

NOTE RAPIDE

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Laurent Perrin/AU îdF

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HANOI IN TRANSITION: THE EMERGENCE OF A METROPOLITAN REGION

AREA

24,000 KM²

POPULATION (2012)

17.5 MILLION INHABITANTS
(20.3-21.5 MILLION IN 2030 AND
21.5-24.5 MILLION BY 2050)

GDP (\$ 2012)

\$ 1,800 /CAPITA
(\$ 1,400/CAPITA FOR THE WHOLE
OF THE VIETNAM)

HANOI HAS LONG REMAINED A 'SLEEPING BEAUTY'. TODAY, TO AFFIRM THE INFLUENCE OF ITS CAPITAL, THE VIETNAMESE GOVERNMENT BROADENS ITS REGIONAL AREA AND HAS APPROVED THE REVISION OF ITS REGIONAL PLAN ON 6 MAY 2016. IAU ÎDF (THE PARIS REGION DEVELOPMENT AND URBAN PLANNING INSTITUTE) PROVIDED ITS EXPERTISE TO TRANPOSE THE VISION OF A POLYCENTRIC AND INTEGRATED METROPOLIS INTO A COHERENT REGIONAL DEVELOPMENT SCHEME.

For historical reasons, Hanoi, for a long time remained unaffected by the real estate frenzy that has gripped the Asian mega-cities. Its awakening is certainly impressive in many ways, for someone who knew it shortly after *Đổi mới* (the 'Renewal', see 'Glossary'), with its old-fashioned charm, but has remained timid when compared to that of its large neighbours. The political capital of Vietnam, it is also the centre of the Hanoi Capital Region (or HCR), an urban planning territory, whose position the Vietnamese government would like to strengthen in South-East Asia.

With its ten provinces, HCR is twice as large as the Paris Region, and its population exceeds 17.5 million inhabitants, of which nearly 40% live in the province of Hanoi. Its density of 730 inhabitants/km² is generally lower than that of the Paris Region, but it doubles in the rural districts of Hanoi and reaches 40,000 inhabitants/km² in its urban districts, more than twice as much as the average of inner Paris. The wealth of its inhabitants is 30% higher than the national average, but it remains below that of the region of Ho Chi Minh City, the main magnet drawing the inter-provincial migration flows, and the true economic capital of Vietnam¹.

AN URBAN ARCHIPELAGO IN THE PROCESS OF AN ACCELERATED INDUSTRIALISATION

HCR largely extends in the Red River Delta, a vast paddy field irrigated by the many arms and tributaries of this Himalayan River. It is the birthplace of the Kinh, the dominant Vietnamese ethnic group, a population who considers their homeland to be both the water and earth². The most unique feature of HCR is being both a sprawling city and an urban countryside dotted with dense villages in a sea of paddy fields, a sort of urban archipelago or 'desakota', where the islands are connected by causeways. Besides rice production and market gardening, these 'craft villages' are often specialised in the manufacture of developed products and can be found in 'the 36 streets'

1. The Long Biên bus interchange funded by the cooperation of the Paris Region.
2. Traffic jam in the center of Hanoi at peak hour.
3. Hanoi's countryside is dotted with signposts advertising its forthcoming urbanization.
4. The new gated city of Ciputra has replaced the market gardens and coconut groves that used to mark the landscape to the west of the Ho Tay Great Lake in Hanoi.



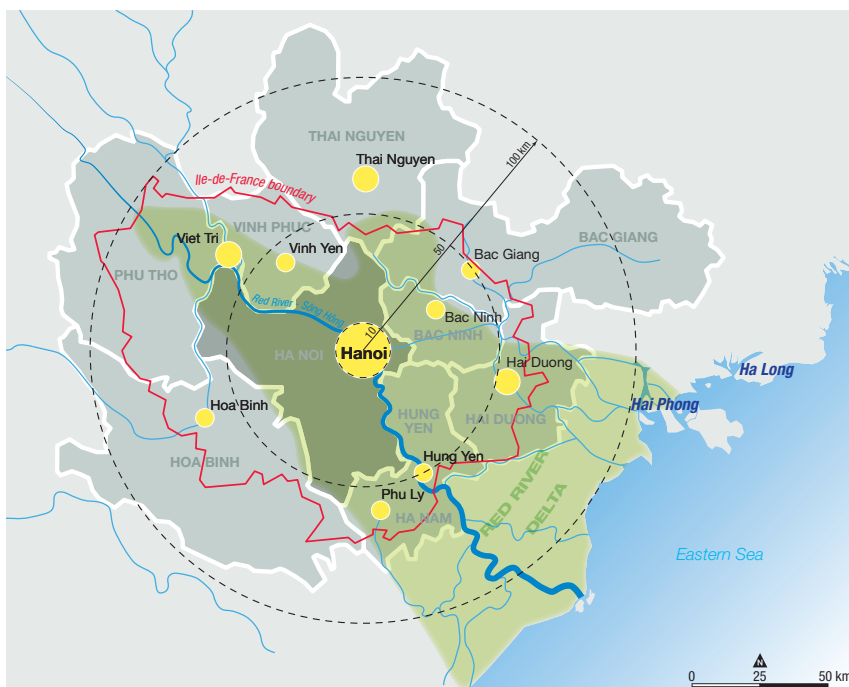
discript of Hanoi: lacquer, basketry, and silk, wood panelling, brass-ware, etc. But since the beginning of the 21st century, HCR's countryside has been sucked into the globalisation and has been taken over by major business parks built at the entrances to major cities to accommodate foreign and national factories, whose products are one of main export earnings of the country³. After having been a rice granary and a manufacturing workshop, HCR is projecting itself into a 'high-tech industrial dragon'.

A RADICAL AND MULTIFACETED TRANSFORMATION...

Today Vietnam and its capital region must face up to multiple transitions:

- **Urban**, with the transition from a fundamentally rural and agricultural society to a more urbanised society, based on an industrial and service economy. If the rate of urbanisation remains comparatively low in Vietnam, its growth will be all the more stronger and its consequences all the more sensitive and difficult to manage in the next two to three decades⁴.
- **Automotive**, with the progressive abolition of import duties on cars manufactured within the Association of South East Asian Nations (ASEAN) by 2018, the sales of private cars have been boosted. But they will have greater difficulty to integrate into urban centres where the emerging middle class is concentrated, due to the density of the urban fabric, the narrowness and lack of road networks, and especially the importance of the moped traffic.
- **Economic**, with the transition from a centralised and planned economy to a more decentralised and less administered market economy. As a matter of facts, this process is progressive and still meets many obstacles.
- **Financial**, because Vietnam had reached the stage of a 'lower middle income country' in 2009, it has less access to official development assistance (ODA) and must rather resort to its own means for financing its growth. Yet the infrastructures it needs are extremely expensive and the public debt ratio reached almost 60% of GDP, a worrying level given its actual repayment capacity.
- **Climate**, with a likely increase of typhoons frequency and strength and a rise in the sea level. In the two large deltas of the Mekong river in the south and the Red river in the north, the impacts would result in more frequent storm water floods in the cities, marine submersion along the coastline and in the inland provinces, an increased salinization of waterways and the water tables, with the consequence of a decline in agricultural yields.

The Hanoi capital region with its 10 provinces compared to the Paris Region



At the centre, the city-province of Hanoi widely extended to the west since 2008. In green the Red River Delta, the mighty river whose width is approximately 1.2 km wide to the right of the new Nhat Tan Bridge.



... WHICH REQUIRES A PARADIGM SHIFT WITH THE PLANNING

All of these are the new realities that the Vietnamese authorities must and will have to manage. Their current practice of 'scientific' vertical and sectoral planning, cannot in fact meet these strong mutations⁵, despite an awareness and a sincere desire to improve things. On the other hand, the Vietnamese governance operates in a complex cultural context, with a paradoxical mixture of Confucianism, technocracy, pragmatism and benign neglect. On the one side, there is an inflation of laws, decrees and plans governing almost everything at all levels and, on the other side, a very partial and circumstantial application on the ground⁶. This is the contrary to China where plans are executed with much more zeal and accuracy, regardless of their social and environmental consequences. Alain Bertaud, a fine observer of urban issues in the two countries, finds that, in spite of a similar ideology, the way urban authorities exercise power on both sides of the border, produces strikingly different results. As for Benoît de Tréglodé, director of the Research Institute on Contemporary Southeast Asia (Irasec), he notes that the bureaucratic logic is permanently eased by a culture of conciliation and that "in practice, the Vietnamese society works under consultation rather coercion" (see Hérodote review in Resources).

So how can the Vietnamese State in general and its ministries in particular, be acculturated to a planning that is more strategic, integrated, deliberative, sensitive to places and their inhabitants and, above all, more effective? The exercise consisting of revising the master plan of the capital region of Hanoi, in partnership with the Vietnam Institute of Urban and Rural Planning (see page 5), provided IAU idF with a first approach to this issue.

THE CHALLENGES WHICH THE REGION OF HANOI MUST FACE UP TO

Located at the crossroads between two major Asian metropolitan corridors⁷, HCR plays a key role as a link that is potentially favourable on an economic plan. But it is overshadowed by these neighbouring mega-cities because they invested



well beforehand in modern harbour, railway and airport infrastructures, which today attracts the flow of goods and travellers which makes up the wealth of this part of Asia. In this highly competitive environment, what cards can HCR play?

Taking advantage of the proximity of China without becoming dependent⁸

On a geopolitical level, it is a challenge because Vietnam very much depends on China for its consumer goods. While its historical hegemony in the East Sea, as in the Indochinese peninsula, is a source of almost permanent tension with its neighbours, China is more than willing to invest in Vietnam. Today, a motorway links Hanoi to the border town of Lào Cai and beyond, to Kunming, the capital of the landlocked Yunnan. Tomorrow, this will be the case for Lang Son and Nanning to the North-East of HCR. The exchanges that very much depended on the old French railway line will be increased and will be extended in the short term to the port of Hai Phong, which could also provide a maritime outlet with its new container terminal planned at Lach Huyen. A major logistics and industrial axis is therefore currently being developed for the benefit of HCR, where the wages are significantly lower than in China. But the risk is that North Vietnam then becomes a subcontractor to China, and that too much economic dependence could lead to political turmoil in a region whose identity and history were forged under both the influence of and in opposition to it.

Preserving an efficient agriculture in a densely populated area

With three harvests a year, the inhabitants of the Red River Delta are the masters of irrigated rice growing, which they complement with fish farming, small breeding farms and market gardening. Not highly mechanised and mostly family farmers, these activities still employ a large workforce but are highly endangered due to the competition for space from urbanisation and industrialisation, as well as the transport infrastructure, that disrupts the operation of the fragile hydraulic system that ensure the irrigation of rice fields.

TOWARDS A FIRST REGIONAL NATURAL PARK?

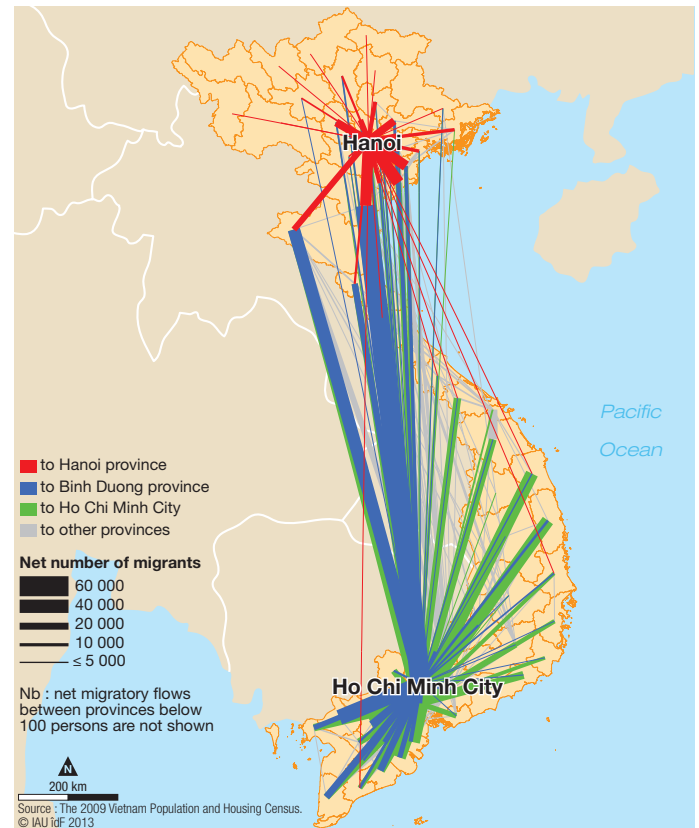
We proposed that the rich agricultural plain, extending to the west of Hanoi to Mount Ba Vi, should be classified as a type of regional natural park (PNR, in the French system). This territory, which was covered in speculative real estate projects, before the province of Hanoi absorbed it in 2008 and put things in order, remains very fragile, especially as the State develops to the west, several projects of satellite cities, 'eco-cities' and other major road projects. It is essential to preserve the integrity of this region coping with the strong land pressure that it has been subject to, because it is a cultural heritage identity vector for this region. Hence the idea of an integrated agro-tourism development project, restoring the architectural heritage of crafts villages, organising the reception of visitors and developing the agricultural and handicraft productions by opening direct opportunities for them. A project that IMV has been working on for several years.

HANOI CAPITAL REGION'S POSITION IN ASIA

HCR's position within east asian metropolitan corridors



Net migration flows between Vietnamese provinces 2004-2009



Hanoi airport hub's position in its regional hinterland



Haiphong port's position in its regional environment



IAU ïdF AND VIUP: A TECHNICAL PARTNERSHIP DEDICATED TO METROPOLITAN PLANNING

The Vietnam Institute of Urban and Rural Planning (VIUP) is a planning institute of the Ministry of Construction (MoC). Responsible for developing construction masterplans, it exercises throughout the Vietnamese territory, mainly in the north and centre. VIUP is organised into 'centres' such as the Centre for Architecture and Town Planning of Hanoi, who were entrusted with the revision of Hanoi Capital Region Plan. It is common for VIUP to call upon foreign consultancies in order to receive and transfer international expertise. IAU ïdF (the Paris Region Development and Urban Planning Institute) collaborated with them as part of a consultancy contract for certain elements of the project: analysis and socio-economic development projections, SWOT analysis of the regional position of HCR, international benchmarks, regional spatial visions, urban development orientation and the preservation of natural areas and/or heritage, road traffic modelling at the regional level, multi-modal transportation plan, etc.

Polycentric metropolitan system



To become more polycentric and integrated, in spite of Hanoi's strong hegemony in the urban system, HCR must rely on its provincial capital cities to accommodate a larger share of the urban and economic growth than in the past. To foster stronger exchanges of goods and people, HCR's cities should therefore be functionally linked among themselves thanks to a web of motorways [brown lines] and RER [red lines].

Urban development and public transportation



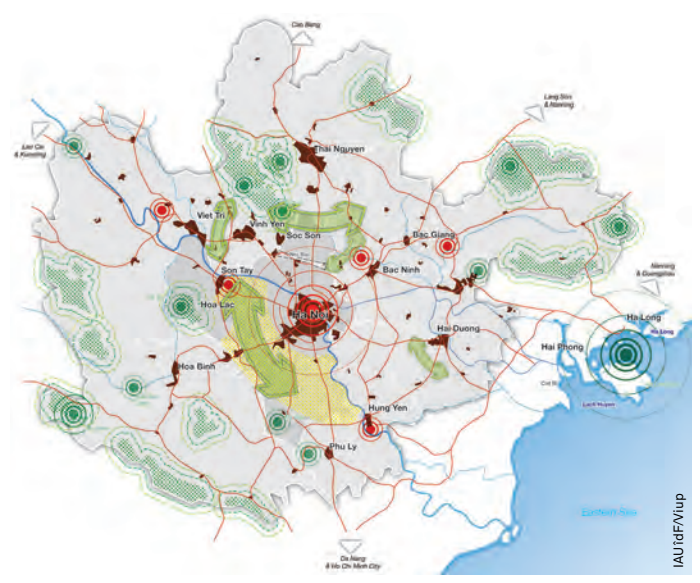
In addition to the motorways network currently under construction [hatched orange lines], it is paramount to develop an urban mass rapid transit system in Hanoi [green lines]. In the long run, it will be necessary to prepare the conditions for the realization of a RER network [red lines] to connect it with the other regional cities [brown dots], as well as an intercity one [purple lines].

Industry & logistics



The successful industrialization of HCR relies on a comprehensive logistics chain of infrastructures and facilities, including motorways, railways, waterways [blue lines], ports [blue squares and circles] and inland container depots [black and grey triangles], to move the parts and export assembled goods. Industrial parks should be clustered around these facilities. Industrial and urban corridors will develop along regional transportation infrastructures.

Environment and heritage



HCR enjoys many natural [dotted areas and green targets] and man-made [red targets] heritage sites and has a quite sensitive water-based territory. It is of utmost importance to safeguard large green buffers [green arrows] and open spaces for ecological purposes, in spite of the expected development of urban and industrial corridors.

According to our forecasts, the workforce employed by the primary sector will certainly drop, but not that much before 2030 (-10%). It's only afterwards that the urban transition and the mechanization of agriculture should really produce their effects with an erosion of half of the peasant population by 2050. Yet with nearly 20% of the working population, HCR will still remain a major agricultural region in the middle of the 21st century.

Developing a public transport network at a regional level

Today the home-work mobility is primarily done by scooter or bus. The first has the advantage of compactness, and versatility (it can transport a family of four over small distances, as well as quite heavy loads) and is accessible to all social classes, except the poorest. With a modal share of around 80%, it's the 'Swiss army knife' of vietnamese transportation! Hanoi has on the outskirts many large bus stations, with terminus links to the surrounding provincial towns, and correspondences with the urban bus network. The bus modal share is only 10%, reflecting a relative inadequacy in relation to demand. Three underground railway lines are currently under construction, financed by the Chinese, the Japanese and the French and should be in service by 2020. The train, meanwhile, has hardly evolved since colonisation and ensures more distant connections, but is slow, infrequent and therefore unattractive. Given the cost of implementation, the government does not yet have the means to invest in railway lines and modern equipment, even though its development plans are full of projects, including high speed ones. Its priorities are aimed at the construction of urban motorways around Hanoi: the third is almost complete, while the plans for the fifth has just been approved!

TO EXPAND WITHOUT LOSING ITS SOUL

In the race for growth that is agitating this region, Hanoi is lagging behind. This handicap may however be a chance if it learns from the mistakes of others. While we somehow try to repair the 'defects' committed at the time when the Paris Region was booming in the 1950s and 1960s, we insisted on numerous occasions with our counterparts on the virtues of a balanced development that does not sacrifice everything to the auto-mobile or to industry, of an urban development that is respectful of the complexity of the cultural landscape of the delta and its social practices. The Vietnamese have a strong ability to adapt to changing situations. So let's be confident that they will implement a metropolitan development model that will bring about the necessary progress while preserving the soul of their capital region. ■

Laurent Perrin, urban planner
Urban Planning and Spatial Development Department

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1. The differential share of the national GDP taken by each of the two regions is about 15 points to the disadvantage of HCR.
2. The homeland in Vietnamese is called 'dã nư'ớc', literally meaning 'our natal water' (see François Lelord, *La Petite Marchande de souvenirs*).
3. According to the World Bank, the Korean smart phone assembly factories produced in 2013 \$18 billions in manufactured goods, therefore representing Vietnam's main export revenue.
4. From 30% in 2012, it should double by 2050, while China, Indonesia and the Philippines have already reached 50% in 2012. According to our projections based on a rather ambitious growth scenario, the rate of urbanisation of the HCR should rise to 42% in 2030 and 61% in 2050, and the population of its cities should increase by 4 million people by 2030 and 10 million by 2050!
5. A draft framework law on territorial planning developed by the Ministry of Planning and Investment will soon be discussed in Parliament.
6. See the excellent article by A. Bertaud, *Ideology and Power: impact on the shape of cities in China and Vietnam*.
7. The Sino-Korean metropolitan corridor to the north, including the mega-urban regions such as Seoul, Tokyo, Shanghai and the Canton/Delta of the Pearl River and the south-east metropolitan corridor linking Ho Chi Minh City to Jakarta, including Bangkok and Singapore.
8. This section owes much to the reflections of Philippe Delalande, an expert economist of South-East Asia, whom we would like to warmly thank.

PUBLISHING DIRECTOR

Fouad Awada

EDITOR-IN-CHIEF

Isabelle Barazza

LAYOUT

François Pineau, Vay Ollivier

MAPPING, ILLUSTRATIONS

Dotothée Palayan,
Jean-Eudes Tilloy

MEDIA LIBRARY-PHOTO LIBRARY

Claire Galopin, Julie Sarris

TRANSLATION

I.L.T.I.

PRODUCTION

Sylvie Coulomb

PRESS

Sandrine Kocki,
sandrine.kocki@iau-idf.fr

IAU île-de-France

15, rue Falguière
75740 Paris Cedex 15
France
+33 1 77 49 77 49

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GLOSSARY

Đổi mới: (or 'renewed') refers to the launch in 1986 of a development policy based on the principles of a planned market economy.

Desakota: a term used by the American geographer Terry McGee from the words 'desa' and 'kota', respectively meaning village and city, in Malay.

HCR: Hanoi Capital Region. It is a regional planning perimeter defined by the Ministry of Construction. It differs from the socio-economic planning regions defined by the Ministry of Planning and Investment.

IMV: Institut des métiers de la ville (Paris Region's decentralised cooperation office in Hanoi).

MoC: Ministry of Construction.

VIUP: Vietnam Institute of Urban and Rural Planning.

