism creates more difficulty for investors in the case that some land users of a particular plot agree on the compensated price with the investor while others do not. Since the government cannot intervene in this process, that constraint can slow down or even cut off the development of investment projects (Bank, 2011). Therefore, in reality, many local authorities intervened in the process of negotiation between private investors and traditional land users (Philip Hirsch, 2016) in order to attracting investors.

To sum up, it can be argued that either the compulsory acquisition of land which is treated as an administrative withdrawal of rights and withdraw land use rights by the State (Gillespie, 2018) or the voluntary conversion is applied, the process of land acquisition remain the most controversial issues in land use in Vietnam.

**The rights of land-acquired people**

As mentioned before, land redevelopment process in Vietnam is expected to bring more benefits for multiple stakeholders, particularly for land-acquired people. In fact, the government of Vietnam has issued more regulations to protect the right of land users concerning the fear of state expropriation such as: a right to be compensated by the government when land is acquired (Sun Sheng & Kim Trang, 2008); a right to negotiate compensation rates; a right to receive compensation in advance the land is cleared (Marci, 2015). However, land resources are crucial to the livelihood of communities in a country like Vietnam (Narh, Lambini, Sabbi, Pham, & Nguyen, 2016), the process of acquiring land is causing enormous impacts for local land-acquired community.

**The issue of compensation level**

The compensation level is one of the most controversial issues in this process since the state still keeps a decisive role in determining compensation price (Dang et al., 2016; T. B. Nguyen, Samsura, van der Krabben, & Le, 2016). In reality, the price set by the state is only about 70-80% of the market value (Sun Sheng & Kim Trang, 2008). A significant gap between set-price for the land and its market-price has been appeared. To deal with this problem, from 2009, the price to calculate compensation has been adjusted to be closer to the actual market price (The government of Vietnam, 2009, 2014) and an external organization should participate as a consultant on land price determination, according to 2013 land law. Nevertheless, the state continues to have considerable power over land price and the concept of “close to the actual market price” remains very ambiguous. In addition, the original land users often do not enjoy the profits, gained from the redevelopment of their land through the difference of land price before and after land conversion. In this situation, the one who benefits most is the developer and the investor (Phuc et al., 2014; Sun Sheng & Kim Trang, 2008) because the investors only have to pay a small monetary compensation and gain lots of benefits from their investment (Nguyen Quang, 2015). Thus, the inadequate compensation level for the affected people is not sufficient for them to re-establish their lives and also...
When land is acquired for investment project, the rights of control over this land will be in the hands of real estate investors or developers while current land users faces a reduction or total loss of the right to use of this land. They may experience lack or even totally lose access to its resources due to the creation of gated communities, or, even if they retain the right to access local natural resources such as land, beach, they might lose the right to exploit these resource for economic benefit. International studies show that fishermen and peasants were evicted from the beach due to the ecotourism development project in Tayrona National Park, Columbia (Diana Ojeda, 2011). The same happened to the people of Moken, in Thailand, who were forced to move from their land when the authorities needed land for tourism development (Cohen, 2011). The creation of gated communities is also obstacle access to land and natural resources of residents (Caroline Ashley, 2000). Meanwhile, several studies conducted in Vietnam has argued that much of land has acquired for urban expansion and large areas has used for amenities such as golf course; in coastal areas, including protected forests and farmlands, land have been allocated to domestic and foreign companies to build resorts (Huu et al., 2015). In addition, a rapid increase of tourist resorts along the coastline also has raised concerns about the issue of ensuring rights of the resident to get access to the sea (Huynh Thi Thuy Lai, 2018; Toan, 2016).

The right to be prevented from the negative impacts
For fishermen, access to the coast line is the only way to earn their income. Therefore, when local people gave up their land for development project, they lose a way to generate income. For farmer, access to land is essential. However, an 18-hole golf course, for example, needs more than 100ha of farmland where around 1,000 farmers works on. If a project like that approves, farmers will lose their way of living (THI, 2009). On top of that, for farmers, land is not only a source of income but also a place to live. In short, it is really difficult for the people whose land is acquired to find a job as well as to seek alternative sources for income. Consequently, it leads to more crime and social problems. Notably, both directly and indirectly locally affected people are in a non-active position to prevent those negative impacts of such development projects.

Participation level in the acquisition process
The process of land acquisition often lacks the participation of affected people. In countries with public ownership of land like Laos, China, Myanmar, and Vietnam, the state can employ its power to acquire land (privately used land) for public uses or for fueling private residential, commercial or industrial development, and natural preservation (Nguyen Quang, 2015). The state also has full decision-making rights over the land such as to determine which land users have what rights. When the local affected people have a voice in the land acquisition process it usually is passive and very weak (Phuc et al., 2014). One consequence of lacking basic rights is the possibility of getting unfair compensation.

In short, land users in Vietnam who mainly are households are still facing a lot of challenges in mechanisms of land acquisition. The rights of local people over land such as a right to be compensated, and a right to be prevented from the negative impacts of land development are still not clearly guaranteed.
5. THREE CASE STUDIES

5.1. Case study 1: Thung lung Nu Hoang Project, Hoa Binh Province

Description of the study area
Lam Son Commune is a rural mountainous commune of Luong Son district, Hoa Binh Province, in northwest Vietnam. In general, because of tourism development, a lot of land use has changed from agricultural to tourism such as golf courses, resorts, and hotels. For instance, 141.7ha was obtained for the Thung lung Nu Hoang project and 311.8ha used for Phuong Hoang Golf course.

Description of the project
Decision No.1044/QD-UB dated 14th June 2004 of the people committee of Hoa Binh decided to acquire a total of 141.7832 ha in Lam Son for a tourism project known as Lang Van Hoa Cac dan toc Hoa Binh run by Bach Dang Tourism and Investment Joint Stock Co. Since 2004, the investor has the right to use that land for 50 years. In 2007, the project changed to a new investor, Thung lung Nu Hoang Joint Stock Co, and was renamed as Thung lung Nu Hoang. According to the project manager, financial difficulty is one of the reasons for these changes. In 2017, Hoa Binh province agreed with the investor to change an area of 100 ha of this project into a 36 holes Golf Course, and to transfer the rest of the area to other investors. It is important to note that up till now, the project has not been completed yet, according to the project manager due to the compensation issues.

Types of Land and Compensation issues
Many types of land were acquired for this project, including garden land, forest land, rural residential land, land of agricultural and forestry farms, and forest land. As we mentioned in Section 3, different types of land have various compensation policies. Table 3 shows what different types of land are involved in this case study.

<table>
<thead>
<tr>
<th>Table 3. Compensation and Supports Policy for Affected Households</th>
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<tbody>
<tr>
<td><strong>Residential land</strong></td>
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<tr>
<td><strong>Compensation Price</strong></td>
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<td><strong>In 2004:</strong> Investors paid the financial support for Cuu Long farm</td>
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</table>

Support for investment costs on land

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Supports for job change
1.5 million VND/worker

Source: Interview with Manager of Thung lung nu Hoang Project’, 8/2017

Based on the interviews, acquisition and compensation for land for agriculture and forestry farm is the most challenge part and has led to a consequence of the uncompleted land acquisition process of this project.

The agricultural land was land in use by local farmers under an agreement that Cuu Long Tea Farm signed with them for 50 years. In 2004, when the project was approved by the local government of Hoa Binh, the farm was forced to stop the contract with local households. In 2005, Hoa Binh Provincial Committee of People announced that Cuu Long plantation had the responsibility to end the contracts with households before 30/4/2005. This announcement caused disagreement among local households because the 50 year contract was signed less than 15 years ago (according to local households) In addition, local households, as well as the investor, did not know how the level of compensation was calculated by Cuu Long farm (interview with project manager). In fact, the investor only compensated the Cuu Long farm, after which the farm would take responsibility to pay the households. Accordingly, households just received supports for investment costs on land at a very low level, 950 dongs/m² (an interview with local households). Because of the very low compensation price, most households did not agree to end the contract or stop their farming in the land of Cuu Long farm. This slowed down the process of land acquisition for the project. To deal with the situation, in 2007, the investor voluntarily negotiated with these households to increase the level of compensation to 13100 VND/m² and the investor directly pay for households, according to a project manager.

The consequences of land acquisition on land-acquired community

The problems related to compensation have prevented the project from being completed and operating. Apart from the fact there is hardly income from tourism; the process of land acquisition is causing negative socio-economic impacts for the local community:

The right to be prevented from the negative impacts

In this case study, farmers are the most affected by the land acquisition. Their income and their life are mostly based on the harvest of agricultural products. However, when land was acquired for the project, and no agricultural land was available for compensation, farmers did not have land for farming. According to Lam Son’s local officer, from originally 1000 of ha’s only 3.9 is left for agricultural use.

“When the contract ended, we had no land for farming. We lost our jobs” (Interview with local people in Doan Ket Hamlet). “The project causes some negative impacts on local community’s livelihood. The loss of agricultural land and forest land lead to the increase of unemployment” (Local people in Rong Vong Hamlet)

The local people who are mostly farmers, did not only lose means for generating income, but also their way of living changed, with social and economic consequences.

“Since the projects started, many local people used the compensation money to buy a TV, motorbikes, and other facilities while some people used the money to travel, to relax. When they spent out of their money, social evils have dramatically increased such as traffic accident, opium addiction because they have nothing to do without land. Although affected people live in big houses, they do not have a sustainable source of income for a living” (Interview with local people in Lam So Hanlet and Rong Vong Hamlet).

Participation level in the acquisition process

Land acquisition in this project was decided by the local government, and the compensation price was based on the price framework set by the provincial government. The affected people of the project were informed about the plan of land acquisition and the compensated price.

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“After the decision on land acquisition was made, a committee for compensation and acquisition (Uy ban boi thuong giai phong mat bang) was established. The committee made a plan for compensation and informed their proposal to the affected people. 20 days after informing about the plan, the compensation was paid. There was no negotiation on the compensated price. The price was based on the current governmental compensated policy.” (Interview with project manager)

In this case, the people affected played a minor role in the land acquisition and compensation process. The lack of knowledge about the compensation issue, led to confusion and even strong disagreement from local people.

Low level of compensation for affected people

As mentioned above, the price used to compensate affected people was not a negotiated price. It was a state-set price. There actually is a gap between the compensation price and the market price (Interview with Local land registry officer in Lam Son Commune). According to Rong Vong’s resident, the market price of rural residential land at that time was above 200,000VND/m². Meanwhile, the project manager said that the compensation price was 140,000 VND/m² for the same type of land.

“A compensation committee decided the price of compensation pricee, and it was lower than the market price” (Interview with local people in Rong Vong Hamlet)

In this case, a negotiation on price de jure was not allowed; local people de facto gained more benefits after they had raised their voices in protest. As mentioned before, investor paid compensation for Cuu Long farm and then Cuu Long farm compensated for affected households at very low level without negotiation. However, the affected household protested with Cuu Long farm for a higher level of compensation, and they got a result.

“The compensation price was too low, and it was unclear to compensate for Cuu Long plantation instead of households. We had to fight for this, and finally, we got a higher compensation” (Interview with local people in Lam Son Hamlet)

5.2. Case study 2: Khong gian du lich ven bien phia dong duong Ho Xuan Huong Project, Sam Son City, Thanh Hoa Province

Description of the study area

Sam Son city, located in the north-central coastal province of Thanh Hoa is one of the most beautiful beach tourism cities of Vietnam thanks to a coastline 9km in length. Unsurprisingly, tourism is a leading economic sector of Sam Son city, contributing to 73% of the city’s GDP’s in 2011⁶. According to the adjusted master plan on socio-economic development of Thanh Hoa province up to 2020, with an orientation toward 2030, tourism is identified as a significant economic sector of the province and sea tourism as one of five types of tourism. Investment in four or five-star hotels, resorts and entertainment and recreation zones in Sam Son city has a high priority in the master plan.

Description of the project

The project aims to create a tourism zone on the east of Ho Xuan Huong Street along the coast of Sam Son beach. The investment project is structured in a Public-Private Partnership (PPP) under the Build-operate-transfer (BOT) contract signed between the local state and FLC group. According to the contract, FLC group has a land use right to operate 4.5 ha coastal land for 15 hubways for commercial purposes in a specified period of no more than 29 years. The provincial People’s Committees take responsibilities to carry out the site clearance for the implementation of the project.

Types of land

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⁶ Resolution No.2 –NQ/TU dated on 1st September 2011 on Improving The quality of Tourism in Sam Son, up to
To conduct the project, the coastal land of 4 wards of Sam Son city namely Quang Cu, Trung Son, Bac Son, and Truong Son which currently is used for access to the sea for fishing, must be covered and upgraded into a coastal tourism zone. It means that all fishing boats of local fisherman need to be moved to other places. Not only fisherman but also small businessmen are affected in this project. According to the plan, all kiosks or temporary houses selling water and seafood to tourists on the seaside are to be destroyed.

The consequences of land acquisition on land-acquired community

The coastal land acquisition for tourism purpose causes some severe impacts on livelihoods of local fisherman.

The right to be prevented from negative impacts and the accessibility to land of local people

For many families in Quang Cu ward as well as three other wards of Sam Son City, fishing is their way of living/life. As part of the deal, the government had promised to build a new fishing port in another location. However, until now, this fishing port has not been established. When the local government took the land to use it for tourism, local fishing households faced the loss of access to the current beach for fishing.

“We did not move and did not receive compensation while fishing has been our livelihoods for generations. What can we do now without our boat and the seaside”  
((Interview with fishermen in Quang Cu)

Local business people who had kiosks on the seaside, had to stop running a business, and their kiosks were replaced by FLC’s hubways (small houses that sell water and food for tourists on the beach). It means these businessmen also lost the way to earn their living. While local fishermen have no space for fishing and local businessman have no kiosks for earning money, investors of the project enjoy the benefits. As mentioned above, all kiosks run by local people were replaced by 15 hubways run by the investor for 29 years and obviously, the profits made from running that business will fall in the hand of investor, not local businessman as before. There were 51 kiosks which created jobs for about 6,000 local labourers during tourism seasons. However, to implement the project, all kiosks had to be cleared (destroyed) and kiosks owners received support from local government.

Participation level in the acquisition process

The compulsory land acquisition mechanism is applied in this project. Therefore, the level of involvement of local people in decision making is limited.

“We got the announcement for local government that we had to move for the implementation of a tourism project”  
((Interview with fishermen in Quang Cu)

An official announcement combined with unclear information about the new port location led to confusion amongst local fisherman. Moreover, locally affected people had no chance to give their ideas which caused disagreement and dissatisfaction within the fishing community.

“We just had information that the new port may be 8-10 km far away from the current port and our house. It is not an ideal port and not safe for our small boat to go fishing from.”

Therefore, the affected fisherman reacted and protested against the project to ensure that they would still have space for fishing. They called on the local government to set aside 500 to 1,000m of coastline for fishing. After more than ten days of protest, people in Quang Cu, together with the other affected wards, reached an agreement with the local government.

Firstly, if fisherman agreed to remove voluntarily, they got compensation and support, as presented in table 4.

<table>
<thead>
<tr>
<th>Table 4. Means of supports for fisherman who affected by the project</th>
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<tbody>
<tr>
<td><strong>1. Support for boat owners with boats with main engine capacity of less than 20CV</strong></td>
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</tbody>
</table>

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[http://vietnamnews.vn/society/277263/beach Upgrade project may lose local labourers their jobs.html](http://vietnamnews.vn/society/277263/beach upgrade project may lose local labourers their jobs.html)
Applicable entities and Conditions | Boat owners have to destroy their own boat and are not allowed to purchase, construct, or use new boats with main engine capacity of less than 30CV
---|---
Means of supports | -Support for lost assets: 70 million VND/large boat and 50 million VND/small boat  
- Support for living for 6 months: amount of money equivalent to 30kg rice/month/per person  
- Support for seeking new jobs: 12 million VND/large boat and 8 million VND/small boat  
- Award for move before 15/3/2016: 10 million VND/boat
Effect | Came into effect since 11th March 2016 and ended before 15/4/2016
2. Supports for purchase and construction of new boat with engine capacity from 30CV to below 400 CV
Applicable entities and Conditions | People who are in group 1 and desire to construct new boat with an engine from 30CV to 400 CV
Means of supports (there are 2 options) | 1. 35% of total value of new boats in one time after completion or at purchase of a new boat (after presentation of legal documents to approve it)
| 2. A period loan of 5 years at an interest rate of 7% per year over total loan capital
3. Source of Supports | Provincial Budget

Source: Decision 705/2016/QD-UBND dated 1st March 2016

Secondly, if fisherman did not agree to move, local government agreed to give 300m to 1500m of the coastline for fishing, until the new port is ready. For instance, fishermen in Quang Cu ward have a 300m length of coast for fishing. However, local people said that “the local government will soon or later take it from us” (Interview with Quang Cu fisherman)

The issue of compensation level
Local fisherman claimed that with the compensation policy it seemed as the local government bought our boats, our source of income, at a price from VND50 million to VND70 million. But the amount of money would not offer a sustainable income for fishermen meanwhile it is difficult to find a new job. Obviously, the financial compensation was not the most concern of affected people. They were more worried about the sustainable source of income.

5.3. Case study 3: Khu to hop dich vu cao cap Sapa project, Sapa Town, Lao Cai province

Description of the study area
Sapa is currently a golden opportunity for real estate developers and investors since many state plans for Sapa’s tourism development have been introduced. The master plan for the development of Sa Pa National Tourist Resort in Lao Cai province until 2030 was approved by the government of Vietnam in 2016. According to the plan, Sapa strives for 3,000 hotel rooms with 3–star or more. There are more and more luxury hotels, villas and resorts in Sapa to compete with current small-scale hotels, or family-run motels. Some big real estate investors and tourism developers have made a considerable investment in Sa Pa in recent years, namely Sun Group, Truong Hai, Bitexco and Biti’s. However, local people commented...
that the appearance of giant real estate investors with large-scale projects is destroying the natural landscape and forest in Sapa (Interview with local people).

**Description of the project**

According to Decision No. 2868/QD-UBND dated 2017 of The People’s Committee of Lao Cai Province, the project invested by Sun Group is a complex of commercial services and apartments, a 3-star hotel complex, a resettlement area, and the center square. The project will cover an area of 17 ha in Sapa. To carry out this project, the current headquarters of SaPa district will be destroyed and 28 households are forced to move. Currently, the 28 affected households live along the Dien Bien Phu street, Sapa town, Sapa district. Although the project has not started yet, most affected families strongly resist moving.

**Types of land and Investor**

Land to be acquired for this project is non-agricultural land, including residential land in the urban area of 28 households, land for governmental buildings which is known as the current administrative area of Sapa district (Khu hanh chinh huyen).

Sun Group, a giant real estate and tourism investor in Vietnam, is an investor of the project. The group is considered a dominant large-scale actor concerning the development of tourist accommodation in Sapa. Following the Fansipan Cable Car project, in 2016, Sun Group continues to invest in two big projects known as Khu to hop dich vu cao cap Sapa and Khu hanh chinh moi huyen Sapa, approved by the People’s Committee of Lao Cai province and the People’s Committee of Sapa district. According to local people here, the name Sapa town nowadays should change into ‘Sa Group’ to indicate the dominance of Sun Group in investment projects in the town (Interview with local people).

**The consequences of land acquisition on land-acquired community**

Even though the project has not started yet, many foresee that problems may arise concerning local livelihoods regarding income generation and decision making participation.

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The right to be prevented from negative impacts and the accessibility to land of local people
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Sapa is a famous tourist destination in Vietnam, and local people earn money with tourism-related activities such as running and working in motels, hotels, restaurants, and selling products for tourists. In the project area, many of the 28 households are running motels and restaurants. If the project starts, local government will acquire their houses and force them to move to other places.

“We are afraid of losing income, losing our way of living because we are using our own house to run a hotels or a restaurant to earn money. We are also afraid that when the project is completed, small businesses like us have no chance to exist” (Interviews with a motel owner).

In addition, according to affected households, they will have to move to another place that is very far from the township centre and not well placed for running hotels or restaurants.

“We are now at the township centre. It is really convenient for us to run a business. But in the new place, it is difficult for us to continue to do that.” (Interviews with locally affected household).

**Participation level in the acquisition process**

Local people were informed by the local government that their houses are in the area of project in a meeting without the right to choose to move or not. One motel owner said that:

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We did not agree to move because we have been having a stable life here for many years. Moreover, this is not the first time we had to move because of land acquisition”
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It means that if local people relocate to another place, even in the resettlement area, they cannot make sure that they will not have to move again in the future.
making participation in this situation led to a consequence that the needs for a stable living of local people cannot at the same time meet the demands for the land of investors and local government.

6. DISCUSSION AND CONCLUSION
It can be concluded from this study that the development of tourism accommodations has become a new driver for large-scale land acquisitions in Vietnam in recent years. Furthermore, the way land is acquired for Vietnam’s tourism development in particular and for development projects in general has created important problems concerning the right of land – acquired people. The findings of this study show that the process of land acquisition (for tourism development) has profoundly affected local people, taking into account differences in geographical location. Even though the land acquisition progress and the conditions for land use by local people were different, local people are facing similar problems concerning their rights over the land such as a right to access, a right to be fairly compensated, a right to be prevented from the negative impacts of land development for tourism projects, a right to participation. In other words, the rights of local people are not guaranteed in mechanisms of land acquisition. In addition, the present ambiguous and unsecure property rights system in Vietnam might have facilitated the land-grabbing phenomenon in this country, particularly by concerning the term land-acquired people’s rights.

This study therefore suggests that it is crucial to have a change in present legal system in land and property rights in Vietnam in order to reduce negative impacts of land redevelopment on locally affected people. For instance, the affected people should be given more power even in the compulsory land acquisition mechanism. The government and the developers should have a good strategy for locally affected people in transforming their livelihoods before their land is taken.
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