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Improve the Efficiency of the Auction of Land use Rights in Dong Anh District, Hanoi City, Vietnam

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Abstract

The Government is actively investing in upgrading urban technical infrastructure to keep up with development and considers this as one of the factors promoting urban socio-economic development. The auction of land use rights to create capital to build local infrastructure in Dong Anh district has achieved very positive results, land resources are being exploited and used effectively by regulations provisions of the law. The strict and effective management and use of land have contributed to awakening hidden

internal resources for socio-economic development in localities. Investment in upgrading urban infrastructure (with funds obtained from the auction of land use rights) has been carried out closely and synchronously to ensure the development of Dong Anh's rural urbanization process by goals and strategies; by planning, architecture, and ensuring sustainability and aesthetics that meet the expectations of the people.

Keywords: Land, Land Auction, Effective, Dong Anh District, Hanoi City, Vietnam

1. Introduction

Dong Anh, a suburban district of Hanoi, is witnessing a strong transformation in the process of industrialization and urbanization. According to the Capital's urban development plan, a large part of Dong Anh's natural land area will be used to build new urban areas and modern industrial parks. However, reality shows that rural urbanization is not an easy process. To ensure this process is targeted and sustainable, a series of complex issues must be addressed. First, funding to invest in infrastructure and public services such as transportation, electricity, water, health care and education is limited. In addition, addressing the increasing demand for residential land also promotes encroachment, changing land use purposes, and increasing land prices.

To solve these problems, Dong Anh district proposed and implemented an auction of land use rights to obtain funding for infrastructure construction. This auction also helps create favorable conditions for land management. In addition, the auction of small plots of land in residential areas also plays an important role in the socio-economic development of Dong Anh, while balancing rural urbanization and new rural construction. However, besides the achievements, legal regulations and auction practices still have many limitations, and the system of legal documents on auctioning land use rights still has many shortcomings, lack of synchronization leads to stagnation and slow progress of auction work. Stemming from the above issues, and at the same time contributing to promoting the auction of land use rights to generate State budget revenue, I conducted research on the topic of the article: "Improving auction efficiency land use rights in Dong Anh district, City. Hanoi".

2. Theoretical Basis

Assets: Assets include objects, money, valuable papers such as bonds, stocks, promissory notes, and property rights (such as copyright, industrial property rights, rights to plant varieties, rights to claim debt, right to receive insurance money for security, property rights for capital contribution in the enterprise, property rights arising from contracts... in Article 163, Civil Law 2005.

Auction: A sale in the form of letting buyers take turns bidding. Whoever bids the highest wins the auction.

Bidding: In a public auction, whoever accepts to do or sell at the cheapest price will be assigned to do or sell the goods.

Project: Is the proposal of a system of measures to achieve a certain goal or task with constraints on time, quality, and cost within allowable limits or optimal conditions. Maybe.

Construction investment projects: Are investment projects for construction, procurement of technological equipment, and training of operating workers to create physical products or services for society; or construction investment projects that create physical infrastructure systems for society such as bridges, culverts, roads, and railways; River ports, seaports, dikes, dams, reservoirs, irrigation canals...

Asset auction: Is a form of public asset sale by bidding method, with two or more people participating in the auction according to the principles, order, and procedures specified in this Decree. The upward bidding method is the method of bidding from low to high until someone makes the highest bid.

Auctioneer: A person who is granted an Auction Practice Certificate according to the provisions of this Decree.

The buyer of the auctioned property: Is the person who bids the highest price compared to the starting price; In case there is no bidder higher than the reserve price, the property will be sold at the reserve price.

Auctioned assets: Are movable property, real estate, valuable papers, and property rights that are allowed to be traded according to the provisions of law.

Starting price: This is the minimum price specified for 01 m² of auctioned land.

Price step: Is the difference between the next bid compared to the previous bid. The price step is determined by the asset auction organization in accordance with each auction.

A person whose property is auctioned: The owner of the property, the person authorized by the owner to sell the property, the person responsible for transferring the property for auction, or the individual or organization with the right to sell the property of the owner. Others as prescribed by law.

Asset auction participants: Are individuals or organizational representatives who are eligible to participate in the auction to buy auctioned assets according to the provisions of this Decree and other relevant provisions of law.

Land use rights certificate: A document issued by a competent state agency to land users to protect the legal rights and interests of land users. - Valid bid price: The valid bid price must be at least equal to the floor price plus one price step or the price of the next round as prescribed by the Auction Council. - Winning price: The winning price is the price paid for 1 m² of land that must be greater than or equal to the valid auction price determined by the Land Use Rights Auction Council.

According to Clause 1, Article 1, Decision No. 137/2005/QĐ-UB dated September 9, 2005, of the Hanoi People's Committee on auctioning land use rights to allocate land with land use fees or lease land on land. Hanoi city area: "Auction of land use rights is a matter where a competent State agency publicly selects investors who are domestic organizations, households, and individuals of all economic sectors with sufficient qualifications." capital conditions and the ability to ensure the technical requirements of the project to allocate land with land use fees or land lease, to create investment capital for infrastructure construction and socio-economic development. Association in the City."

A land use rights auction is a form for the State to allocate or lease land to domestic organizations, households, and individuals. Through the auction, the State Budget will have additional funds to Invest in infrastructure contributes to socio-economic development and is also a basis for the State to adjust the land price framework.

3. Analysis of Land Use Rights Auction Work in Dong Anh District, Hanoi City

The order and procedures for organizing land use rights auctions in the District are still consistent and comply with Decision No. 43/QĐ-UBND dated October 23, 2023, of the Hanoi People's Committee. The current land price is determined according to Decision No. 62/2023/QĐ-UBND dated December 31, 2023, of the Hanoi People's Committee promulgating Regulations on prices of land types in Hanoi city in 2023.

Specific principles when valuing different types of land: Based on profitability, distance to roads, streets, and favorable infrastructure conditions for living, business, and service provision, the Location is determined according to the principle: Location 1 is adjacent to the traffic road, has more profitability and favorable infrastructure conditions than the next locations, locations 2, 3, 4 according to The order of profitability and infrastructure conditions are less favorable.

Based on the City's correct policy and the practical results of the pilot implementation of the auction of land use rights in rural residential areas in the above 4 communes, in 2021 Dong Anh District People's Committee will continue to direct the implementation. Widely deployed to all communes in the District. Communes prepare dossiers for auctioning plots of land stuck in rural residential areas to create capital to build local infrastructure according to Decision No. 137/2005/QĐ-UB dated September 9, 2005 of the City People's Committee. Hanoi (on promulgating regulations on auctioning land use rights to allocate land with land use fees or lease land in Hanoi City); 18 communes have filed applications to handle stuck land by auctioning land use rights with a total area of 56,789m². The District People's Committee has compiled a report for the Department of Planning and Architecture to provide planning information. After the Department of Planning and Architecture issued a document providing planning information for each stuck land location, the District People's Committee directed the preparation of a master plan at a scale of 1/500 with locations suitable for the land planning. At the same time, determine the red line boundary, set up a project to build technical infrastructure of the land to serve the auction of land use rights, submit to the City for a decision on land recovery according to regulations.

In early 2022, the City People's Committee decided to revoke 25 small, isolated land locations with a total area of 47,674 m² of land in 13 communes: Bac Hong; Nguyen Khe; Tien Duong; Lien Ha; Van Ha; Nam Hong; Kim Chung; Van Noi; Barley; Vinh Ngoc; Duc Tu; Viet Hung and Mai Lam assigned Dong Anh District People's Committee to organize infrastructure construction and auction land use rights for housing construction purposes. The District People's Committee has directed the People's Committees of the above communes to organize site clearance and conduct technical infrastructure construction projects to submit to the District for approval; Coordinate

with the District Land Use Rights Auction Council to carry out land use rights auctions according to City regulations. Up to now, the auction of land use rights in 13 communes with an area of 23,330.9 m² has been successfully organized, collecting 98,521,260,000 (ninety-eight billion, five hundred and twenty-one million, two hundred and sixty thousand) VND.

Based on the results achieved, the District People's Committee continues to direct communes in the area to prepare documents for auctioning small and interspersed land use rights to submit to the City for a decision on land recovery to organize the auction of land use rights. Land.

The handling of small plots of land located interspersed in residential areas according to the direction of the Hanoi People's Committee and Program No. 07-CTr/HU dated August 3, 2021 of the District Party Committee is a correct policy., consistent with the practical situation as well as meeting the requirements of the Industrialization - Urbanization process taking place in Dong Anh district. This work is also supported by a large number of people; contribute to strictly implementing the Land Law to prevent encroachment on public land, allocation of land without authority, and illegal change of land use purpose; Bringing State management of land into order, creating favorable conditions for State management of land locally. At the same time, effectively exploit land potential to create equality and democracy among the people. Implementing this work well not only has practical significance in State management of land but also repels, prevents and moves towards completely eliminating the situation where villages secretly sell public land to collect money illegally, the condition has become quite common over the years. Avoid the situation of spontaneous, chaotic, unplanned and unsynchronized construction (because in reality, the management of urban construction order in villages is not yet taken seriously, and the construction of houses in rural residential areas hardly have construction permits). Funds collected from the auction of stuck land use rights are used to invest in building local infrastructure, which will change the face of rural areas, contributing to accelerating the process of urbanization and modernization of agriculture. Rural areas in Dong Anh district.

Some problems exist in the auction of land use rights in the District with the above results achieved; with huge revenue from auctions to invest in infrastructure construction, the land use rights auction has greatly contributed to the process of building new rural areas and rural urbanization in Dong Anh district. However, from practice it also shows that there are still some remaining points that need attention and limitations during the implementation process:

Regarding planning issues: Lack of detailed and synchronous planning. The district still uses a paper map system, so it is very difficult to edit maps and update information to suit the current land use status.

Lack of stability as well as sustainable development: Changing situation, adjusting planning; The situation of some villages and communes abusing the policy of auctioning stuck land to set up projects to fully exploit public lands and public ponds (the lungs of residential areas and also a part of the drainage system,) has led to serious ecological imbalance in residential areas.

At the District Commercial Center: In the process of implementing planning according to land allocation decision No. 1589/QD-UB (July 27, 1992 of Hanoi People's

Committee to allocate land to Dong Anh district to build combined housing). business case) and No. 736/QD-TTg (August 8, 2000 of the Prime Minister on the recovery of 27,946 m² of agricultural land in Uy No commune, Dong Anh district to implement the technical infrastructure construction project). Dong Anh Town housing area), between the two plans, there exists a strip of land sandwiched between households that both plans have not mentioned, is small, fragmented, and has no conditions for construction. Spacious and modern, right behind each household has an area of 4m x 5m = 20m², making management and use difficult. The current situation of stuck land has been encroached by households to build temporary and level 4 works in previous years, greatly affecting the management and loss of urban landscape.

In recent times, there have been times when the real estate market has frozen, the decrease in purchasing demand has directly affected the results of land use rights auctions as well as the reduction in the amount of money collected from auctions, which has a significant impact on the urbanization process. Rural urbanization.

Currently, the auction land in Lien Ha commune has 10,665 square meters and has fully built infrastructure (roads, electricity and water) but the auction has not been held yet because there are very few buyers.

The order and procedures for implementing the auction of land use rights due to their specific nature are still slow and do not meet reality. There are land areas that have been waiting for long procedures and people have encroached, temporarily used them, and the village government has collected money in advance... causing many difficulties for the auction process.

In some communes, during the process of organizing land use rights auctions, they have not yet fully grasped information about the bidders participating in the auction, and still allow bid collusion and low bid collusion to occur, affecting the results of the auction. Auction, the District People's Committee had to cancel the auction results like Lien Ha and Kim Chung communes.

Some communes are still very slow in carrying out this work: There is a decision from the City approving the implementation of the auction, but there are still difficulties and obstacles in site clearance work, and the resolution at the grassroots level is still slow and not as determined as the communes. Dai Mach, Van Ha, Kim Chung.

Some auction projects are located outside urban development areas, have completed investment in building technical infrastructure, have fully prepared the conditions to organize auctions, and have been invited to participate in the auction many times but have not been accepted. Sufficient number of auction participants according to notification regulations.

There are cases where after the auction is held, the winning bidder refuses to accept land use rights and withdraws the price paid because the winning price is too high.

Environmental pollution is a consequence of urbanization and industrialization.

Reasons that exist in the auction of land use rights in the District: The main reason is that the stage of site clearance and construction of technical infrastructure in some projects is slow and lasts for many years. The attention and direction of implementation between the District and investors in some projects are still not drastic; the coordination of the sectors is not synchronized and has not focused on

prioritizing the resolution of procedural instructions, handling problems with investment procedures, etc. After a slight fever due to funds transferred from stocks, the housing market the land cooled down again when the stock market was "suffering from a cold". The reason for the outstanding debt is that the technical infrastructure of the auction area is not complete, so the land has not been handed over to the auction winner, so the auction winner has the right not to have to pay 40% of the auction winning amount for the remaining land use rights. According to regulations.

4. Some Solutions and Recommendations to Improve Land Use Rights Auction in Dong Anh District, Hanoi City

4.1 Some Solutions

Promote propaganda and dissemination of the Party and State's legal guidelines and policies on land management and use to raise awareness and legal knowledge of officials and people.

Strengthen the leadership role of Party committees at all levels from District to grassroots in managing and exploiting land potential:

The Party Committee at all levels needs to determine that land management is always a central, regular, important task that always has many difficulties and sensitivities. From there, it is necessary to regularly pay attention to leadership, direction, inspection, and supervision of implementation, linking the results of land management work with the assessment of the quality of grassroots Party organizations and party cells.

Carry out political and ideological work well, raise awareness for cadres, party members, and people of all walks of life about the Party's policies, the State's laws on land, and the requirements of cadres and party members. Promote the pioneering and exemplary role in implementing that policy.

Promoting the supervisory role of district and grassroots People's Councils while strengthening inspection and supervision of land management and use. Timely detect, correct, and strictly handle violations.

Pay attention to training, fostering, and improving the quality of staff working in land management from the District to the grassroots, strengthening the apparatus of agencies in charge of land management in the District.

Publicize the process, order, and time for resolving land-related administrative procedures for people to know and supervise.

Standardize officials working in land management.

Arrange enough officers and civil servants with appropriate expertise for the Department of Natural Resources and Environment, and enough cadastral officers with professional qualifications for communes and towns.

Promote administrative reform, and publicize the order and administrative procedures related to land:

Review, supplement, and promulgate new documents on land management under District-level authority. Clearly define the responsibility regime for each level, each agency, and individual officials and civil servants in State management of land.

Enhance the role and responsibility of grassroots authorities and village and commune officials in land management.

Apply information technology, invest in purchasing equipment, and arrange sufficient funding to carry out land

management tasks according to regulations.

Improve the capacity of the District Project Management Board in formulating and implementing land use rights auction projects.

Strengthen coordination and take advantage of the direction, cooperation, and assistance of City departments, branches, and mass media agencies in the field of land management; Promote land potential and planning advantages of the District to attract investment resources to the District.

Resolutely handle strictly those party cells and party members who violate the provisions of the law on land management and use.

4.2 Some Recommendations

In the coming time, the District needs to try to build a digital map system to create favorable conditions for land management and update information promptly to suit the development situation in the area. In recent years, land transactions in the District have continuously increased, with a lot of land fluctuations (fluctuations in area, shape, size of land plots, etc.), and map revisions. And updating information on paper maps faces many difficulties. Therefore, to facilitate land management, support planning, and land use rights auctions, building a digital map system is extremely necessary.

With the motto of improving the efficiency of land management and construction order, ensuring the synchronous implementation of planning for a modern and spacious urban area in the region, and at the same time exploiting the potential of the District People's Committee land. The above-stuck land areas have been allocated to households directly adjacent to the current residential land area so that households have conditions to renovate and build works that are consistent with existing housing and suitable for the space. Regional architecture contributes to improving urban planning and increasing land use efficiency. The condition is that households must have an application for commitment and request for land allocation (the area requested to be allocated according to the inspection record to determine the stuck land area of each household) and must pay money according to the prescribed price and time.

This treatment solution is very successful, meeting the people's wishes, ensuring the area's landscape as well as exploiting the land's potential. The conditional allocation of adjacent land in this area through 03 implementation phases has earned the Budget over 7 billion VND.

Renovate and embellish existing urban areas. For small and interspersed plots of land in urban areas, it is necessary to invest in renovating them into public land funds for parks, trees, flower gardens, and amusement areas. Entertainment, creating environmental landscapes that match the modern urban system, or setting up a land use rights auction project to bring in revenue for the budget.

5. Conclusion

Today, in the early stages of the innovation period, the market economy is gradually being formed, the Government is actively investing in upgrading urban technical infrastructure to keep up with development and considers this as one of the factors promoting urban socio-economic development. The appearance of Vietnam's urban areas is changing every day because the State has invested heavily in urban technical infrastructure such as newly opened streets,

and renovated and newly built sewer lines... Although the investment capital for the construction urban technical infrastructure has increased dramatically, but still cannot respond to the rapid pace of urbanization.

Dong Anh, a district on the outskirts of Hanoi that is making strong changes in the development of industrialization and urbanization, has also found it very difficult to find a solution to the capital problem. Dong Anh did not stop waiting for the State Budget to develop urban technical infrastructure, but proactively found a solution and a direction: Auctioning land use rights to collect revenue. Investment policy to build local urban infrastructure.

Up to now, it can be said that the auction of land use rights to create capital to build local infrastructure in Dong Anh district has achieved very positive results, land resources are being exploited and used. Effective in accordance with the provisions of law. The strict and effective management and use of land have contributed to awakening the internal resources for socio-economic development that are still hidden in localities. Investment in upgrading urban infrastructure (with funds obtained from the auction of land use rights) has been carried out closely and synchronously to ensure the development of Dong Anh's rural urbanization process. By goals and strategies; by planning, architecture and ensuring sustainability and aesthetics that meet the expectations of the people.

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