

Tomorrow's city: territorial reforms and urban projects

S. Fanchette, C. Musil, P. Moustier, Nguyễn Thị Tân Lộc

At the end of the 2000s, the Vietnamese government decided to accelerate Vietnam's process of integration into globalisation and to give it a capital equal to its ambitions. It has enlarged the territory of the province-capital, funded a Master Plan for the construction of Hà Nội to 2030 with projections for 2050 and put a whole series of land and administrative reforms in place to give provinces the means to manage their own planning, 'freeing up' agricultural land to make it suitable for construction. Several financial reforms have aimed to ease foreign investment in this country in transition towards the market economy.

'At the urban level, integration into globalisation manifests itself by a redevelopment of centres (with the advent of high-rise hyper-centres, indicators of urban modernity) and the structuring of the outskirts (new towns, large shopping centres, technological and industrial parks). As a consequence of this, fresh relationships develop between the centre and the periphery, borne by specific methods of urban fabrication associated with internationalisation' (GOLDBLUM & FRANCK, 2007). To modernise the capital is a matter of abolishing all forms of rural life and informality, part and parcel of this city founded on a substratum of villages. Accordingly, small neighbourhood markets and street hawking are banished from the city centre and the major thoroughfares.

The urban models proposed by investors organise the city around a dense motorway network, favouring private cars, which must travel between the various motorway links, the city centre, new urban areas, industrial parks and satellite towns. The urban outskirts have become the new frontiers between towns and globalisation, because they inherit the activities of which the towns are ridding themselves, but above all, Western countries are outsourcing, and many investors favour these areas. Areas once considered as the agricultural hinterland of large cities have now been transformed into their industrial hinterland as well, and thus of the globalised world (LEAF, 2008).

However, several experts question the validity of master plans for Vietnam in the context of state disengagement, the fragmentation of powers within the province-capital, the surge of property developers in urban planning and the preponderant role of market forces in urban expansion. Although the state's planned economy past remains a vivid memory, in reality, it is a fact that not one Master Plan has been adhered to up until now: the recent economic boom of the last five years and the large investments made in urban development have little to do with decisions drawn up previously. Experts wonder about the reliability of such 'top-down' projects without institutional leverage in the field to get them applied, the local authorities lacking means of coercion, expertise, and finances after many decades of

Tomorrow's city: territorial reforms and urban projects

authoritarian planning (WILSON, 2009). M. LEAF (2008) denounces, with other specialists on urban planning in Southeast Asia (Shatkin in 2008 for the example of Manila) the privatisation of urban and peri-urban planning, a shared characteristic among all the countries in the region, through master plans conducted by private companies that are behind the establishment of urban megaprojects.

By the same token, for M. LEAF (1999), the contradiction in the Vietnamese government's urban planning policy derives from the fact that its administration behaves as if it controls urban development through a whole arsenal of laws and master plans, that it controls the population's behaviour concerning construction and access to land, while funding of planned development is essentially in the hands of foreign megaprojects. Accordingly, state reforms concerning development look to improving the conditions for foreign investment the better to integrate Vietnam into the global economy, while local governance attempts to control the very rapid development of local informal construction.

Territorial enlargement of an international metropolis

• Strengthening the power of the capital on local, national and regional levels

In August 2008, the Vietnamese government decided to extend the administrative limits of the province-capital by annexing the westerly province of Hà Tây, the district of Mê Linh (province of Vĩnh Phúc) and four communes of the province of Hòa Bình. The annexation of these territories tripled the area of Hà Nội (3,300 km² compared with 900 km²) and doubled its population (6.4 million inhabitants compared with 3 millions beforehand), but 60% of it remains rural (Figure 11).

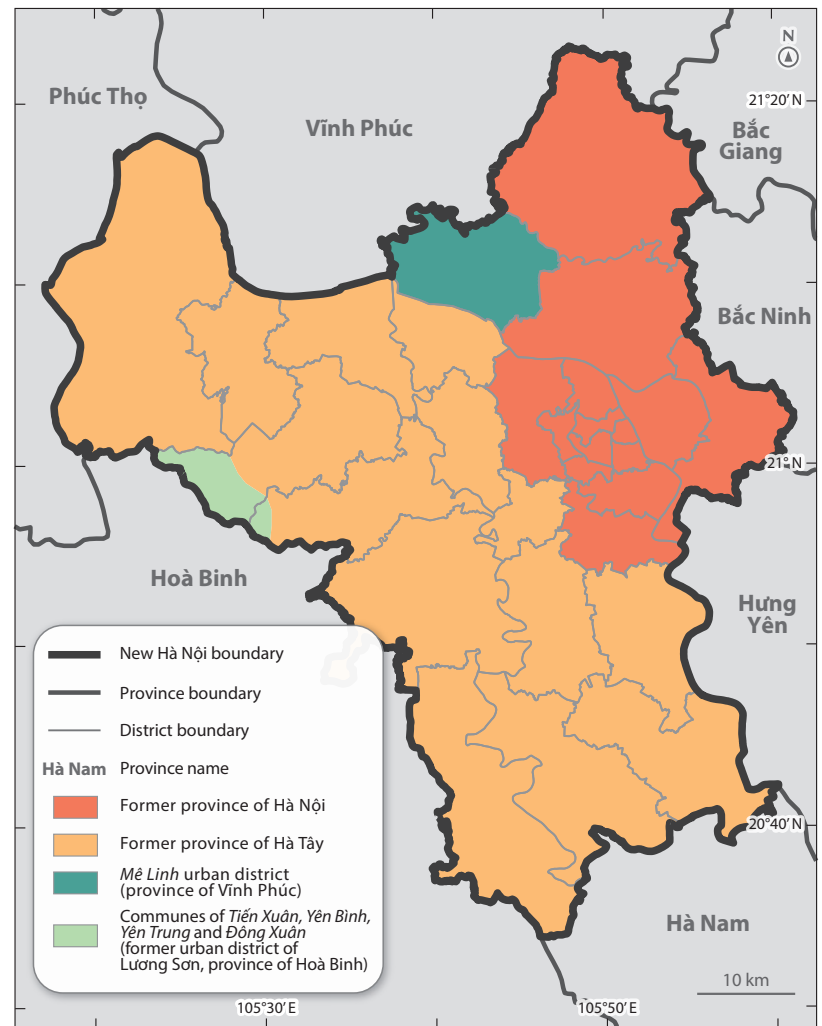
This expansion can be explained by the state's political desire to render Hà Nội a 'globalised' city and to limit the obstacles to the capital's promotion, particularly the control of land. This highly political decision questions the ongoing process of decentralisation, the state seeking to control the development policy of the province of Hà Tây (noted for the erratic management of its land, distributed indiscriminately to several property developers), by integrating it administratively into the capital. Hà Tây was threatening to compete with the province-capital. After several decades of anti-urban policy, the state wishes to express its economic success

spatially by increasing Hà Nội's stature and staking its claim in the regional area of Asean countries.

Since the 2000s, many land, budgetary and decentralisation reforms have strengthened the planning and development power of the provinces. Indeed, the reworking of the 2002 law on the state budget (implemented in 2004) has enabled provinces to increase their independent sources of income for the most part through the application of taxes collected, linked to land use and to economic activities of an urban nature.

Then, in 2003, a reworking of the land law devolved to the provinces the right to alter land use and to convert agricultural land into land suitable for

Figure 11 – FORMER AND CURRENT HÀ NỘI CITY LIMITS



Source: Designed by Musil, C., from Ministry of Construction data

building (Land Law 2003, article 36). Finally, in 2006, by Decree 108, the Ministry of Planning and Investment transferred to the provinces part of its power to approve local investment projects (less than 75 million USD) (LABBÉ & MUSIL, 2011). All these measures benefit the provinces that are experiencing an accelerated industrialisation and urbanisation and encourage others to stimulate use of their land.

From 2005, the former province of Hà Tây benefitted from all these decentralisation measures and simplified administrative procedures, minimising obstacles to local investment. The authorities also eased access to agricultural land located strategically close to Hà Nội in favour of property development actors. They also brought in fresh policies aimed at accelerating the freeing up of land by creating a fund to compensate expropriated farmers. These measures had a significant impact on the growth of investments and use of land within this province.

In 2008, residential development projects approved within Hà Tây outstripped in number, size and capital invested those of the same kind approved within Hà Nội (*Vietnam Economic Times*, April 2008). Undeniably, urban projects within the capital suffer from a lot of red tape combined with a lack of available land suitable for construction and the much higher value of land in Hà Nội than in the surrounding provinces.

In addition, the real estate market is controlled by state or former public companies, enjoying close relations with the authorities managing land to be urbanised. In a context where a major proportion of wealth creation derives from access to land suitable for development, the absorption of Hà Tây has enabled those with good connections to the powers to get rich very quickly. Affixing the label 'Hà Nội' onto great swaths of land to the west of the city has provoked a dizzying rise in their market value (LABBÉ & MUSIL, 2011).

• The territorial and urban planning means for a metropolis project

Endowed with an enlarged area, the province-capital seeks through the 2011 Master Plan to provide the broad policy guidelines for the development of this future metropolis that, by 2030, is expected to contain 10 million inhabitants, and to try and give a picture of socio-economic development planned for its territory. The metropolis of 2030 will be made up of two kinds of spaces, with varied demographic densities and functions, in principle tailored to

constraints imposed by its location in a deltaic region, extremely prone to risks of flooding (Plate 20):

- The densely populated urban area will house more than seven million inhabitants within 32% of the city's land in 2030, namely 65% of the population. It will be made up of the existing central city and of its various extensions. The peri-urban area situated between ring roads 3 and 4, up to the Đáy River, will become completely developed. The new urban area projects are there to cater to demands: real ones, from the investment economy, ones that it is politic to announce, such as provision of housing. These areas are currently developing between ring roads 3 and 4 and along major arteries such as the town of An Khánh North, renamed Splendor, located along the Làng Hòa Lạc motorway. Five satellite towns will be built in a radius of 20 to 30 km and linked with each other and to the city centre by a large-scale motorway network. In theory, these towns will contain most of the fresh industrial jobs, particularly in the science and technology town of Hòa Lạc that will boast an industrial park of more than 1,500 ha, close to completion.
- A 'green corridor' is planned in the Đáy and Tích river valleys, prone to high risks of flooding, between the compact city and the satellite towns. The green corridor concept can be considered as a 'marketing' element of the province-capital to respond to the prevailing discourse of sustainable development, the green city, balance between density and urban sprawl (density of the urban fabric encroachment of green spaces or their preservation intact to continue farming, craft activities, etc.).

The green corridor, a planning measure disconnected from metropolitan land use dynamics?

The concept of a 'green corridor' constitutes one of the main preconceived planning notions found in the Master Plan to 2030 underlying the state's wish to develop a string of satellite towns within the new municipal territory. Two million rural inhabitants (out of the three living in the province) will live in the agricultural or craft villages of this corridor. In this less densely-populated space,

- 40% of land will be set aside for intensive agriculture, parks and preservation of biodiversity and cultural heritage. Any urban and industrial development will be forbidden there and the plan is to keep 40,000 ha of agricultural land to ensure food self-sufficiency.
- In the remaining 28%, clusters of very developed villages will engage in craft industry and processing agricultural produce.

Tomorrow's city: territorial reforms and urban projects

– Three eco-towns of about 60,000 inhabitants each (Phúc Thọ, Quốc Oai, Chúc Sơn) will be built at the intersections of the parkways, which will cross the province from north to south, with three roads that run east to west. These are the only places where this motorway will be urbanised. These towns will be low-density, developed with several green spaces, particularly along rivers and other watercourses, essential drainage corridors during the monsoons.

The preservation of some rural and green spaces constitutes a major criterion in ensuring the sustainable development of the Vietnamese capital. It takes into account its vulnerability to flooding, but also the need to maintain cultivated land to feed the capital with agricultural produce, along with craft villages and green spaces for socio-economic and environmental reasons. We saw in Chapter 1 to what extent the valleys of the Đáy and Tích Rivers were vulnerable in the event of a diversion of part of the floodwaters of the Red River, particularly because several thousand inhabitants have settled in the areas not protected by the dykes. Protection from river and rain flooding in the enlarged province of Hà Nội thus constitutes one of the major issues for the municipal authorities.

However, the Master Plan to 2030 makes no provision to create 'sanctuaries' from these spaces. On the contrary, the proposal is to leave a certain flexibility in the evolution of these areas while keeping them well away from urban pressure, but also from the encroachment of urbanised villages. Moreover, management of Hà Nội's territory is supposed to be based upon the Capital Law, which was to be published in 2012 (MUSIL, 2011).

However, a 'green corridor' maintained simply by regulation seems very vulnerable in an area prone to flooding from the Đáy and Tích Rivers, where construction is in principle limited, particularly high-rise development. The preservation policy of this space which is, all things considered, pretty flexible, finds itself weakened by metropolitan land processes, by reversible political choices and by a rapidly expanding urban economy.

• A weak concept with a hazy outline

To begin with, the concept of a corridor is not very clear in its desire to maintain agriculture, particularly in a modernised form, without endangering its development, this in a context of economic development, founded on the investments obtained by capital gains from land.

In addition, delimitation of the green corridor lacks precision: no detailed map, showing communal boundaries, exists to show its limits. Formed of diversified spaces in terms of vulnerability to flooding, it should have construction legislation better suited to the various environments. Indeed, three overall zones can be distinguished. The zone prone to risks from flooding corresponds to that of the submersion of both the Đáy and Tích Valleys if floodwaters from the Red River are diverted (Plate 20), while the land between the rivers and the spaces situated between the satellite towns and the sub-merged zone are less at risk.

In itself, that constitutes a token of vulnerability concerning the province's planning and development, since the public authorities do not have clear information to negotiate residential and industrial development with potential developers. This grey area is excessively subject to possibilities of unregulated dealings and arrangements.

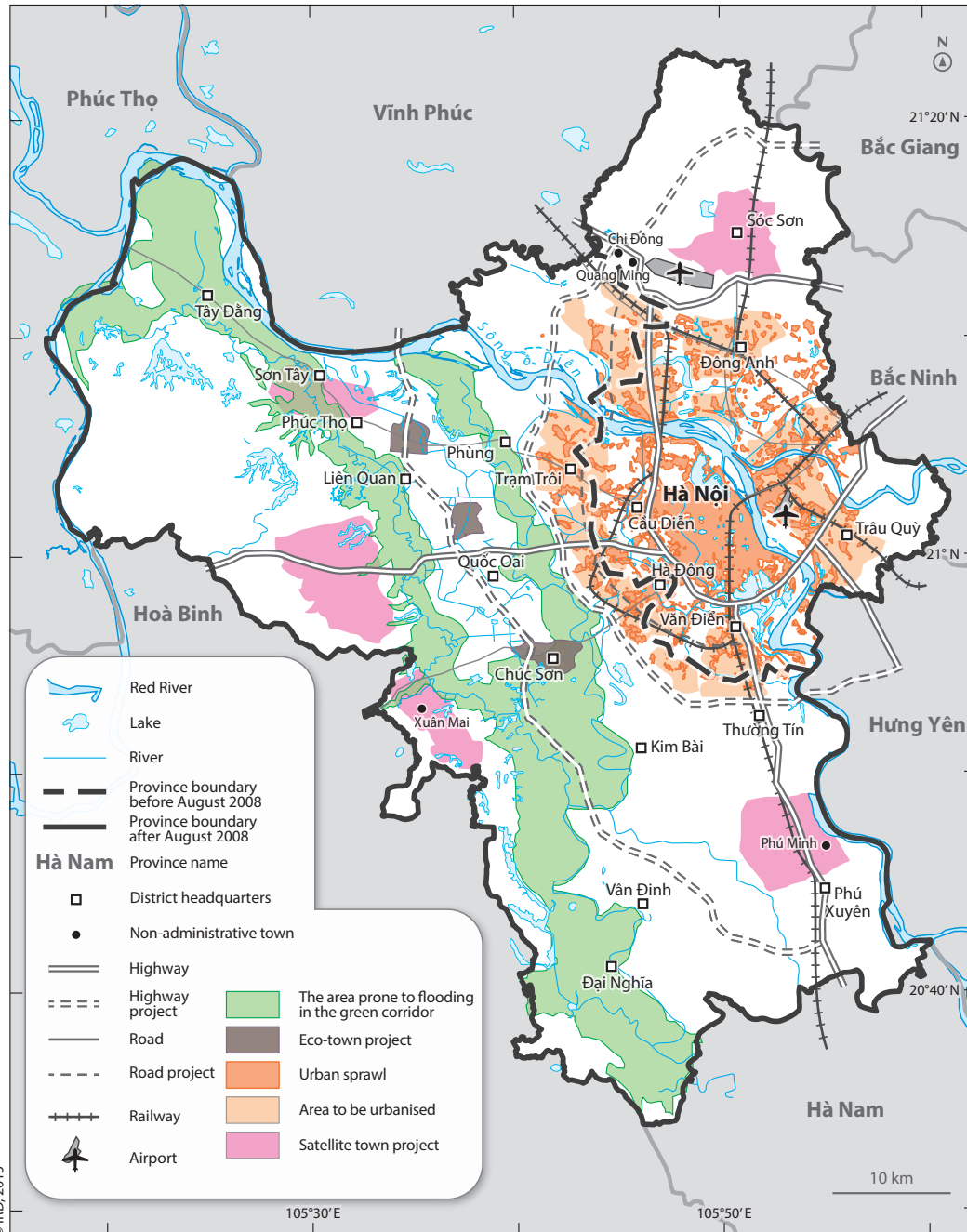
In addition, within this green corridor, many kinds of settlement systems are planned: three eco-towns, clusters of craft villages, villages devoted to intensive agriculture, and the locations of the latter two kinds have not yet been finalised. The incompatibility of their objectives in the field gives food for thought. So this is why questions are being asked about spatial limits, regulation of the height and density of new urban areas, but above all, about oversight and controlling mechanisms to avoid untrammelled urban expansion in this corridor, part of which is prone to flooding.

• The agricultural and environmental vocation of a space in the process of being industrialised

The green corridor is presented on small-scale maps as being mainly for agricultural or environmental use. However, study of the statistics of industry services (Table 3) and our investigations in the field, show that part of the green corridor is already densely inhabited, with industrial platforms, not designed for agriculture.

Several villages occupy the zone between the rivers, some of them craft villages (46 villages with nearly 45,000 people working there in 2003) and seeking space to industrialise and expand their production. For example, the Hữu Bằng wooden furniture cluster contains 15,000 workers and artisans spread over about ten villages. An informal industrial site of more than 10 ha has even been built in 2006 without any authorisation, proof of the need for production space and of the dynamism of self-building that no authority can check. There are also formal

The area prone to flooding in the green corridor and planned use of land in the province of Hà Nội



© IRD, 2015

Source: Master Plan 2010 PPJ

Tomorrow's city: territorial reforms and urban projects

industrial zones there, such as Thạch Thất-Quốc Oai Industrial Park (150 ha), the industrial zones of Phúc Thọ (40 ha), Phùng Xá (84 ha), Đông Phương Yên (60 ha), Quốc Oai (72 ha), Tiên Phương, Ngọc Liệp (36 ha), Yên Sơn (23 ha) or that of Nam Phúc Thọ (100 ha), anticipated in the Master Plan.

This industrialisation process, at once initiated by 'bottom-up' stimulation from craft villages, or 'top-down' in the industrial zones, is very land- and water-hungry, and pollutes the environment. These activities bring with them the development of businesses and services, needing space, and migrants who need to be housed on already limited reserves of land.

The following table was drawn up from the flood risks map of the former province of Hà Tây, data from the 2009 communal population census and data from districts for the size of communes and industrial zone.

In the area vulnerable to flooding, there are already urban projects, such as the industrial zone of Ngọc Hoà in the district of Chương Mỹ, that of Đại Nghĩa (30 ha) in the very vulnerable district of Mỹ Đức or that of Thanh Mỹ-Xuân Sơn being built in the area prone to flooding from the Tích River in the district of Sơn Tây. In the area prone to flooding from the Đáy River, there are 55 craft villages in which more than 33,500 workers were active in 2003, while in the area by the Tích River there are 14 villages employing more than 10,000 workers. 38% of artisans counted in 2003 in the province of Hà Tây live in the area prone to flooding.

Along the Đáy River, several villages developed craft activities during the time when it was still navigable, before 1932, as raw materials from the mountains

in the north of the country passed through here and there, were markets where artisans could buy and sell wares.

Consequently, all along the dykes of the Đáy River are villages producing processed foodstuffs, wickerwork, and conical hats. There are 55 craft villages employing more than 63,000 artisans and workers.

Similarly, the fertile alluvial banks in the area outside the dyke were suited to growing mulberry trees to feed silkworms, which explains the vocation for making silk items in the Đáy villages. These villages create strong pressure on this land to expand their craft or industrial production space. The most industrialised craft villages have developed craft sites of about 10 or 20 ha to relocate the most polluting businesses to mechanise the most dynamic ones. There are 25 of them in operation or being built and situated in the green corridor.

According to the Master Plan, 28% of land in the province of Hà Nội, or 41% of the green corridor, will be set aside for clusters of craft villages and for processing of agricultural produce. Although this figure seems high, it does not take into account the reality of current use of the artisanal productive space, which is strongly linked to intensive rice farming (see Chapter 7).

It seems problematic in this context of intense multi-activity and parallel uses of land, a system suited to the vulnerability of the Delta and to the very high demographic pressure (more than 1,000 inhabitants/km² in rural areas), to divide the green corridor into one strictly agricultural and 'green' part and another more industrial and artisanal one. Craft activities and agriculture are tightly intertwined spatially and socially.

Table 3 – OCCUPATION OF SPACE AND ACTIVITIES IN THE VARIOUS AREAS VULNERABLE OR NOT TO FLOODING CORRESPONDING TO THE FORMER PROVINCE OF HÀ TÂY

Kind of communes according to vulnerability	Number of communes	Population (2009)	Size of communes	Population (2009) %	Size in province %	Craft villages N°	Artisans N°	Industrial parks N°	Industrial zones N°	Industrial sites N°
Communes not vulnerable	183	1,303,895	109,806	49	48	227	142,664	No data	No data	No data
Communes between rivers	24	214,287	15,742	8	7	46	44,837	3	4	10
Communes in part vulnerable Tích	17	127,153	12,007	5	5	18	12,260	3		4
Communes vulnerable Tích	26	213,496	25,174	8	11	14	10,043		2	1
Communes vulnerable Đáy	57	399,431	41,345	15	18	55	33,648	1	4	3
Communes in part vulnerable Đáy	57	383,800	23,928	15	10	55	63,774	2	7	7
Total	340	2,642,062	228,002	100	100	415	307,226			

• The north-south economic backbone in contradiction with the objectives of the Master Plan

Before the enlargement of the province of Hà Nội and the announcement of a Master Plan, in 2007, the Nam Cường group of investors submitted to the authorities of the province of Hà Tĩnh a project to build a road, a north-south economic backbone, 63.3 km long and 42 m wide. This road, situated between ring road n°4 and the Hồ Chí Minh Trail, is aimed at bypassing Hà Nội's city centre and linking the west of the province of Hà Tĩnh with the province of Vinh Phúc to the north and with Highway 1 to the south. The plan was to finance it using the 'land for infrastructure' BOT (Build Operate Transfer) system (see below), the province of Hà Tĩnh granting the investors the advantage of low-cost expropriation and the use of 19,000 ha of land to finance building the road.

This large area was to be developed by several Vietnamese and foreign investors (20 projects for residential, industrial and ecological areas were planned...) that would have bought land usage rights from the Nam Cường group. Most of the communes that would have been affected by these projects (about 120) farm on 60% of their land (Plate 21), which demonstrates the important place that agriculture still occupies in the local economy. Several craft villages would have been embedded into residential projects and lost all of their land.

In March 2008, a few months before the integration of Hà Tĩnh into Hà Nội, few of these projects had been approved by the Hà Tĩnh authorities, even though most were considered as being located in favourable areas for development. The Phú Nghĩa industrial park has been built since then, and is operational. The Nam Cường group was supposed, through Nacimex, one of its subsidiaries, to develop 3,000 hectares in the district of Thạch Thất.

The whole BOT project was greatly scaled down, since in 2010 there were only four residential areas to finance the road, over an area of 3,150 hectares: the Thạch Phúc *khu đô thị mới* of 500 hectares, the Quốc Oai one of 1,100 ha, the Thạch Thất one of more than 900 hectares and finally the Chương Mỹ ecological one of 750 hectares. The profit made from construction of these residential areas was supposed to finance the construction of the road at that time estimated at 7,700 billion VNĐ.

However, to make a return on their investment, the developers build dense neighbourhoods, parts of them high-rise, which is in complete contradiction with the use of the green corridor as promoted in the Master Plan: the flanks of this

north-south backbone are only supposed to be built up near the three crossroads with Highway 6 at Chúc Sơn, the Làng Hòa Lạc-Quốc Oai Motorway and Highway 32 at Phúc Thọ, the three ecological towns of the green corridor.

After the Master Plan was signed in July 2011, the validity of the Nam Cường projects was questioned. The Thạch Phúc residential area project, situated to the north of the north-south backbone road, was cancelled in July 2012 as it is situated in the green corridor. However, the construction of the road is ongoing since 7th June 2008, date of the project's launch for the northern part of the road. In December 2011, 7 km of road were already being prepared in the district of Phúc Thọ, 16 ha have already been expropriated to build the Thạch Phúc KĐT and work has begun on building the bridge over the Làng Hòa Lạc road. This work has cost the investors 1,000 billion VNĐ, or 47.6 million USD (*Hà Nội Mới online*, 21-12-2011).

Hydraulically, another problem emerges. The fact is, this parkway linked to the left bank of the Red River by a bridge begins on the right bank, north of the district of Phúc Thọ, and more precisely in the communes of Văn Phúc and Xuân Phú, situated in an area not protected by the dyke, near the sluice that closes off the entrance to the Đáy River from the Red River. This flood retention area is the most vulnerable of the valley if the Red River is diverted.

An urban framework hungry for land resources

The Master Plan to 2030, with perspectives to 2050, hints that the future of planning for Hà Nội will emanate from the development of a polycentric territory organised around five satellite towns and through the promotion of its open spaces. The ambition nurtured by the socialist regime for its capital is combined with a desire to develop a large-scale road transport network. Modernisation of this network is envisaged on one hand to promote the economic development of the metropolitan space, strengthen the capital's accessibility and its regional integration, and on the other to reduce the chronic congestion problems that have plagued the central and peri-central urban districts of Hà Nội for the last twenty years or so.

In the middle of the 1990s, the government initiated a policy of major works that first addressed an improvement of the existing major roads. Since then, thanks to international financial and technical aid, the authorities have intensified their activities, visible through an increase in investments in construction of

Tomorrow's city: territorial reforms and urban projects

installations (bridges, tunnels, motorway bridges, ring roads, intercity highways, flyovers) located all over the metropolitan territory. While production of road infrastructure has taken place at a steady rate since the beginning of the 1990s, the modernisation policy for the transport systems currently appears jeopardised by two major restrictions: the availability of financing and the accessibility of land, a resource getting scarcer and more complex to secure owing in particular to expropriation procedures.

In this contribution, we show that the modernisation of the road network, as it is envisaged in the planning documents, inevitably entails a significant consumption of land resources owing to objectives fixed by city planning schemes, to the scale of projects and means of financing of these installations.

In addition, the procedures for obtaining land and acquisition of plots with a view to construction of these elements of infrastructure take place in a context that is anything but peaceful. Accordingly, land is a major restriction to a point that endangers the modernisation of the road network and any attempt to comply strictly with state planning.

• The road network: current dimensions and expansion

With the redrawn city limits of the capital in 2008, the municipal services tasked with highway maintenance have inherited a vast network to be maintained. On metropolitan territory, the management of the network takes place as follows: the People's Committee services have authority concerning intervention and investment for provincial and local roads, but also for all of the road network that lies within ring road n° 3 (Plate 22); the national highway and motorway network remains under the responsibility of central power. According to a decree published in 1999 concerning the classification of roads, motorways and highways are considered as essential for economic and social development, but equally important for questions of national defence. In this respect, their management remains within the remit of the Ministry of Transport.

As well as a road network now extensive and difficult to manage, the metropolitan authorities also have to deal with a rapid increase in the number of scooters and cars¹. Consequently, traffic circulation in the most populated central districts of the capital is difficult and increasingly congested. Among the public authorities, there is a widely-held opinion that road congestion is obviously linked to the increase in vehicles in circulation, but also to the

dilapidation of the road network, the lack of roads and poor land management. In 2010, the authorities estimated that land allocated to the function of transport, namely roads, was too limited, as only 6 to 7% of the total surface area of urban districts was given over to them.

To justify the catch-up policy undertaken in favour of road production, the public authorities found support from diagnostics produced by foreign experts helping them with urban planning of the capital. A study conducted by Japanese co-operation (HAIDER, 2007) has thus established a comparison of the occupation ratios of roads to the overall surface area of some Southeast Asian metropolises. This study placed in perspective the ratio of land allocated to roads in Hà Nội compared to other capitals: at the end of the 2000s, the road network occupied 4.2% of the capital's territory compared with 8.5% in Bangkok and 12% in Singapore. Consequently, to eliminate congestion, the production of road infrastructure remains a priority for the authorities. The objectives contained in the last Master Plan are very precise on this subject: the aim is to reach a ratio of 20 to 25% of the surface area of urbanised land given over to the transport function by 2030 (POSCO *et al.*, 2011). In the planning documents, the urbanisation of Hà Nội is in part to be achieved by building new roads and implies the necessity of access to an abundant resource of available land.

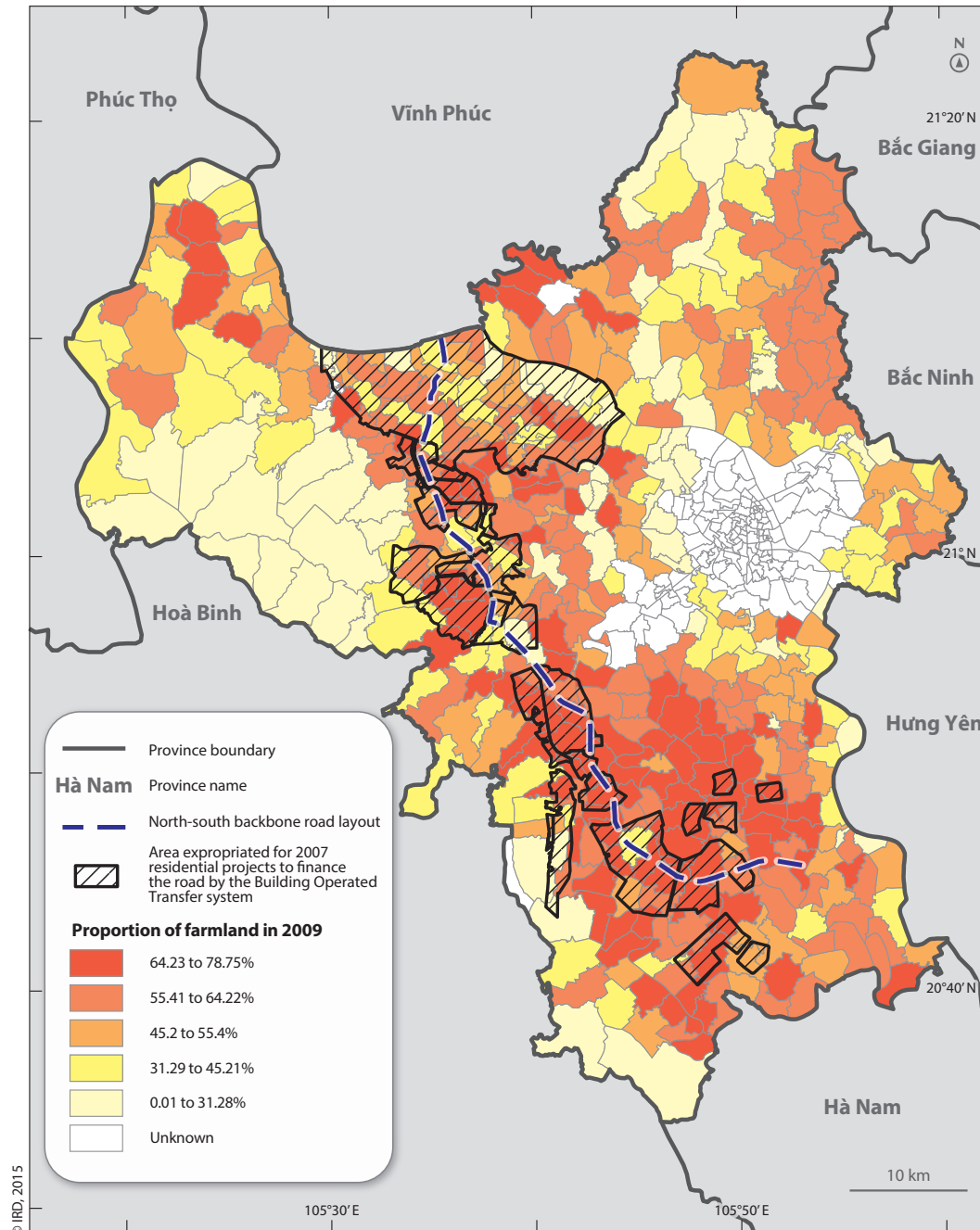
• Trends in the evolution of the road network and land needs

Land needs for development of the road network are considerable. They derive in part from planning dictates, but not only from these. The technical and financial packages used by the authorities to produce the planned infrastructure result in an increased consumption of land.

From now until 2030, the Master Plan makes provision for building (and improving) an overall length of roads of more than 3,500 km (Plate 23). Almost 2,000 km of roads would be necessary to serve the five satellite towns. The government wishes to build and improve nearly 1,500 km of motorways, radial and circular routes. In the final analysis, from now until 2030, for an estimated cost of more than 65 billion USD, the modernisation of the road network, as it is presented in the Master Plan, could need the consumption of close to 17,000 ha (POSCO *et al.*, 2011, chapter on technical infrastructure).

The development of this network requires heavy investment, while the state budget is limited. Consequently, the authorities strive to diversify the sources of finance. Until the middle of the 2000s, the government relied mainly on interna-

Proportion of farmland in 2009 and land taken up by the residential project around the north-south backbone road



Tomorrow's city: territorial reforms and urban projects

tional aid credits; the donors financed more than 50% of road installations in the country between 2000 and 2005 (WORLD BANK, 2006). However, owing to the significant financial needs, the government wishes to have access to complementary budgetary sources. As an alternative, the authorities resort increasingly to public-private partnerships, in the form of Built Transfer (BT) and Build Operate Transfer (BOT). These partnerships have also been used in an unusual manner through an exchange model of 'land for infrastructure'; this arrangement now constitutes a special feature of the means of road production in Hà Nội.

In this system, the delegates obtain the right to develop and market land concessions in exchange for construction of infrastructure (roads, but also public installations). In general, these related developments materialise as real estate projects. This arrangement enables the province of Hà Nội to support development of its territory while limiting its capital contribution (LABBÉ & MUSIL, 2011). In 1998, the government published an amendment to the 1993 land law and introduced the legal basis for this kind of contract.

However, these operations are conducted in opaque conditions and are the result of agreements between the authorities and agents. It is difficult to know if this kind of arrangement is commonplace in Hà Nội, but Plate 23 suggests that the proximity between the development of new urban areas [*khu đô thị mới*] with new roads being built to the west of the capital is not anodyne. In the meantime, despite the uncertainty that surrounds this means of financing and in spite of the dissimulation of kickbacks that are at the heart of negotiations between investors and the authorities, certitudes exist and examples concerning these practices of 'land for infrastructure' are multiplying.

• New urban areas: opening up the Lê Văn Lương highway

One of the best illustrations of this arrangement between real estate development and road infrastructure is that of the construction of the Lê Văn Lương highway, located in the urban district of Hà Đông to the southeast of the historic heart of the capital, which will end up linking ring road n° 3 to ring road n° 4 (Plate 23). Built parallel to Highway n° 6, this radial was financed by private funds coming from the main investors associated with the construction of the new urban areas adjoining the road (Galaxy 2, Usilk City, An Hưng, Dương Nội, Park City).

This example is eloquent because it illustrates the link between the production of road infrastructure and the progressive construction of housing

developments in peri-urban areas. Rapidly, between 2004 and 2011, the commune of Văn Khê has undergone major transformations through the building of the road concomitant with the construction of tower blocks and housing developments that embellish these real estate projects. If one combines the building of the road with real estate constructions, the consumption of land resources is considerable; the 8 km of road come with the development of an area of about 300 ha in which several investors have had a hand with separate real estate projects.

In addition to production of road infrastructure that has proved to be particularly land-hungry within the boundaries of Hà Nội (owing to the extent of the network and the scale of the installations), the means of financing, through specific partnerships, accentuates the unrestrained use of land. Moreover, this combination of real estate activity and development of the road network encourages urban sprawl.

Consequently, in this infrastructure production mechanism, land occupies a key place and the restrictions appertaining to its access could seriously disrupt the continued application of governmental policy concerning infrastructure. Land resources appear in this situation to be a key variable factor for development of the metropolitan road network.

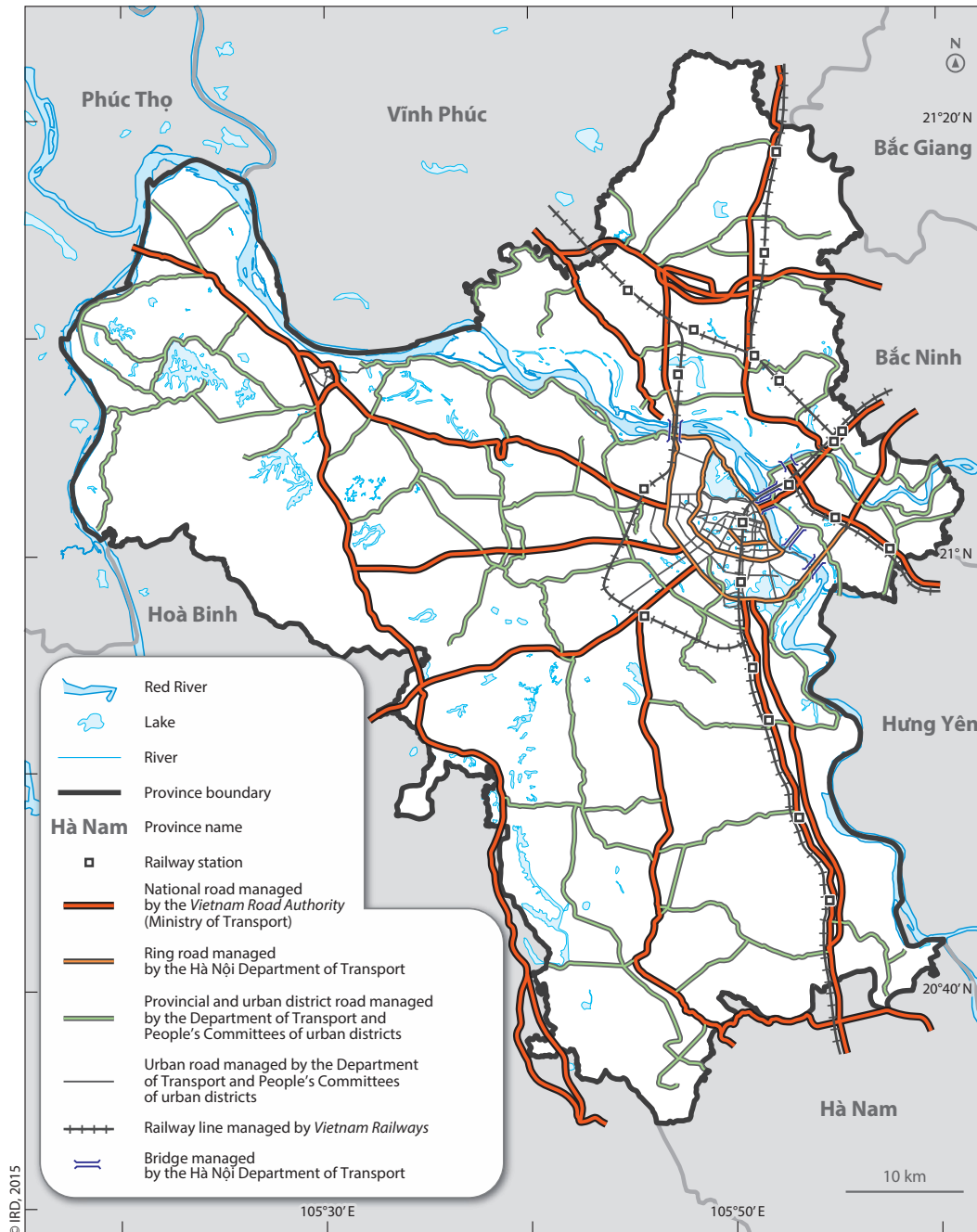
• The network, projects and restrictions on access to plots of land

Despite the ability of authorities to find alternatives for financing roads, access to land remains a restriction. Procedures for recovery of plots of land to build infrastructure in Hà Nội constantly result in brutal opposition with people affected by these operations (HAN & VU, 2008).

Given these difficulties, some installation projects appearing in the Master Plan have raised doubts as to their implementation. Indeed, among the many projects, the plan makes provision for the construction of a major new corridor, the Thăng Long link, connecting West Lake with the Bà Vi Mountains 30 km to the west of the capital (Plate 23). This link will consist of a highway; its scale appears excessive, as some sections will apparently be more than 300 m wide, with a recreational area in place of a central reservation.

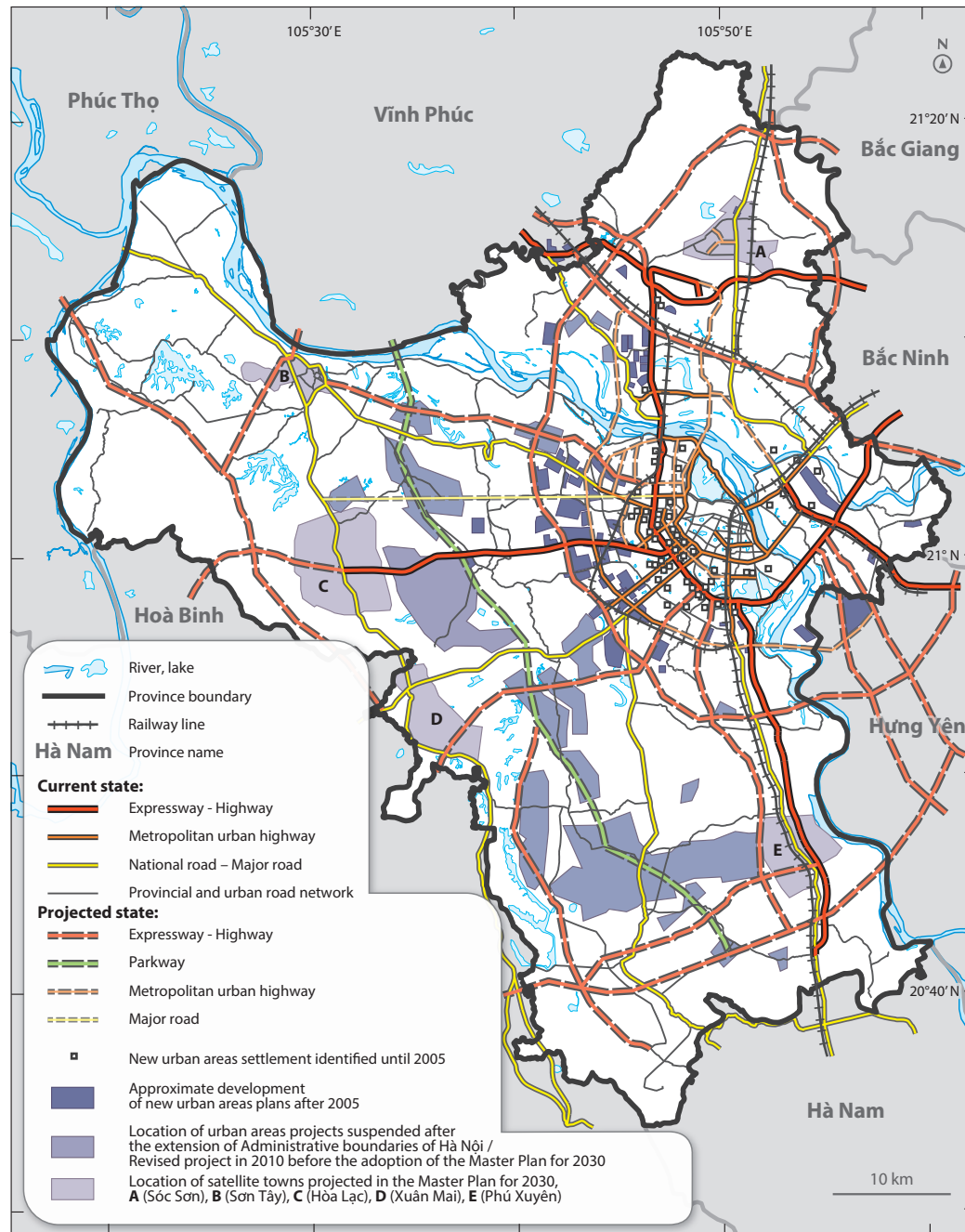
However, in spite of the interventionism practised by the Vietnamese state, this project could be compromised, at least in its current form. Its completion

The road network and its various managers



Sources: Map database: MUSIL C., 2010; data: Decree 167/1999/ND-CP on transport management and classification of the road network; Hanoi Master Plan 2030, vision to 2050, Posco et al. (2010)

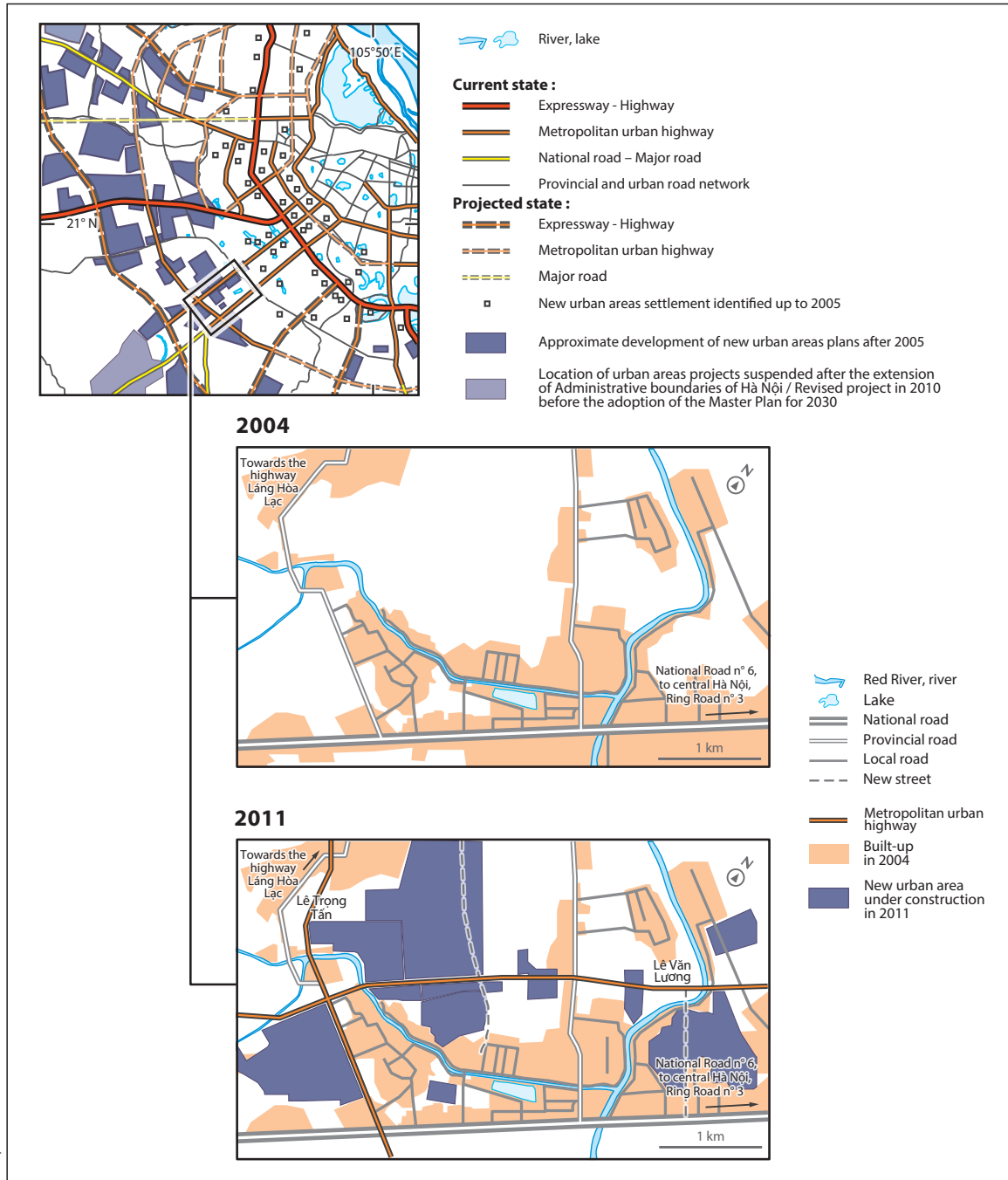
Development of the road network and real estate promotion activities in 2011



Sources: Map database and survey, MUSIL C., (2010);
 www.khudothimoi.com, www.dothi.net;
 Hanoi Master Plan 2030, vision to 2050, Posco et al. (2010)

© IRD, 2015

Construction of road infrastructure and housing development in the urban area of Hà Đông, Văn Khê commune (2004-2011)



© IRD, 2015

Sources: Map database and survey, MUSIL C., 2010; aerial photographs 2004 and 2010 (Google Earth); www.khudothimoi.com, www.dothi.net; Hanoi Master Plan 2030, vision to 2050, Posco et al. (2010)

would entail the expropriation of a large number of fields, the destruction of built-up areas (such as some parts of the village of Sơn Đông), but also of new residential areas such as that of Văn Canh.

On top of the financial cost inherent in this scheme, it would also come with a high social cost that would generate violent reactions from inhabitants. Although this project is written into the plan, the authorities will have to manage issues concerning access to land in order to complete it successfully. The content of the project will surely undergo changes owing to the social questions obscured by the land question.

The modernisation of the metropolitan road network constitutes a real economic issue for the development of the Hanoi metropolitan area. However, given the land needs, the financial cost, but also the social costs inherent in the creation of this network, alternatives are necessary to improve metropolitan-wide mobility. These will come about through overhaul of roadways and planned wider thoroughfares and above all with the development of a major network of above-ground public transport.

Throughout the Vietnamese blogosphere, a whole e-debate has started up to comment the annexation of the province of Hà Tây by the capital province, the lack of information trickling down to the inhabitants of the capital and spaces annexed one by one, and the capital development project as proposed by the Master Plan to 2030 (LOUVET-PHAM, 2012).

Consequently, several articles, particularly some written by former members of the state, have mentioned the government for a lack of transparency, the speed with which the enlargement of Hà Nội has been effected and the poor level of professionalism of some city agencies.

Questions have been asked concerning the future of agricultural land in the annexed province and that of farmers in the context of a land price bubble.

Criticism has focussed on two projects: the relocation of the National Administration Centre to the district of Bà Vi, in the west of the province, and the opening up of the Thăng Long link. 'Presented with a project whose official vocation is to make the city of Hà Nội more visible and better to live in, but which is considered poorly thought out, 'netizens' express their needs in terms of city planning. The Internet thus functions for the people as a means of voicing grievances' (LOUVET-PHAM, 2012).

The 'modernisation' of central Hà Nội: an end to traditional distribution *

Situated at the centre of a wide network of river and land connections linking it to the East Sea and to the hinterland, since its origins, Hà Nội or Thăng Long, a political city, has also been a trading city (see Chapter 2). 'Thăng Long was born to serve a royal citadel, but it developed through its markets' (NGUYỄN THỪA HỖ, 2002). One of its characteristics is the interdependence between the royal citadel and the people's market, and between the city and the countryside. Since the 17th century, Thăng Long has moreover been commonly called by its popular name, which appeared during the Trần Dynasty: 'Kê Chợ', the market people (PAPIN, 2001).

This interdependence between the capital and its rural outskirts, the creation of short commercial networks gave the capital this semi-urban and semi-rural character so prevalent in markets and street trading. The many village women who scamper around the Old Quarter of 36 Streets, under the weight of their balance pole baskets laden with fruit and vegetables, bears witness to the permanence of these relations. These informal activities enable a village population to remain in the village while benefitting from the urban consumption market and modest urban populations to shop on the spot at relatively low prices. The extent of local trade contributes to the dynamism of neighbourhood communities.

• Traditional diversity among forms of distribution

Currently, Hà Nội has a very dynamic retail trade that grew at a rate of 25% a year during the period 2006-2010 (Department of trade, 2011). In total, according to the same source, in 2009, Hà Nội contained 183,027 households engaged in commercial activity. The diversity of forms of trade is also characteristic to the city, with a dominance of traditional modes: street vending, neighbourhood markets, planned and unplanned, and the development of modern forms of distribution, shops and supermarkets.

Thus, in 2003, 60% of consumers did their shopping with street vendors (30%) or at small markets (30%) every day or several times a week (PRUD PROJECT, 2003). The other means of shopping for supplies are shops and supermarkets, which are attended in a more occasional manner; so only 4% of consumers go to a supermarket at least once a week. Street vending is particularly well patronised by

* P. Moustier and Nguyễn Thị Tân Lộc.

the poorest populations. In a sample of 110 poor households surveyed in 2004, 95% shopped for food at informal markets, and 30% with female street vendors, at least once a week, 60% never went to supermarkets and none of them went to supermarkets once a week.

Purchases at informal selling points represented 82% of spending on food by households. Consumers who do not go to supermarkets mentioned prices, time and distance as their main justifications. The possibility of buying on credit also favours purchases from street vendors. On the other hand, diversity and quality are mentioned as assets for supermarkets (FIGUIÉ ET MOUSTIER, 2009). Markets represented 58% of quantities of vegetables bought and sold in Hà Nội in 2004, street vending 32%, shops 9% and supermarkets 1% (MOUSTIER *et al.*, 2009).

• Street vending: a social role under threat

Female street vendors of fruit and vegetables were estimated at 9,400 in 2006 (3,470 for vegetables, 5,900 for fruit; one half of these are itinerant vendors and the others vendors attached to informal selling points). Despite the restrictions on the activity imposed in 2008 (see below), their number is rising, since it was estimated to be 6,320 in 2009 for vegetable vendors in the urban area of the new province of Hà Nội (NGUYỄN THỊ TÂN LỘC *et al.*, 2009).

Most female street vendors are farmers who come from rural areas on the outskirts of Hà Nội (89% of fruit and vegetable vendors in the 2006 survey); these figures are in accordance with those of a study by TURNER & SCHOENBERGER (2012), which looks at female street vendors of all produce. Their small agricultural businesses do not enable their households to survive without complementary income, the more so since agricultural land is encroached upon by urban projects. The other street vendors (11%) are low-income Hà Nội residents, such as retired women.

Harassment by the police, fines and confiscation of their balance bars and baskets are the main difficulties faced by street vendors. In contrast with these street vendors, those who do business in retail markets are from the city, where they have worked previously in industry or trade (VAN WIJK *et al.*, 2006).

The Vietnamese government, at the national and provincial levels, displays a wish to promote large-scale retailers, and to eradicate informal trading. These objectives are made plain in the strategy of the Department of Domestic Trade of

the Ministry of Trade to 2020. The justification is a desire for 'modernisation' and 'civilisation' of the city (VIETNAM MINISTRY OF TRADE, 2006). The authorities view street vending as problematic in terms of traffic circulation, sanitary quality, attraction of illegal migrants, and a poor image of the city. The basis for this perception is debatable (MOUSTIER *et al.*, 2007).

The decision to prohibit street vending in 62 streets of Hà Nội (Figure 12) was noted by many observers, particularly journalists (Decision 20/2008/QĐ-UBND of 16th April 2008, then 46/2009/QĐ-UBND of 15th January 2009 concerning 63 streets). But Regulation 36CP on traffic in the city, dated February 2003, already forbade street vending.

In fact, the fresh legislation can appear as being more favourable by recognising street vending as legal on some streets. Indeed, the decree of 16th March 2007 recognises those trading in 'independent, permanent and non-registered activities'. In practice, the 2008 decision was accompanied with increased police reprisals, facilitated by the difficulties encountered by female street vendors in forming a professional association (TURNER & SCHOENBERGER, 2012; MOUSTIER *et al.*, 2007).

• A forced march towards market planning

In 2004, Hà Nội had 136 retail markets (63 in the urban neighbourhoods, 73 in rural districts), of which nine of more than 400 traders, 20 between 200 and 400 traders and 102 of less than 200 traders. In 2002, retail markets enjoyed few facilities: narrow passages, no parking lots, no water drainage system, poor quality of sewers, no fire safety protection. In 1995, the fire in Đống Xuân market caused several billion VNĐ's worth of damage (HOANG BANG AN *et al.*, 2006).

Prior to 2005, the Hà Nội authorities had launched a vast programme of destruction of non-permanent markets. 188 markets were supposed to disappear between 2002 and 2005. Finally, this did not happen, as recent figures on the number of markets show. In 2010, in the former province of Hà Nội, 163 retail markets were counted, and 410 if one calculates for the whole of the new province. 87 markets are located in former urban neighbourhoods², and 101 in new urban areas. 66 are considered as permanent, 213 semi-permanent and 131 temporary.

The Department of Trade's plan from 2010 to 2030 only makes provision for markets of more than 10,000 m² (namely, for the urban neighbourhoods, Hòm

Tomorrow's city: territorial reforms and urban projects

and Đồng Xuân), enjoying investment by municipal authorities, with the others to be replaced by supermarkets and shops (Department of Trade, 2011).

It seems that despite their voluntarism, the authorities have run up against the dynamism of non-planned markets. A few spectacular operations of market redevelopment should however be noted. Accordingly, Hàng Da Market, very well situated to the north of the Old Quarter of 36 Streets, where the square metre has reached prohibitive prices, was destroyed. A shopping centre was built and it was planned that the first storey would be used for the fresh produce market. In the end, the new market was relegated to the basement and the vendors complain of a lack of clients, along with installations poorly suited to their activities and set up without consultation (GEERTMAN, 2011; DIGREGORIO, 2012).

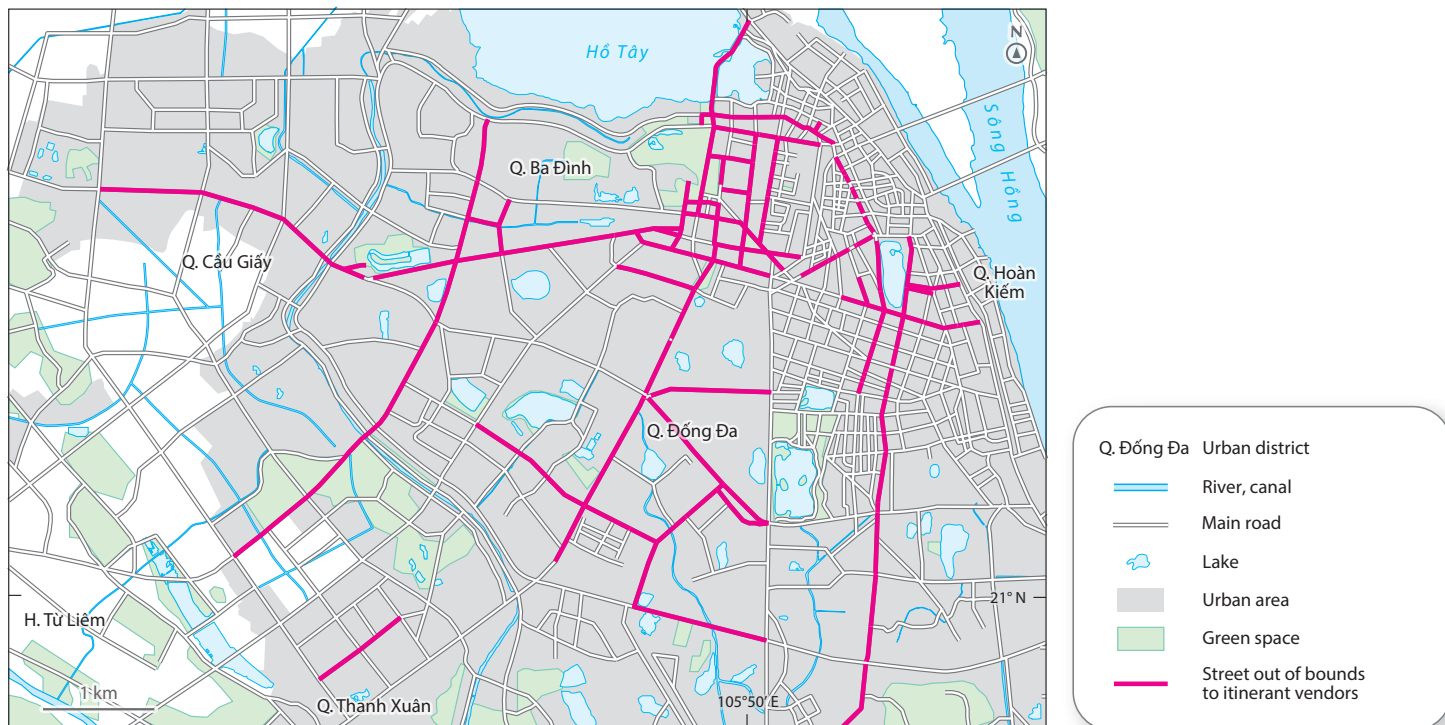
Both Cửa Nam Market and Mo Market have also been destroyed, traders relocated to places inappropriate for sales, before hypothetically being reinstalled in a new space that will mostly be occupied by vast and costly real estate and com-

mercial complexes. Bưởi Market was destroyed and replaced by a shopping centre, but there remains a space for the open-air market.

In addition, there are five main wholesale markets where retailers come to stock up on fresh foodstuffs at night, between 2 and 6 a.m. (Plate 24): two have not been developed and are destined to disappear in the plans of the Department of Trade. Long Biên-Bác Qua, which receives produce from north of Hà Nội and from China and constitutes the most varied in terms of goods (fruit and vegetables, root vegetables, fish); Ngã Tư Sở, which receives produce from Hà Tây and Sơn Tây; Cầu Giấy, which mostly deals in vegetables from regions to the northwest of the city; two have been developed since 2004, with a car park, roofing, storage infrastructure: Đền Lũ (also known as Phía Nam), the biggest, located to the southwest of the city, and Dịch Vọng.

Other wholesale markets have been planned and developed by the authorities but are not very active: Hải Bối (which has been turned into a warehouse), Xuân Đình, Gia Thụy (no longer in existence), Phùng Khoang, Xuân Phương and Ngũ Hiệp.

Figure 12 – HÀ NỘI STREETS OUT OF BOUNDS TO ITINERANT VENDORS IN 2010



Sources: Data from Hà Nội Provincial People's Committee, 2010 provided by NGUYỄN THỊ TÂN LỘC adapted from Bản Đồ Du Lịch Tourist map at 1/23,000, 2007, design FANCHETTE S.



© Sébastien Löffler / Neri Pictures

Photo 8

A young man smokes next to a sign singing the praises of a future KDTM

In addition, construction of seven new wholesale markets has been planned from 2010 to 2015, of which two of 100 m² (Long Biên, Hòa Lạc), and one of 50 m² (Me Linh), the others being less than 10 m². A market of 50 m² Phu Xuyen should be set up between 2015 and 2020. Smaller wholesale markets are also in operation: Mơ and Hóm-Đức Viên Markets in the centre of Hà Nội, Hà Đông Market and Đông Anh Market (daytime market).

• **Development of supermarkets and shops**

In Southeast Asia, development of supermarkets began in the 1980s. This was stimulated by the standard of living, urbanisation, women in work, and countries opening up to foreign investment (REARDON *et al.*, 2003). In Vietnam, investment of foreign capital into the retail trade was long restricted, but has become possible since the country joined the WTO in January 2009.

Tomorrow's city: territorial reforms and urban projects

It has even become strongly encouraged by the government and the municipal authorities at this time, particularly through calls for project bids from foreign investors in all neighbourhoods of the city. The retail foodstuffs trade is growing at the rate of 13% yearly, and modern trade by 20% yearly (USDA, 2008).

The first supermarkets appeared in Hà Nội in 1993. In 2010 there were 110 supermarkets including: one hypermarket (Big C, part of the French group Casino), two cash and carries (Metro, with German capital), one Parkson supermarket (Indonesian capital) and, among supermarkets with only Vietnamese capital, 12 Fivimart supermarkets, eight Hapro, five Intimex, two Unimart. These supermarkets are mostly located in shopping centres, which are places of attraction for city-dwellers, much visited at weekends.

The share of big retailers in food shopping was estimated at 14% in 2008. Development of large retailers is more advanced in Hồ Chí Minh City than in Hà Nội. In both cities, the authorities have a favourable perception of supermarket developments, for a modern image of the city, and concern for a better sanitary quality of foodstuffs.

In addition to supermarkets, shops are also proliferating. Like supermarkets, they promote the quality of foodstuffs they sell (advertising, quality labels). In 2009, 78 shops were counted as selling points of 'organic vegetables' 54 managed by traders, and 24 by producers. In 2008, 54 selling points were counted, more than double the number six years before, of which 38 were managed by producers.

Vietnam is at a turning point concerning the nature of its food retail sector. The current diversity of forms of distribution is remarkably well suited to the disparity of the population's standards and ways of living. However, this balance is threatened by urban planning and the rapid development of supermarkets.

Conclusion

The 'top-down' urban project imposed by the government and the municipality to lift Hà Nội into the ranks of the most dynamic Asian metropolises and to make the capital green (*xanh*), cultural (*văn hiến*), civilised (*văn minh*) and modern (*hiện đại*), takes place on many fronts: the construction of dense new urban areas, the development of transport networks to link central

neighbourhoods to satellite towns, and the consolidation of businesses into shopping centres and supermarkets, symbolising the modern consumer era.

Moved by a process of metropolisation, state planning makes provision within the enlarged city limits for the construction of hundreds of kilometres of roads and more than a hundred kilometres of urban railway.

Consequently, mobility practices, accessibility to the city and ways of using networks will be radically changed. The urban structure's switch from monocentrism to polycentrism could reverse the polarity in which the historical heart of Hà Nội remains the main pole of attraction.

The periphery of Hà Nội, a space favourable to the creation of fantastical real estate and industrial projects, could see the dream carried by the plan into reality (MUSIL, 2011).

Moreover, the changes in ways of life, of living, moving around and consumption of part of the affluent Hanoian social class are moving in this direction. However, between the desires of political decision-makers contained in the plans, the current aspirations of urban society and the implementation of master plans, a grey area exists.

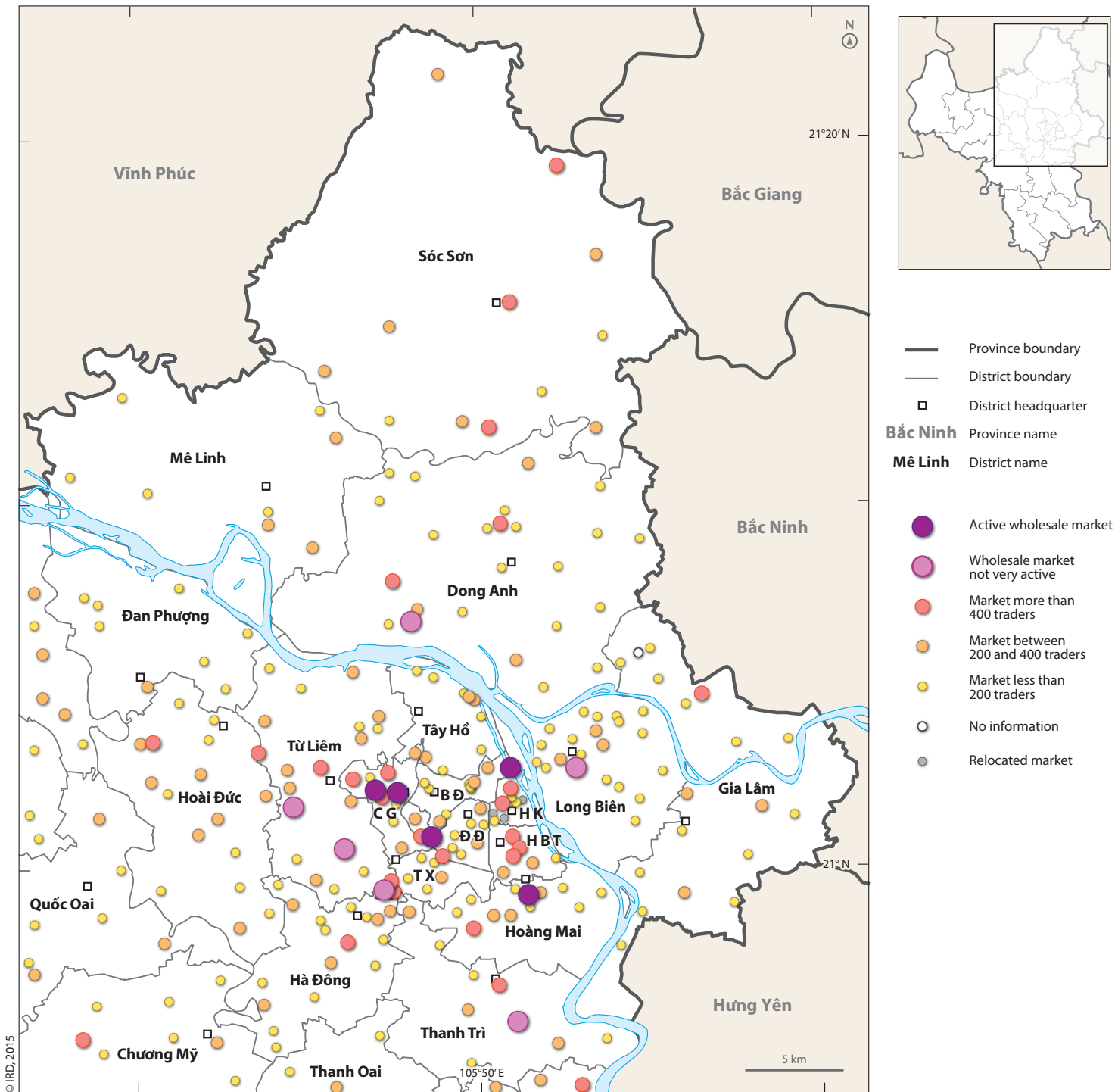
The realisation of projects is not guaranteed, and funds are insufficient. To finance metropolitan transport infrastructure, the government borrows firstly from international donors.

In exchange, these donors tie their loans, orient their funding towards setting up public transport projects and encourage reflection on ways of organising and managing metropolitan travel, ways of living and consuming.

Then private investors, very often former state enterprises that have been partially privatised, but in which the state still occupies a key role, take part in the construction of road infrastructure.

For these actors, it is a case of fulfilling the objectives of the sectoral plan on one hand, but of obtaining land and building permits on the other. Each section of motorway built on this model comes with the construction of a new urban area. So the spread of urbanisation along main roads is well on its way. It is now clear that the reign of the motorcar is coming to a city that is mostly dependent on motorbikes.

Evolution of wholesale and retail markets (2000, 2004, 2010)



In the meantime, building a metropolitan transport network and urban residential areas is endangered by land availability. In a metropolis where land prices come close to those in extensively industrialised countries, land becomes an issue of prime importance that determines urban expansion and its networks (MUSIL, 2011).

Although the major urban and road projects of investors and the municipality are very land-hungry, and particularly of paddy fields in peri-urban villages, these villages, within the context of *in situ* urbanisation, also need land to increase their residential and non-agricultural productive space.

However, the state and the municipality seek to stamp out self-building by inhabitants and promote more modern-style and high-rise construction programmes, leaving to lower administrative echelons the job of controlling village expansion.

1) Between 2008 and 2009, following the expansion of the boundaries of the capital, the number of scooters rose from 1.6 to 3.7 million; for cars, the number of vehicles registered rose from 185,000 in 2008 to more than 300,000 in 2009. Currently, with a population exceeding 7 million inhabitants, more than 5 million motorcycles and half a million cars are registered in the capital.

2) Of which 23 in the neighbourhoods of Long Biên and Hoàng Mai that were created in 2004 from areas located in urban neighbourhoods and rural districts.

Petit atlas urbain

Edited by Sylvie Fanchette

Hà Nội, a Metropolis in the Making

The Breakdown in Urban
Integration of Villages



Collection « Petit atlas urbain »

Edited by Sylvie Fanchette

Hà Nội, a Metropolis in the Making

The Breakdown in Urban Integration of Villages

Foreword by Rodolphe De Koninck

Atlas edited by the Cartography Department

Direction de l'information et de la culture scientifiques pour le Sud (DIC, IRD), IRD France-Nord (Bondy)

Maps (Plates) drawing: Éric Opigez

Mapping coordination: Éric Opigez

Layout: Marie-Odile Schnepf

Financial support of Ceped for English translation

Financial support of the Institut des métiers de la ville (IMV) for writing chapter 2 and buying photos

English Translation: Nicholas Stedman

Scientific and editorial coordination: Sylvie Fanchette

Photographies : Nôi Pictures Agency, Hà Nôi

Cover design: Éric Opigez

Cover photography

A Vietnamese woman holds branch of peach tree in blossom in a street of Hà Nôi

© Francis Roux, Nôi Pictures

All rights reserved. No part of this book may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, xerography, or any information storage and retrieval system, without permission in writing from the publishers.

ISBN : 978-2-7099-2197-8



© IRD, 2016