

Vietnam Land Administration – Views from Poverty Alleviation & SME Development

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Paper presentation introduction

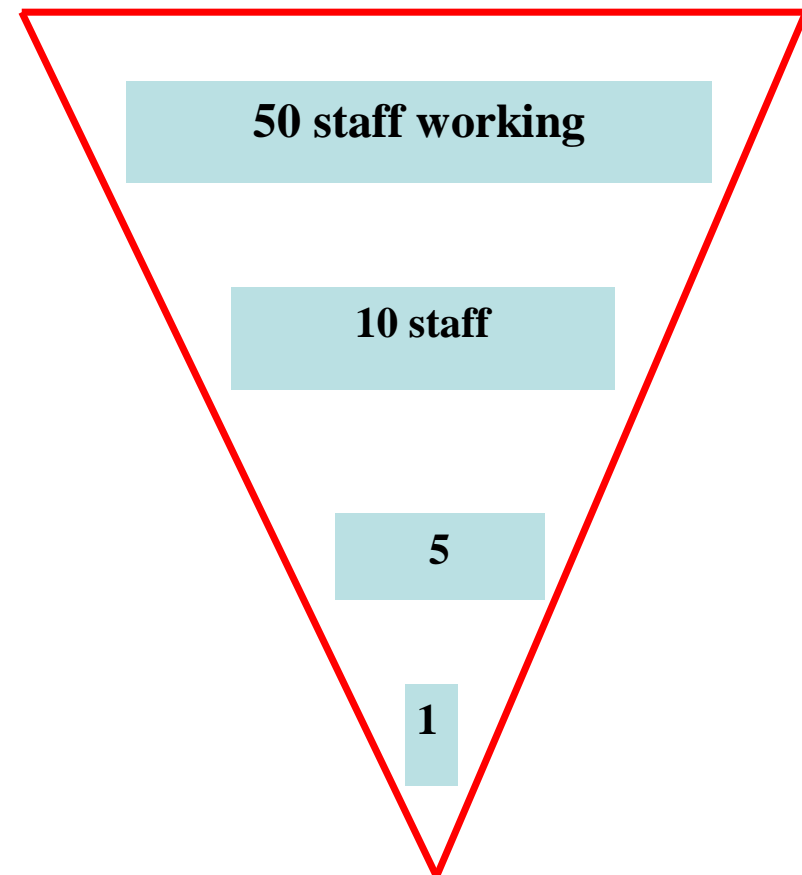
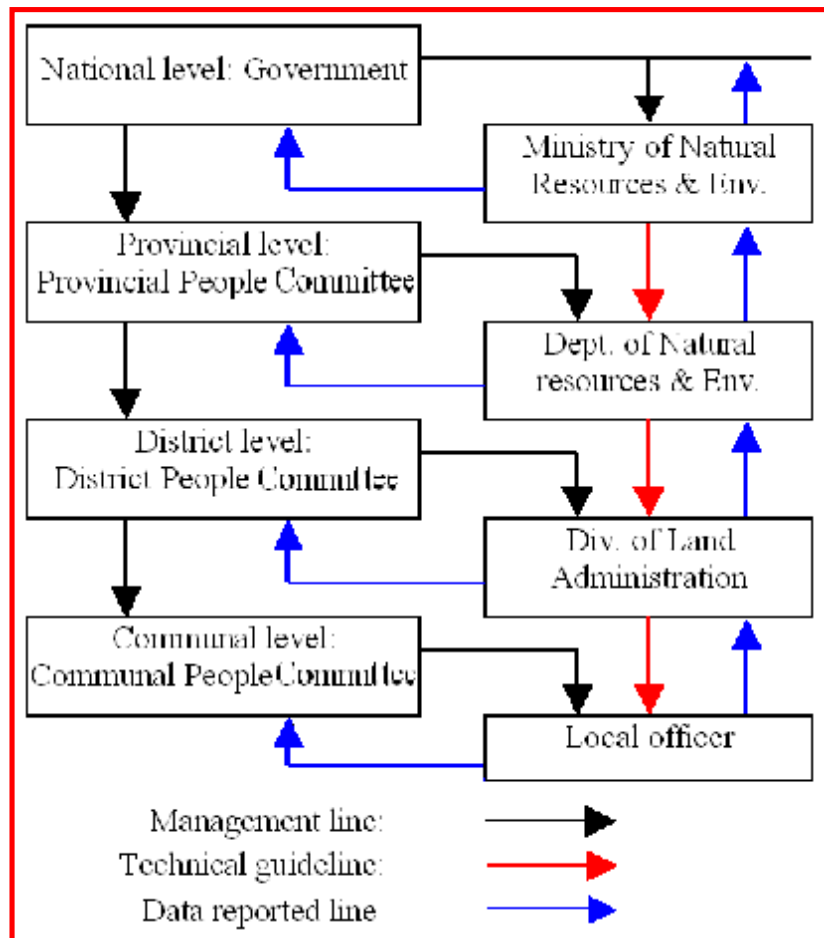
- I. Vietnam land administration
- II. Poverty alleviation view
- III. Small&Medium Enterprise view
- IV. Conclusions

I - Vietnam Land Administration (LA)

- Open door policy, land to individual use 1988
- Land Law 1993 recognized 5 land use rights
- Further development to Land Law 2003
- Speed up by setting up Land Titling Office
- LA is more requested for socio-economic development plans
- Organizations structure

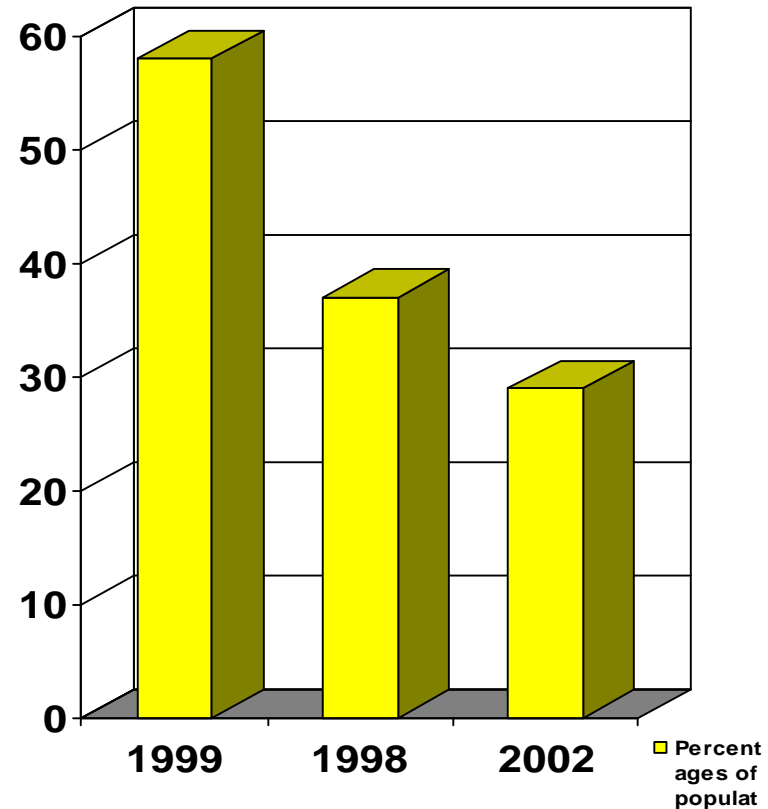
I - Vietnam Land Administration

Institutional & Organizational structure at 64 provinces, 615 districts & > 10000 communes



II - View from poverty alleviation Literature review

- Vietnam land allocation does favor the “land-poor”. There is no obstacle from local government.
- The impact of land allocation in poverty alleviation



Percentages of people living under poor line

II - View from poverty alleviation

Literature review

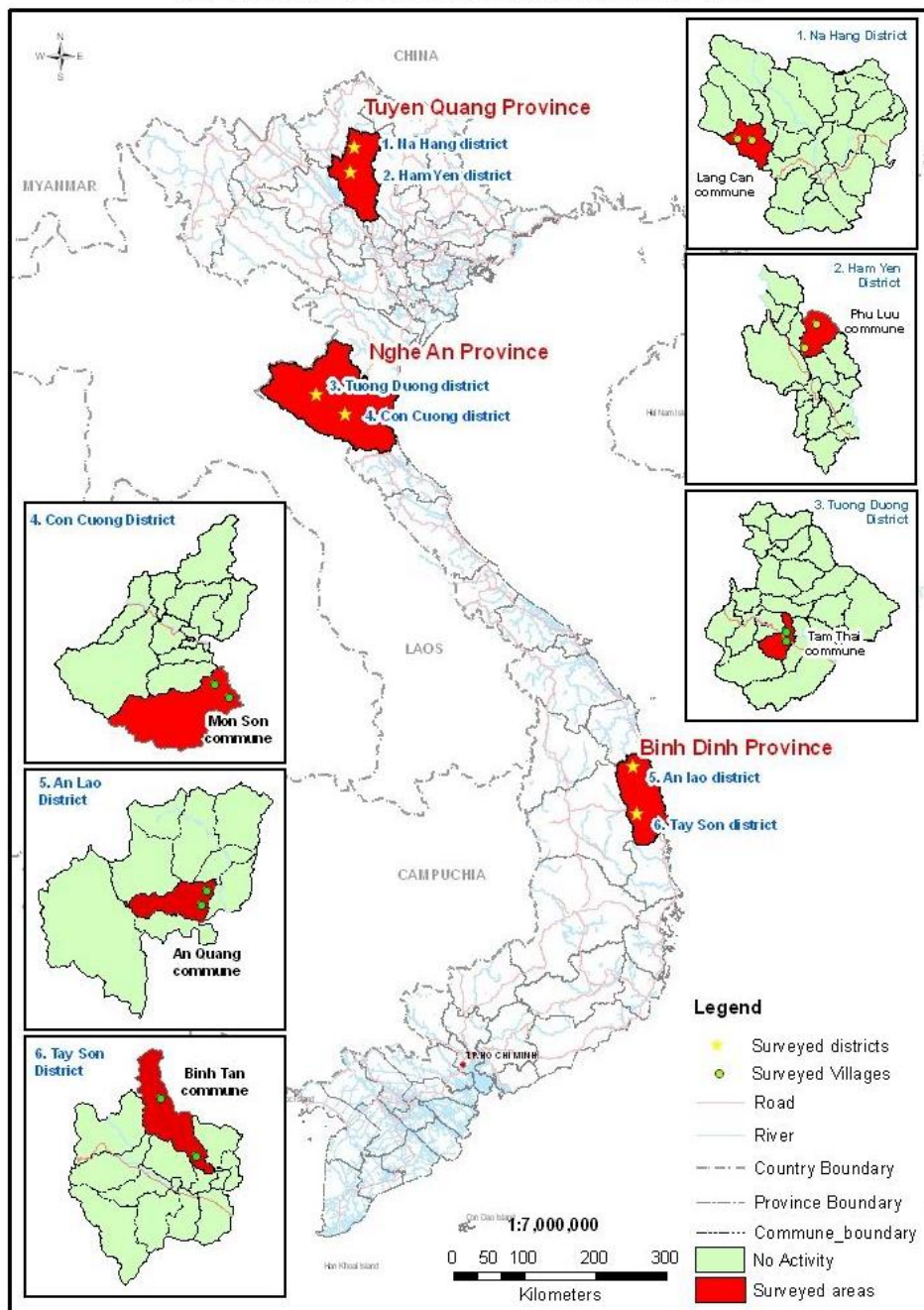
- New policy in forestland does not clearly affect but strongly impacts the hungry household, because, the hungry household relies deeply on slash & burn
- Progress of forestland & upland registration with LTC are limited in both ha & number LTC.
- To 2004, 97.4% agricultural land granted has LTC. Whereas, only 35% of allocated forestland area received LTC.

II - View from poverty alleviation

PEN II – Study objectives

- Funded by WB from Jul04-Jul05, implemented by a Vietnamese consultant TECOS. First main findings were published in Jul05.
- Obj 1: Analyze the linkages between poverty & environment in association with land management & land use change
- Obj 2: Assess the need for environment & poverty impact monitoring on the Land Law, & to foster the commencement of monitoring work.
- Obj 3: Support in the implementation of Land Law 2003 & the preparation of the future land code.

AREAS SELECTED FOR FIELD SURVEYED PEN II

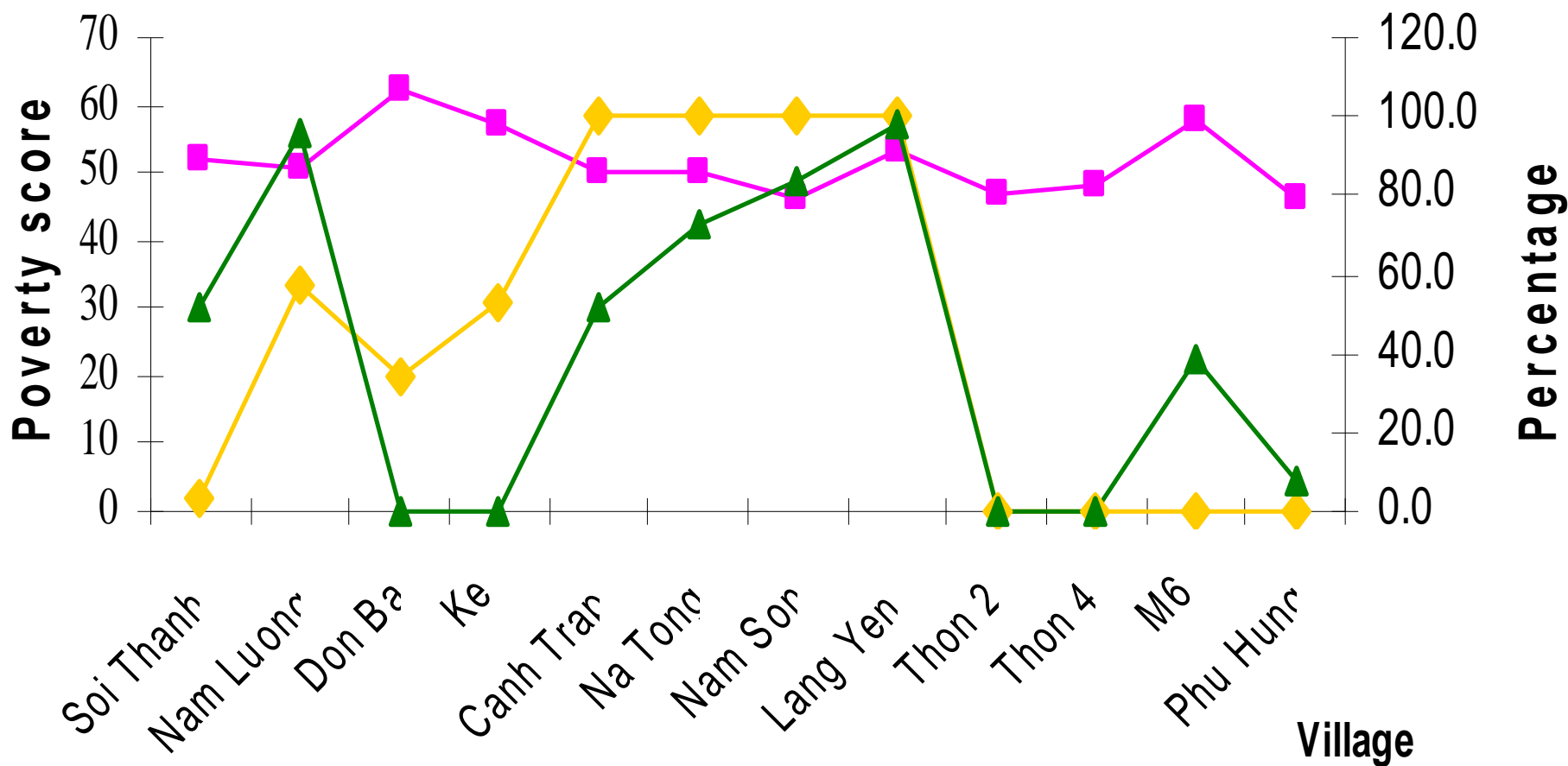


- Study at national & local level.
- DB of land, socio, poverty & other relevant data to land, poverty, & env. at district & provincial level for whole country.
- Case study: 3 provinces, 6 upland districts, 6 communes, 12 villages & 261 households in-dept interviewed.
- Qualitative & quantitative analysis.

Findings (only in 3 case study provinces) 1: There is various results of forest land allocation for poverty alleviation

- Limited & varied in implementation & outcomes.
- Tuyen Quang: Forestland was allocated with forest book in 1994. No plan to convert these books to LTC. Forest officers & State Forest Enterprise (SFE) are key.
- Nghe An: Forestland was allocated with forest book since 1992, completed in 2004. Has plan to convert all these books to land title, land officers is key
- Binh Dinh: Forestland was not fully allocated to local people. SFEs, land officers & forest officers are key.

Proportion of forest land and HHs have LTC for forest land



- Total poverty score of P-E indicators
- ◆ Proportion of HHs with LTCs on forestry land (green book)
- ▲ Proportion of forest land per total area

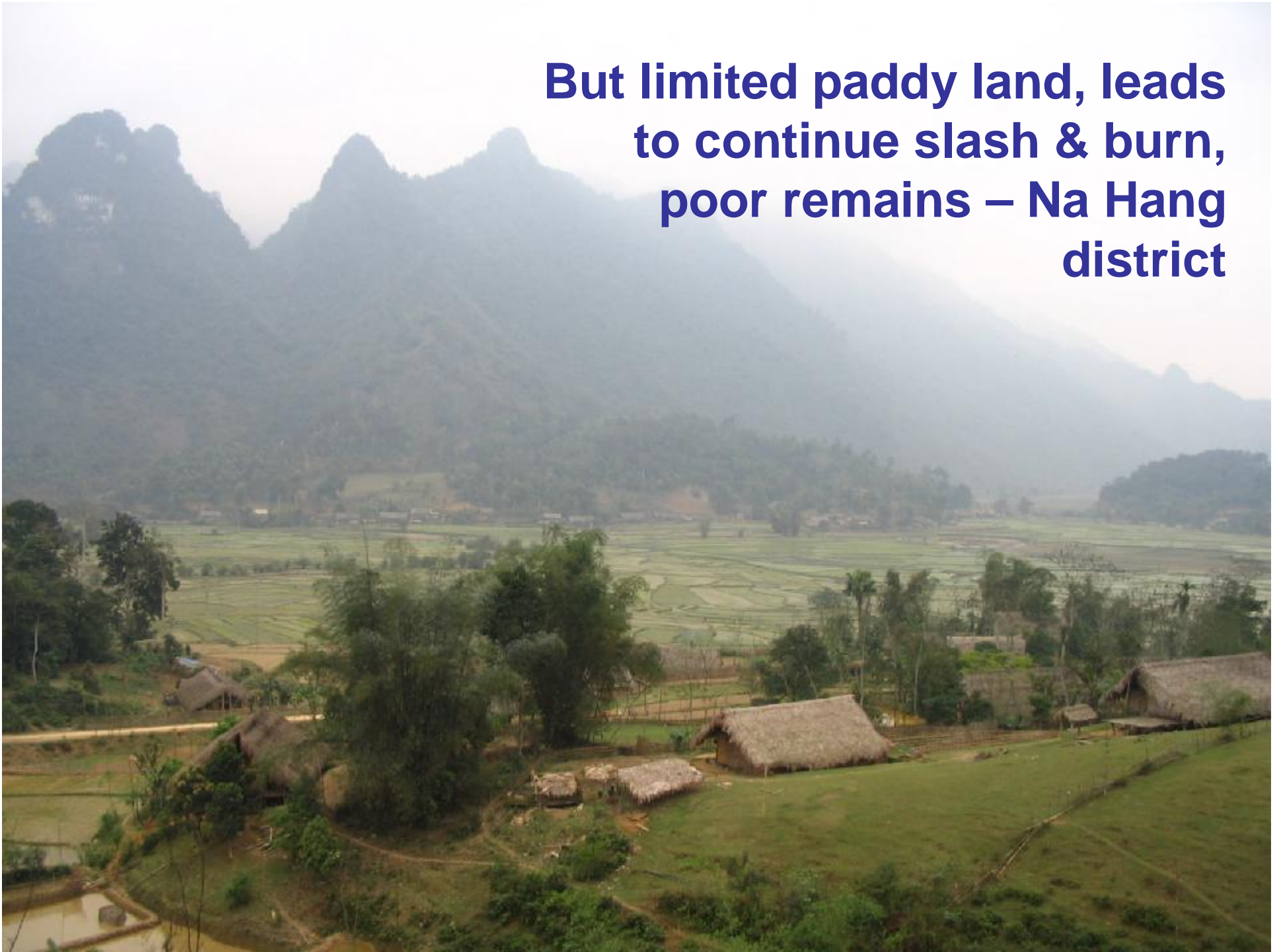
Findings (only in 6 districts case study) 1:

- Na Hang: Forestland allocated but having little paddy land, Dzao group continues slash & burn
- Ham Yen: Forestland allocation creates positive impact on poverty alleviation but creates negative impact on env.
- Con Cuong & Tuong Duong:
 - Become a good tool to restrict slash & burn & to manage the conversion from forest to non-forestland
 - But, poor people is facing more challenges
 - Facilitating the rotational cultivation, but limited area allocated leading less results.
- An Lao & Tay Son: whether allocated or not, local people still continue the slash & burn cultivation

Forestland in Na Hang district



**But limited paddy land, leads
to continue slash & burn,
poor remains – Na Hang
district**

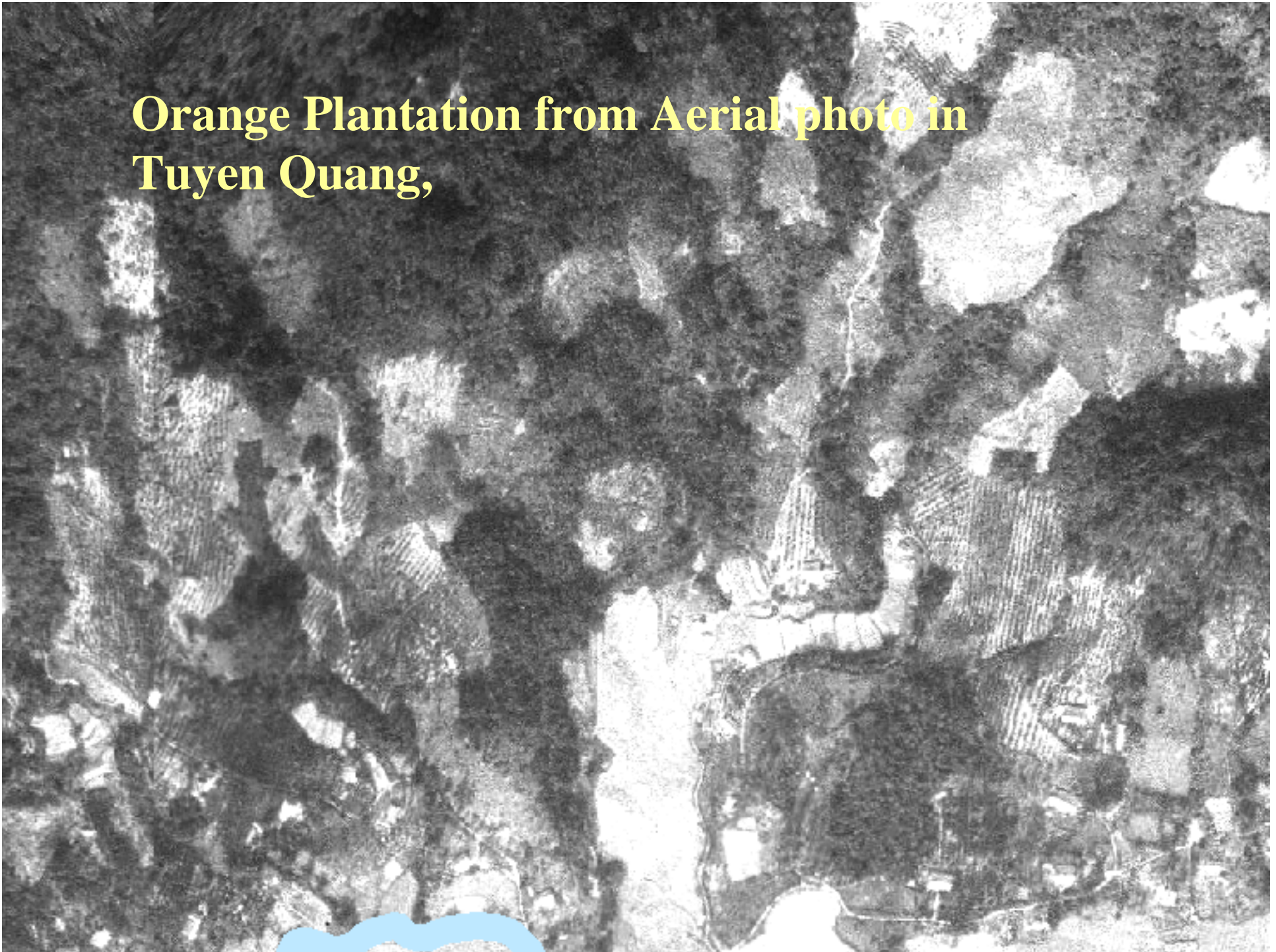




Orange plantation

Nam Luong – Phu luu – Tuyen Quang

**Orange Plantation from Aerial photo in
Tuyen Quang,**



Whether allocated or not, local people still continue slash & burn cultivation/ An Quang – Binh Dinh



Findings (only 6 case study districts) 2: Land registration does not yet fully play a key role in poverty alleviation at upland area

- LTC issuance encourages people in reclaiming land.
- Local people have a better awareness of LTC. But considers LTC just means for obtaining loan mortgages from the bank.
- The poor people cannot refund the first loan - the role of LTC is terminated.
- This leads no opportunity to land market & land rental market development.

Findings (only 6 case study districts) 3: Land use planning is still win-win situation for poverty alleviation

- In principle, LUP is prepared, verified, monitored & implemented with local people participation
- However, current LUP is limited in both quality & quantity in case study areas.
- Furthermore, the participation of local people is hardly observed in the case study area. The ability of implementation LL2003 at local level is still a question.
- Different results of LUP in case study districts

Low quality of forest land use plan

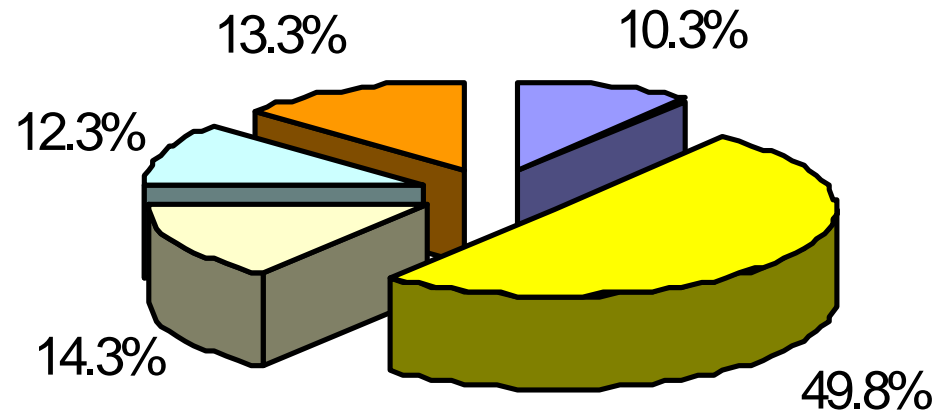


III – View from Small & Medium Enterprise

Analysis the feedback from SME on LL2003

- May 2005, > 130,000 registered SME (97% of total business enterprises).
- Annually, SME contributes 26% of GDP & creates jobs for about 25% of total labor
- What areas & to what extent does SME have questions?
- What are main reasons & to what extent can those question be solved in the future?
- Collect data from internet & 2 workshops answering the complains on land. 154 SME with 203 complain questions on land issues.

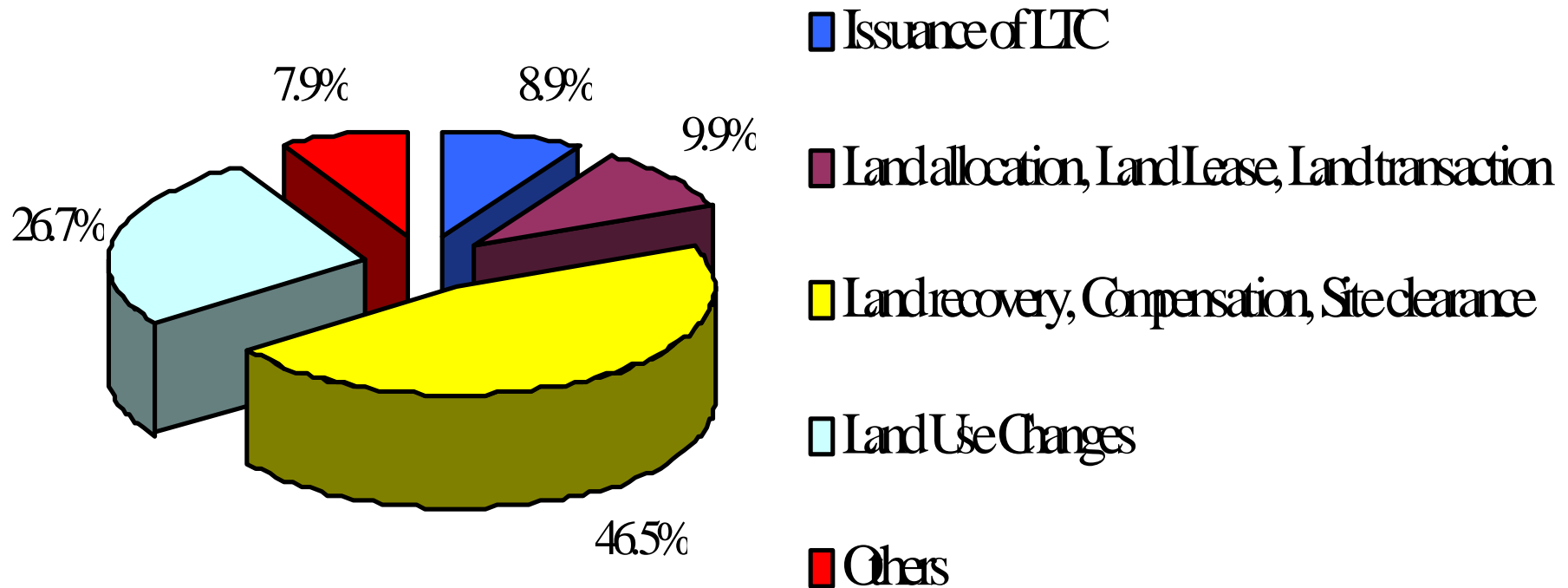
What areas and to what extent does SME have questions?



■ Land demand ■ Adm procedures ■ Land price ■ Policy ■ Others

Answer: SME has questions mainly on five groups & its percentages in the figure

More detail in administrative procedure group, SME has questions & its percentages as the below chart



What are main reason and to what extent can those question be solved in the future?

For administrative issue

- There is still some cumbersome processes in the legal framework, & in the technical guidelines for LL2003 implementation – Could be solved in near future with new versions.
- Depend on the ability of local agencies for implementation of LL2003 – More difficulties for Vietnam is diversity conditions, limited capacity at local level.

What are main reason and to what extent can those question be solved in the future?

For Land price issue

- LL2003 has increased the land price (toward the open market) – eg. from 11M VND to 47MVND/m² of renting in Hanoi. Increase 57%of government budget from land.
- Question from a command system to open market
- If it is market value then let market decide it
- How far Vietnam be firmied with the market direction

What are main reason and to what extent can those question be solved in the future?

For land demand

- Difficult to answer in near future
- At moment it is not a biggest number (only 10%) but near future could be more
- Questions on administrative issues will be reduced & this will correspondingly increase.
- The need for a proper LUP in urban area

IV - Conclusions

- The above studies contribute some results but impossible to generate a solid conclusion for these issues – more study needed.
- Vietnam LA has achieved significant results in reform process, poverty alleviation in upland, & supported SME development.
- In upland, LUP has more important role > land registration in poverty alleviation.

IV - Conclusions

- The quality & quantity of LUP are obviously needed for poverty alleviation & SME development.
- Administration reform only is not enough LA establishment, but need to be carried out in related other fields.
- Vietnam should continue their work in LA development. Innovative as Land Law 2003 (toward an open market direction, to the needs of local levels), are encouraged to be continued.