



GLOBAL VIETNAM  
LAWYERS

# LEGAL ALERT

November 2024

**Pilot expansion of land types for commercial housing projects – New legal framework for real estate projects**



[www.gvlawyers.com.vn](http://www.gvlawyers.com.vn)

In response to a long expectation, on November 30, 2024, the National Assembly passed a *Resolution on piloting the implementation of commercial housing projects through agreements on receiving land use rights or having land use rights available* ("Resolution") with an implementation period of 5 years from April 1, 2025. This is a policy that the real estate business community is well interested in removing obstacles related to the expansion of other types of land other than residential land toward developing commercial housing projects.

**1. Scope of regulation and subjects of application**

The Resolution is applied nationwide to projects of real estate business organizations in the following cases: (1) receiving land use rights (LUR); (2) currently having LUR available; (3) currently having LUR available and receiving LUR; and (4) established by organizations using land to implement commercial housing projects on the area of production and business establishments that must be relocated due to environmental pollution, establishments that must be relocated according to construction planning and urban planning.

**2. Types of land to implement commercial housing projects agreed upon**

The Resolution allows real estate business organizations implementing commercial housing projects to receive transfer of LUR, change land use purpose for one or more of the following types of land: (1) agricultural land; (2) non-agricultural land that is not residential land; and (3) residential land and other land in the same plot of land in case of agreement on receiving land use rights.

**3. Conditions for implementing commercial housing projects**

The Resolution stipulates that the implementation of commercial housing projects through agreements on receiving land use rights or having land use rights must meet the following conditions: (1) the scope of the land area, land plot implementing the project must (i) be consistent with the district-level land use planning or be included in the construction planning, urban planning, (ii) be consistent with the approved local housing development program and plan, (iii) be included in the list of land areas expected to implement the pilot project approved by the Provincial People's Council; (2) have a document from the Provincial People's Committee approving the real estate business organization to receive the transfer of land use rights for projects implemented in the form of receiving land use rights; and (3) real estate business organizations must satisfy the conditions prescribed by the law on land, housing, real estate business, investment and other relevant legal provisions.

In case of using the area of national defense land and security land that has been planned to be removed from national defense land and security land to implement a pilot project, in addition to the conditions aforesaid, there must also be a written approval from the Ministry of National Defense for

national defense land and the Ministry of Public Security for security land.

This Resolution takes effect from April 1, 2025 and will be implemented for 5 years. Upon expiry of this Resolution, real estate business organizations implementing pilot projects according to the progress recorded in the investment project will continue to implement until the end of the project. The recipient of land use rights and ownership of assets attached to land in the pilot project has the rights and obligations of land users and property owners as regulated by law.

Thus, the adoption of the Resolution has opened a solid legal corridor for commercial housing projects that have been being entangled due to the type of land used for the project, helping enterprises to be more flexible in using their land funds; at the same time, creating favorable conditions for land

users and investors to proactively negotiate to receive LUR for other land than residential land in the implementation of commercial housing projects, urban development projects, minimizing the intervention of administrative agencies, limiting administrative procedures, reducing compliance costs, contributing to promoting the stable, healthy, public and transparent development of the real estate market. With an eye to implementing commercial housing projects in the coming time, real estate businesses and investors will expect the Government to issue documents detailing the Resolution and then, the People's Council and the People's Committee at the provincial level will specify the list of "pilot projects" for land plots that have agreed to receive LUR or currently have LUR available to implement commercial housing projects in a particular locality.



**GLOBAL VIETNAM  
LAWYERS**

## **CONTACT US**

[info@gvlawyers.com.vn](mailto:info@gvlawyers.com.vn)

**HCMC - Head Office**

8/F, Centec Tower  
72 – 74 Nguyen Thi Minh Khai  
Vo Thi Sau Ward, District 3  
Ho Chi Minh City, Vietnam  
Tel: +84 (28) 3622 3555

**Ha Noi - Branch**

10A/F, CDC Building  
25 Le Dai Hanh  
Hai Ba Trung District  
Ha Noi, Vietnam  
Tel: +84 (24) 3208 3555

**Da Nang - Branch**

3/F, Indochina Riverside  
Tower, 74 Bach Dang  
Hai Chau District  
Da Nang City, Vietnam  
Tel: +84 (28) 3622 3555

*The contents of the Legal Alert neither constitute legal advice nor necessarily reflect the opinions of our firm or any of our attorneys or consultants. The Legal Alert provides general information, which may or may not be complete or up to date at the time of reading. The content is not intended to be used as a substitute for specific legal advice or opinions. Please seek appropriate legal advice or other professional counselling for any specific issues you may have. We, GV Lawyers, expressly disclaim all liabilities relating to actions whether taken or untaken based on any or all contents of the newsletter.*

[www.gvlawyers.com.vn](http://www.gvlawyers.com.vn)

