**Major Changes in the Regulations of Land Use Right Certificate and Their Impacts on Property Rights under the Land Law 2024**

**I. Overview of Land Use Right Certificate**

According to Land Law 2024, this is a legal document in which the State certifies the lawful land use right (LUR) and ownership of property affixed to the land of a holder of LURs and ownership of property affixed to the land[[1]](#footnote-1).

Accordingly, the LUR Certificate shall be issued to individuals who meet the conditions as prescribed, and may be issued collectively for multiple parcels of land owned by the same person. In cases where the land use rights are jointly owned by a husband and wife or by a family household, the names of both spouses or the family members will be recorded on the certificate. The certificate shall only be issued after the completion of financial obligations, unless the individual is exempt or has deferred payment. The land area recorded on the certificate will be based on the actual survey data, unless there are changes to the boundary. In cases of discrepancies in location or land area, the certificate may be reissued.

The Land Law 2024, with several significant new provisions, concretizes the viewpoints and policies of the Party as outlined in the Resolution of the 13th National Congress and Resolution No. 18-NQ/TW dated June 16, 2022, on the continued innovation and improvement of the land management system and policies. This includes, in particular, matters related to the issuance of LUR Certificates and the implications of these changes on the ownership of assets by land users.

**II.**  **Expansion of Land Use Rights and Ownership Right of the assets attached to the land**

**1. Expanding the types of land users.**

According to Clause 6, Article 5 of the 2013 Land Law, the land userincludes *"Vietnamese citizens residing abroad as prescribed by the law on nationality."* However, in a broader scope compared to the Land Law 2013, Clause 3 and Clause 6 of Article 4 of the 2024 Land Law expands the definition of land users to *include "Vietnamese citizens residing in Vietnam and overseas Vietnamese nationals"* and *"Persons of Vietnamese descent residing overseas."*

Specifically, under Articles 28 and 41 of the Land Law 2024, these above people are allowed to purchase or lease-purchase houses attached to land use rights in Vietnam, inherit or receive gifts of land use rights according to civil law. The law also expands their rights to land use, including the rights to lease land, collect annual land lease payments, mortgage assets attached to land, and contribute capital with assets attached to land in investment projects in Vietnam. This expansion of rights aims to attract remittances and promote investment and business activities from the overseas Vietnamese community in Vietnam[[2]](#footnote-2). It also reflects alignment with the provisions on nationality under the Law on Nationality 2008.

Thus, it can be seen that this amendment is a positive step, clearly defining the rights and responsibilities of Vietnamese citizens residing abroad with respect to land resources.

**2. Conditions for Granting Land Certificates to Undocumented Land**

The Land Law 2024 introduces new provisions allowing land use rights certificates, to be issued for undocumented land parcels, including those within project areas, provided there are no ongoing legal disputes. Article 138 specifies that households and individuals using land without official documentation, but who are not violating land laws, may qualify for these certificates. This measure aims to address long-standing issues of legal recognition, especially in rural areas where land has been inherited and used stably over generations without formal documentation.

The law further clarifies that land used before July 1, 2014, without official documents, may be eligible for certification if specific conditions are met: continuous and stable use before July 1, 2024, no recorded violations of land laws, exclusion from cases of unauthorized land allocation, and approval by the commune-level People’s Committee. These amendments create a pathway to formalize ownership for many individuals, helping reduce legal uncertainty for landholders who have occupied land informally for decades.

However, for investment transactions, it is advised for investors that they should be cautious for their investing in undocumented land, as such purchases involve inherent risks. While often more affordable, undocumented land can be difficult to verify in terms of origin, compliance with urban planning, or potential disputes. Without a land use certificate, buyers may face challenges confirming ownership and may encounter issues such as overlapping claims, limited rights on transfer, mortgage, or construction, and a reliance on the seller’s good faith.

In summary, the Land Law 2024 provides a pathway to legal recognition for undocumented land, particularly benefiting rural landholders who have used inherited land for generations. Despite these new opportunities, undocumented land remains a potentially risky investment. Buyers and investors are advised to weigh the potential benefits against the limitations in legal protections and restricted land rights until full certification is achieved.

**III.** **Strengthening Transparency and Compliance Standards**

**1. Market-Based Land Pricing System consistenting with practical realities**

Under the Land Law 2013, land prices are determined according to the price framework issued by the Government every five years for each type of land and each locality. Although there is a provision allowing for adjustments to the price framework and the land price tables when the market price exceeds the maximum by more than 20% or falls below the minimum by more than 20% for a particular land type, in practice, over the years, land prices in the market have consistently differed significantly from the government-established price framework, especially in major urban areas such as Hanoi and Ho Chi Minh City.

The land price framework has failed to keep pace with reality, leading to a range of transparency issues. Specifically, the dual pricing mechanism has been exploited by many individuals who understate the actual transaction value in notarized contracts when transferring land in order to reduce the amount of taxes payable. On the other hand, in cases of land expropriation or site clearance, citizens face significant losses as compensation (calculated based on state-set prices) is substantially lower than the prevailing market price[[3]](#footnote-3).

Therefore, the removal of the land price framework aims to establish a fairer, more transparent, mutually beneficial transaction market that ensures greater compliance with legal regulations. Under the amended Land Law, the State will empower local authorities to develop land price tables based on principles and methods of land valuation that best reflect the market conditions, ensuring transparency and preventing the existence of dual land prices in related transactions. On a macroeconomic level, the elimination of the land price framework will not be the primary cause of rising land prices in the market. In fact, as land prices more closely align with actual market values, taxes and land-related fees will be assessed in accordance with market prices, which will, in turn, lead to an increase in such taxes and fees. This, over time, will make land speculation and land transfer transactions less attractive.

**2. Enhanced Compliance Standards and Buyer Protections**

Under previous regulations, real estate projects were developed in a hasty and unsustainable manner, often misaligned with the economic development conditions and market demand. In certain large urban areas with dense populations, there was an overabundance of high-end real estate projects, while mid-range or affordable housing projects for the majority of the population were lacking. Similarly, the rapid proliferation of luxury beachfront resort developments disrupted urban planning, adversely impacted the environment, and caused ecological imbalances. Additionally, due to legal loopholes in land and investment laws, many projects experienced prolonged legal approval processes, requiring multiple adjustments to their timelines. This resulted in delays, and ultimately led to the emergence of "ghost projects" that negatively affected homebuyers and became a burden on society.

The amended Land Law will establish a suitable legal framework to manage, exploit, and utilize land in a manner that ensures conservation, sustainability, and efficiency. It will also serve as a catalyst for the country’s development towards a high-income nation. Land management and utilization must ensure fairness and social stability. The provisions of the amended Land Law have been refined to modernize the processes, content, and methods of land use planning, including enhanced transparency, public participation, and the involvement of citizens and organizations in the land planning process through public consultations. Furthermore, the development of commercial real estate projects will involve land expropriation solely for large-scale projects that are fully integrated with necessary infrastructure, and which serve as key drivers of economic development for surrounding areas. This new regulation will foster a more sophisticated and professional market development approach.

**IV. Conclusion**

The changes in land laws 2024 in Vietnam show a high determination on the part of the Vietnamese government to improve transparency, legal certainty, as well as efficiency in the real property market. By officially recognizing new property types like condotels and officetels and extending land use certificates to undocumented rural lands, these reforms provide greater security for investors and increase market value. The shift to a market-based land pricing system and the introduction of stricter compliance standards improve fairness and reduce risks in property transactions, supporting sustainable development. Collectively, these reforms will help establish a more transparent and fair real estate market that dovetails with the overall socio-economic goals of Vietnam.

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1. Article 3.21, Land Law 2024 [↑](#footnote-ref-1)
2. https://tapchitoaan.vn/luat-dat-dai-2024-mo-rong-quyen-su-dung-dat-cua-nguoi-viet-nam-dinh-cu-nuoc-ngoai10436.html [↑](#footnote-ref-2)
3. https://vass.gov.vn/UserControls/News/pFormPrint.aspx?UrlListProcess=/noidung/tintuc/Lists/TinHoatDongKhoaHoc&ListId=dd36f517-6ea3-4bf7-981f-30fd3a2f39b1&SiteId=37596567-bc8d-47de-878d-a9d5b872324b&ItemID=1816&SiteRootID=85fcbf64-f95c-4e10-ac76-1f5d93cfd597 [↑](#footnote-ref-3)