

Law on Social Housing for Low-Income Earners and the Practice of Implementation in Vietnam

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Abstract: Social housing constitutes a core component of social security policy and a legal instrument through which the State guarantees the right to lawful accommodation for low-income earners in the context of rapid urbanization and continuously rising commercial real estate prices. This article analyzes the theoretical and legal framework governing social housing for low-income earners in Vietnam under the 2023 Law on Housing and its implementing regulations; systematically assesses the gap between approved social-housing development plans and targets (under Decision No. 338/QĐ-TTg, Decision No. 444/QĐ-TTg and Resolution No. 07/NQ-CP) and actual implementation results nationwide and in Ho Chi Minh City; and identifies the principal causes of implementation lag before proposing solutions to improve the legal framework and enforcement effectiveness. The findings show that although the legal framework has undergone positive reforms expanding eligible beneficiaries, simplifying procedures and diversifying incentive mechanisms, actual implementation throughout most of the 2021-2025 period lagged far behind the assigned targets, before a marked acceleration emerged from late 2025 through mid-2026. The article employs doctrinal legal analysis, document analysis-synthesis and comparative legal methods.

Keywords: social housing, low-income earners, Law on Housing 2023, social security policy, Vietnam.

1. Introduction

Housing is one of the most essential human needs and, at the same time, a critical component of the social security system. Beyond its function as a place of residence, housing is also closely tied to the guarantee of citizens' fundamental rights such as the right to lawful accommodation, the right to health care, education and participation in community life. For this reason, ensuring accommodation for the population, particularly vulnerable groups and low-income earners, has always been regarded as one of the pillars of social security policy in most countries, including Vietnam. The Communist Party (the Party) and the State of Vietnam (the State) have consistently viewed housing development, particularly social housing, as a central task within the socio-economic development strategy and the effort to ensure sustainable social security.

On that basis, the law functions as the instrument through which the Party's guidelines and policies are institutionalized into generally binding rules of conduct, thereby creating the legal corridor for the development, management and

distribution of social housing. A synchronized, transparent and feasible legal system is a prerequisite for social housing policy to be effectively implemented in practice, ensuring that the correct beneficiaries are reached, limiting misconduct and policy exploitation and improving the efficiency with which State and societal resources are used. In practice, the shortage of housing for low-income earners in Vietnam remains widespread and tends to worsen owing to rapid urbanization, mechanical population growth in major urban centers and the imbalance between supply and demand in the real estate market.

The 2023 Law on Housing (Law No. 27/2023/QH15), adopted by the National Assembly on November 27, 2023 and taking effect early on August 1, 2024 (instead of January 1, 2025 as originally planned), replaced the 2014 Law on Housing and marked an important step forward in the legal framework governing housing in general and social housing in particular. Alongside this, Decree No. 100/2024/ND-CP, issued on July 26, 2024, detailing a number of articles of the Law on Housing concerning the development and management of social housing, together with other implementing documents, expanded the range of eligible beneficiaries, simplified conditions and procedures and added numerous new incentive mechanisms for both investors and buyers, tenants and hire-purchasers of social housing.

Alongside these institutional reforms, the Prime Minister approved the Project "Construction of at Least One Million Social Housing Apartments for Low-Income Earners and Industrial Park Workers for the 2021-2030 Period" under Decision No. 338/QĐ-TTg dated April 3, 2023, which set out a specific system of targets for each locality and each phase. However, statistics from the early years of implementation reveal a very large gap between the targets and reality: in 2023, only about 20,200 units were completed nationwide, reaching just 4.7% of the 428,000-unit target for the 2021-2025 period (Vietstock, 2024). This gap raises urgent research questions: whether the current law on social housing for low-income earners is sufficiently synchronized and feasible; how Vietnam's social housing development plans have been formulated and adjusted across different phases; how actual implementation results compare with those plans; and what the core causes of the implementation lag are.

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Proceeding from the above reasons, this article focuses on addressing three research tasks: (i) systematizing the theoretical foundations and the content of the current law on social housing for low-income earners; (ii) comprehensively examining the system of social housing development plans and targets that Vietnam has issued since 2021 and comparing them with actual implementation results nationwide as well as in Ho Chi Minh City, the locality with the greatest demand, thereby clarifying the causes of the gap between planning and implementation; and (iii) proposing solutions to improve the law and enhance the effectiveness of implementation organization in the coming period. The article combines doctrinal legal analysis, secondary document analysis-synthesis (reports of the Ministry of Construction and the State Bank of Vietnam, and cross-verified data from mainstream press sources) and comparative legal methods in examining the experience of Singapore, South Korea, Germany and Canada.

2. Research Methodology

To accomplish the research tasks, this article applies dialectical-materialist methodology as its foundation, combined with methods specific to legal research:

First, the method of doctrinal legal analysis: this is the leading method used to clarify the internal logic of the system of legal norms. The article focuses on analyzing the provisions of the 2023 Law on Housing, Decree No. 100/2024/ND-CP dated July 26, 2024, Decree No. 302/2025/ND-CP dated November 19, 2025 and related documents. Through this, the article assesses their consistency and identifies legal gaps and overlaps between housing law and the current law on land, investment and real estate business.

Second, the method of document analysis and synthesis: the article collects and systematizes secondary data from reports of the Ministry of Construction, the State Bank of Vietnam and other mainstream sources. This method enables a quantitative comparison between the system of plans and targets approved under Decision No. 338/QĐ-TTg dated April 3, 2023, Decision No. 444/QĐ-TTg dated February 27, 2025 and Resolution No. 07/NQ-CP dated January 12, 2026, on the one hand, and actual implementation results, on the other. On this basis, the authors identify the “implementation lag” and classifies its core causes into those originating from legal design, implementation capacity and objective economic factors.

Third, the comparative legal method: the article compares the legal framework and social housing development models of several experienced countries (Singapore, South Korea, Germany and Canada). The comparison focuses on two aspects: (i) the model of institutional policy coordination (such as Singapore’s Housing and Development Board); and (ii) housing finance/subsidy mechanisms. The purpose of this method is to identify lessons suitable for Vietnam in building a sustainable financing mechanism and strengthening the State’s role in ensuring social security.

Fourth, the statistical and forecasting method: by processing the series of data from 2021 through mid-2026, the article identifies the trend of policy implementation across different phases (a period of “slow accumulation” and a period of

“acceleration”). This finding serves as the basis for feasible forecasts and recommendations consistent with the roadmap for developing 1.14 million social housing units by 2030.

The combination of the above methods ensures the objectivity and rigor of the study, providing a reliable scientific basis for the assessments and proposals presented in this article.

3. Theoretical Foundations and the Legal Framework on Social Housing for Low-Income Earners

A. Concept and Legal Characteristics of Social Housing and Low-Income Earners

Housing is a construction work intended for dwelling and for serving the essential living needs of families and individuals, while also being the place where basic rights such as the right to life, education, health care and participation in social activities are guaranteed. In the context of rapid urbanization together with continuously rising real estate prices, access to housing for low-income earners has become increasingly difficult, compelling most countries to implement social housing development policies to support this population group, ensure social equity and promote sustainable development.

The concept of “social housing” first emerged in Germany, the United Kingdom and the United States in the 1960s-1970s and gradually spread to Japan and South Korea, where it was understood as housing provided to persons with no income or with income sufficient only for daily living, who are unable to rent or hire-purchase housing under market mechanisms. In Vietnam, this concept was first formally codified in the 2005 Law on Housing, under which social housing was defined as housing invested and built by the State or by organizations or individuals for lease or hire-purchase by persons within policy beneficiary groups. Under the 2023 Law on Housing, social housing is housing supported by the State for subjects entitled to housing support policies as prescribed by law, a definition that selectively inherits the corresponding concept in Clause 7, Article 3 of the 2014 Law on Housing, while being refined in the direction of broadening the scope of eligible beneficiaries and diversifying support methods (purchase, lease and hire-purchase). In essence, social housing is not a purely profit-driven real estate product, but an instrument of social security policy aimed at guaranteeing citizens’ right to lawful accommodation as recognized under Clause 1, Article 22 of the 2025 Constitution.

From the above legal definition, three basic legal characteristics of social housing can be generalized. First, social housing has a distinctly policy-driven nature: unlike commercial housing, which is invested in for profit, social housing is built to implement social security policy, aiming at the goal that “no one is left behind” in access to accommodation, with sale and rental prices not determined entirely by the market but subject to State intervention and subsidization. Second, social housing carries a profit-limiting nature: under the 2023 Law on Housing and Decree No. 100/2024/ND-CP, the prescribed profit margin of investors on the social housing construction area is capped by law, in exchange for which investors are entitled to the entire profit

derived from the commercial and service business area within the project (up to a maximum of 20% of total floor area). Third, social housing is subject to strict State control throughout the entire life cycle of a project, from planning and investor selection to the appraisal of sale/rental prices, the vetting of beneficiaries and post-handover management, in order to prevent speculation and policy exploitation.

As for the substance of the term “low-income earners”, this is a policy-legal concept that is not identical to the concept of “the poor” or “near-poor households” under poverty-reduction law. In the field of social housing, the concept is approached from the standpoint of an income level insufficient to access commercial housing under market mechanisms, yet still capable of covering part of the housing cost through State support mechanisms. Clause 5, Article 76 of the 2023 Law on Housing identifies “low-income earners in urban areas” as one of ten groups of beneficiaries entitled to social housing support policy, alongside people with meritorious service to the revolution, workers and laborers in industrial parks, poor households, near-poor households, cadres, civil servants, public employees, armed forces personnel, and pupils and students. Under Point d, Clause 2, Article 1 of Decree No. 30/2025/ND-CP dated February 24, 2025, low-income earners in urban areas are laborers belonging to households with an average monthly per capita income of VND 3,000,000 or less in urban areas (VND 2,250,000 or less in rural areas). Under Article 78 of the 2023 Law on Housing, to purchase, rent or hire-purchase social housing, low-income earners must simultaneously satisfy conditions relating to housing status (not yet owning housing or owning housing below the minimum average area), income and residence/employment, depending on each case. A notable innovation of Decree No. 100/2024/ND-CP is the removal, for certain beneficiary groups, of the requirement for local authority confirmation of housing status, allowing confirmation instead through a lookup of the land use right certificate, thereby simplifying administrative procedures.

B. Content of the Current Law on Social Housing for Low-Income Earners

Vietnam’s current law regulates social housing under four basic groups of content. The first group concerns beneficiaries and eligibility conditions, as presented above. The second group concerns the development of social housing, under which social housing may be developed through several models: public investment; independent projects invested in by enterprises; integration within commercial housing projects (through the obligation to set aside 20% of the land fund); or the development of worker accommodation in industrial parks, a new form added under the 2023 Law on Housing to meet the specific needs of workers and laborers.

The third group concerns incentive and support mechanisms for investors and beneficiaries, including land incentives (exemption from land use fees), tax incentives and preferential credit. With respect to credit, the VND 145,000 billion credit program for the development of social housing, worker housing, and the renovation and reconstruction of old apartment buildings sets a lending interest rate, applicable from July 1,

2026 through December 31, 2026, of 6.1% per annum for home buyers and 6.6% per annum for project investors. Persons under 35 years of age who borrow to purchase or hire-purchase social housing are entitled to a preferential interest rate of 6.5% per annum for the first five years and 7.5% per annum for the following ten years, pursuant to Official Dispatch No. 5340/NHNN-CSTT dated June 19, 2026 of the State Bank of Vietnam, a rate about two percentage points lower than the average medium- and long-term lending rate of the four state-owned commercial banks.

The fourth group concerns the management and use of social housing, including the verification of application files and eligibility conditions of buyers, tenants and hire-purchasers; the management of sale and rental prices; and control over transfers, subleasing and misuse. An important development for the 2025-2026 period was the Government’s issuance of Decree No. 302/2025/ND-CP dated November 19, 2025, detailing the National Housing Fund and guiding the implementation of National Assembly Resolution No. 201/2025/QH15 on piloting a number of special mechanisms and policies for social housing development. The National Housing Fund is a non-budgetary, non-profit State financial fund, organized at two levels: the Central Housing Fund, under the Ministry of Construction, and Local Housing Funds, managed by provincial-level People’s Committees, with the function of investing in, building, establishing and operating rental social housing, including through receiving and repurposing publicly owned housing assets. The Ministry of Construction has proposed allocating VND 10,000 billion in charter capital for the Central Housing Fund under the medium-term public investment plan for 2026-2030. In addition, Decree No. 54/2026/ND-CP dated February 9, 2026 amended the regulations on the sale of rented social housing, allowing investors to prioritize selling to eligible current tenants before the expiry of a ten-year period (rather than five years, as previously required), while also adding an option for buy-back by the National Housing Fund and a method for determining the sale price that accounts for the appraised value, loan interest and depreciation.

Overall, the current legal system has several notable strengths: the legal framework has become increasingly complete since the 2023 Law on Housing took effect; beneficiaries are relatively clearly defined and tend to be expanded; and incentive mechanisms for investors have received greater attention through large-scale credit programs. However, the law still has certain shortcomings: its provisions remain scattered across various statutes (the Land Law, the Law on Real Estate Business, the Law on Investment, the Law on Bidding and the Law on Credit Institutions), creating difficulties for uniform application; legal procedures remain lengthy; the criteria for identifying beneficiaries are difficult to substantiate in practice, particularly for freelance and migrant laborers; post-distribution inspection and supervision mechanisms are not yet truly effective; and the mechanism for implementing the 20% land fund obligation in commercial housing projects lacks flexibility and still lacks a unified, transparent method for determining exchange value.

C. Legal Experience of Selected Countries and Lessons for Vietnam

International experience offers many valuable insights for Vietnam. In Singapore, social housing is developed mainly through the Housing and Development Board (HDB), a sufficiently strong state corporation that receives comprehensive support in land and finance and that manages the entire life cycle, from planning, design and land acquisition to construction, management and distribution. According to Đoàn Văn Bình (2023), the Singaporean Government undertakes the research, planning and land acquisition needed to build social housing, enabling citizens to purchase homes for less than 20% of monthly income and thereby avoid heavy debt; the HDB model now covers more than 80% of the population, reflecting the very substantial role of the State in guaranteeing the right to housing. In South Korea, social housing has been diversified into numerous forms such as long-term lease, low-cost rental and public housing, with the State providing support through preferential credit, tax exemptions and reductions, and the creation of clean land funds. According to Van Dyk (1995), in Canada the term “social housing” refers to housing under support programs owned and operated by non-profit organizations and housing cooperatives, aimed at improving residents’ financial position. According to Lomax (2010), in the United Kingdom social housing is a policy designed for low-income tenants that eases their financial burden. Germany’s experience demonstrates the value of subsidizing rent directly to tenants rather than indirectly through investors, which increases flexibility in the choice of residence and limits the concentration of low-income populations in isolated areas.

From the experience outlined above, several lessons may be drawn for Vietnam. First, a dedicated agency or organizational model, with sufficient authority and resources to uniformly coordinate social housing policy, should be established, rather than dispersing responsibility across multiple agencies as at present (the Ministry of Construction, the State Bank of Vietnam, provincial-level People’s Committees and the Vietnam General Confederation of Labor); the issuance of Decree No. 302/2025/ND-CP on the National Housing Fund may be regarded as an initial step in this direction, comparable to Singapore’s Central Provident Fund mechanism. Second, a sustainable, long-term housing finance mechanism should be codified into law, rather than relying on short-term credit packages that are easily disrupted by monetary policy cycles. Third, consideration should be given to introducing a direct subsidy mechanism for tenants alongside incentives for investors, following Germany’s experience, in order to reduce excessive dependence on supply from enterprises. Fourth, data on beneficiaries should be made transparent through the national population database, while South Korea’s experience of diversifying public housing types by income segment should also be applied, particularly given that Vietnam’s social housing policy remains heavily weighted toward the “sale” segment rather than the “rental” segment.

4. The Current State of Social Housing Planning and Implementation in Vietnam

A. The System of Social Housing Development Plans and Targets Issued to Date

Since 2021, Vietnam has developed and repeatedly adjusted its system of social housing development plans and targets at both the central and local levels, reflecting continuous institutionalization efforts while also revealing a lack of stability in planning and forecasting work. The first and most important overall plan is the Project “Construction of at Least One Million Social Housing Apartments for Low-Income Earners and Industrial Park Workers for the 2021-2030 Period”, approved by the Prime Minister under Decision No. 338/QĐ-TTg dated April 3, 2023. The Project set a target for localities to complete a total of approximately 1,062,200 units by 2030, of which about 428,000 units were to be completed during 2021-2025 and about 634,200 units during 2025-2030, together with an appendix allocating specific targets to the 63 provinces and centrally run cities existing at the time of issuance (Prime Minister, 2023).

On the basis of the Project, the Prime Minister further issued Decision No. 444/QĐ-TTg dated February 27, 2025, assigning localities year-by-year social housing completion targets for the 2025-2030 period totaling 995,445 units, specifically: 100,275 units in 2025; 116,347 units in 2026; 148,343 units in 2027; 172,402 units in 2028; 186,917 units in 2029; and 271,161 units in 2030, for localities to incorporate into their annual socio-economic development targets (Prime Minister, 2025). The gradually increasing allocation of targets year by year reflects the Government’s expectation that the pace of implementation would accelerate in the second half of the period, as institutional and organizational obstacles were progressively resolved.

However, the process of reorganizing provincial-level administrative units under National Assembly Resolution No. 202/2025/QH15, effective from July 1, 2025, significantly altered the boundaries and population scale of many localities, creating a need to readjust the system of targets to fit the new two-tier local government apparatus. According to the Government Electronic Information Portal (2025), as of June 30, 2025, only 35,631 out of 100,275 social housing units had been completed nationwide, reaching 36% of the target set for 2025 and requiring an additional 64,644 units to be completed by December 31, 2025 (Government, 2025); the Ministry of Construction proposed keeping the nationwide 2025 completion target unchanged while adjusting targets in merged localities by aggregating the targets previously assigned to them.

The next important turning point was the Government’s issuance of Resolution No. 07/NQ-CP dated January 12, 2026, assigning social housing development targets to localities for the 2026-2030 period on the basis of the new administrative boundaries. Notably, this Resolution simultaneously adjusted the overall target of the entire Project upward from 1,062,200 units to 1,140,600 units (Vietstock, 2026), reflecting an updated forecast of social housing demand amid the continued rapid growth of the urban population and labor force in major cities.

Under this new target, Ho Chi Minh City alone (after merging with Binh Duong Province and Ba Ria-Vung Tau Province) was assigned a target of 181,257 units for the 2026-2030 period, the highest in Vietnam, of which 18,700 units were to be completed in 2026 alone, 3.6 times the result achieved in the preceding year.

It is worth noting that the above target of 181,257 units differs from the figure of 199,400 units previously compiled on the basis of the plans of the three former localities (the former Ho Chi Minh City accounting for 100,000 units, the former Binh Duong for 86,900 units and the former Ba Ria-Vung Tau for 12,500 units), owing to differences in calculation methods and the reference dates used for compilation across the various announcements. The lack of consistency among the target figures announced at different times and from different sources is itself a concrete manifestation of the difficulties encountered in planning and implementation during the transitional period of administrative reorganization.

It can thus be generalized that, since 2021, Vietnam has issued at least four successive and mutually adjusting layers of social housing development plans and targets: (1) the overall Project under Decision No. 338/QĐ-TTg (2023), with a target of 1,062,200 units by 2030; (2) detailed year-by-year, locality-by-locality targets under Decision No. 444/QĐ-TTg (2025), totaling 995,445 units for the 2025-2030 period; (3) the 2025 target as adjusted and aggregated according to the new administrative boundaries following the mid-2025 merger; and (4) the 2026-2030 targets reassigned under Resolution No. 07/NQ-CP (2026), under which the overall target of the Project was raised to 1,140,600 units. In addition to this system of quantitative targets, the separate 2026 target was set by the Ministry of Construction at more than 158,700 units to be completed within the year.

B. Actual Implementation Results Compared with the Plans

Compared against the target system described above, actual implementation results throughout most of the 2021-2025 period show a very substantial lag. According to a report by the Vietnam Real Estate Market Research and Evaluation Institute presented at the 2024 Vietnam Real Estate Market Forum, by the end of 2023 only just over 20,200 social housing units had been completed nationwide, reaching only 4.7% of the 428,000-unit target for the 2021-2025 period (Vietstock, 2024). By the end of 2024, the cumulative nationwide result had reached only about 5.7% of the 2021-2030 plan, while Ho Chi Minh City alone had completed only about 6,000 units, reaching just 8.6% of the target for the period (Business Forum, 2024). A concrete illustration of the bottleneck at the pre-project stage is that, in Ho Chi Minh City during 2021-2024, of nine projects for which investment policy approval had been completed, only three were eligible to commence construction, while the remaining six remained stuck at the stage of legalizing planning documents and obtaining investment policy approval (Ho Chi Minh City Law Newspaper, 2024).

From late 2025, the pace of implementation began to show clear improvement. As of June 30, 2025, 35,631 out of 100,275 social housing units under the 2025 target had been completed

nationwide, reaching 36% (Government Electronic Information Portal, 2025). By the end of 2025, the number of projects completed, commenced or granted investment policy approval nationwide reached about 62% of the Project's 1,062,200-unit target (Government Electronic Information Portal, 2026). Notably, this result was uneven across localities: according to a report by the Ministry of Construction, in 2025 only 19 localities met or exceeded their assigned social housing development targets, while some localities, such as Ha Tinh, recorded no social housing units completed for the entire year despite having been assigned a specific target, reflecting a very large disparity in implementation capacity among localities (Vietnam Women's Newspaper, 2025).

In Ho Chi Minh City specifically, according to data compiled on the basis of the plans of the three former localities, during 2021-2025 the City completed 17,902 out of the 18,143 assigned social housing units, a rate of 98.7%, with 2025 alone reaching 98.2% of the annual plan, essentially fulfilling the target assigned by the Prime Minister (Ho Chi Minh City Education Journal, 2025). According to the Ho Chi Minh City Real Estate Association, in 2025 alone the City completed 14 projects comprising 13,040 units, reaching 100% of the annual plan target, which is regarded as an important foundation for achieving the 181,257-unit target for the 2026-2030 period (Vietnam Financial Times, 2026). The contrast between the very low completion rate of the 2021-2024 period (about 8.6% of the period's target) and the high completion rate of 2025 alone (nearly 100% of the annual target) reveals an important feature of social housing policy implementation in Vietnam: the lag is concentrated mainly in the investment-preparation stage (planning, legal procedures and investor selection), whereas once a project has passed the pre-project stage and entered construction, the actual pace of completion is relatively fast, particularly when decisive direction is given and streamlined procedures (the "green channel" mechanism) are applied.

Moving into 2026, the accelerating momentum continued to be maintained nationwide. In the first two months of 2026, the country completed three projects comprising 544 units and commenced construction of 28 projects comprising 20,964 units, of which Ho Chi Minh City commenced two projects comprising 2,656 units (Vietnam Financial Times, 2026). In the first four months of 2026, the country commenced construction of a further 40 projects with a scale of 36,590 units, reaching about 23% of the year's construction-commencement plan; cumulatively, 226 projects with a total scale of 228,725 units had commenced construction, reaching 144% of the assigned construction-commencement target, while more than 5,426 social housing units had been completed and handed over for use (P.H., 2026; Real Estate Pulse, 2026). By around May 2026, a cumulative total of 786 projects with a scale of 725,146 units were under implementation nationwide, reaching 72.5% of the overall Project target (Hoài Anh, 2026; VTV, 2026); this figure is broadly consistent with a more detailed report from the Ministry of Construction, which stated that the country had 781 projects with a scale of 720,055 units, of which 231 projects had been completed (180,850 units), 234 projects had commenced construction (233,962 units) and 316 projects had received

investment policy approval (305,243 units) (VnEconomy, 2026). By around July 2026, this figure had risen further to 875 projects under implementation with a scale of 773,457 units and a total investment of about VND 637,019 billion, equivalent to 77% of the Project's target (Vietstock, 2026).

Viewed as a whole, the above series of figures, from 4.7% (end of 2023), about 5.7% (end of 2024), 36% of the annual target and 62% of the Project target (end of 2025), to 72.5% (May 2026) and 77% (July 2026), clearly reveals two distinct phases in the implementation of the One Million Social Housing Units Project: a period of "slow accumulation" from 2021 through the end of 2024, when actual results were almost negligible compared with the targets owing to prolonged institutional and organizational bottlenecks; and a period of "acceleration" from late 2025 through mid-2026, when the pace of implementation improved markedly thanks to the 2023 Law on Housing formally taking effect in practice, the piloting of special mechanisms under Resolution No. 201/2025/QH15 and decisive direction from the Government, the Ministry of Construction and local authorities. It should be noted, however, that the majority of the 72-77% figures cited above represent the aggregated number of projects completed, commenced and granted investment policy approval, which is not the same as the number of units actually completed and handed over for residents' use, the actual figure for the "completed" component within this total (about 180,850 units as of mid-2026, equivalent to less than 16% of the Project's overall 1,140,600-unit target) remains far more modest than the aggregate ratio cited above, indicating that the gap between "projects existing on paper" and "social housing that has actually reached low-income earners" remains an issue requiring continued monitoring.

C. Assessment of the Gap Between Planning and Implementation, and the Causes of the Lag

From the data analyzed in Section 4.2, it can be affirmed that a considerable and prolonged gap existed between the approved social housing development plans and actual implementation results throughout most of the 2021-2025 period, before improvement emerged from late 2025. The causes of this gap can be analyzed under three groups.

The first group of causes originates from the design of the law itself. The law governing social housing is scattered across various fields such as housing, land, investment, construction and real estate business, making uniform application difficult in practice. Certain provisions have not genuinely simplified procedures, prolonging project preparation time; Decree No. 100/2024/ND-CP, dated July 26, 2024, the principal implementing document, had to be amended in succession by Decree No. 261/2025/ND-CP, dated October 10, 2025, and Decree No. 136/2026/ND-CP, dated April 7, 2026, within less than two years, indicating that the initial legal framework was not genuinely stable or predictable. The criteria for identifying beneficiaries, although strict, are difficult to substantiate in practice, particularly for freelance and migrant laborers and persons with unstable income. At the same time, the mechanism for fulfilling the 20% land fund obligation in commercial housing projects still lacks flexibility and still lacks a unified,

transparent method for determining exchange value, leading to disputes and legal delays that affect the progress of both commercial projects and the supply of social housing. The 10% prescribed profit cap applied to social housing project investors, although intended to keep sale prices reasonable, has not been accompanied by a mechanism to adequately compensate for capital costs and prolonged procedural expenses, thereby reducing investment attractiveness relative to lawmakers' expectations.

The second group of causes originates from implementation organization. Coordination among agencies remains uneven, causing application files to be delayed across multiple stages; implementation capacity and the spirit of accountability remain limited at certain stages, particularly in inter-sectoral processing. The disbursement of preferential credit packages has proceeded very slowly relative to policy commitments: according to the State Bank of Vietnam, as of the end of May 2026 the VND 145,000 billion credit program had disbursed only about VND 12,440 billion, equivalent to about 8.5% of the program's total scale after nearly three years of implementation, of which about VND 10,640 billion was disbursed to investors and only about VND 1,800 billion to home buyers; even for the group of borrowers under 35 years of age entitled to a separate preferential interest rate, the disbursement rate as of January 31, 2026 reached only about VND 252 billion out of the hundreds of thousands of billions of dong in capital arranged (CafeLand, 2026). In Ho Chi Minh City specifically, as of the end of April 2026, only 16 social housing, worker housing and old apartment renovation/reconstruction projects had been announced as eligible to borrow under the VND 145,000 billion credit program, yet only four projects had actually received disbursements, totaling VND 508 billion, and only seven individuals had received loans to purchase housing. Enterprises in the sector themselves have pointed to the gap between deposit mobilization rates and the preferential lending rates under the program as the reason commercial banks lack the incentive to accelerate disbursement. This situation of "capital being available but difficult to disburse" indicates that the bottleneck lies not only in interest rates but also in the supply of projects eligible to raise capital, in the procedures for verifying borrower eligibility, and in borrowers' apprehension about the risk of floating interest rates after the short-term preferential period ends. In addition, according to Deputy Minister of Construction Nguyen Van Sinh, an important reason why many projects that have broken ground subsequently stall is delay in the approval of commune-level planning, which directly affects the progress of construction investment (Dich Phong, 2026). Inspection, post-audit and post-distribution supervision have also not been conducted regularly, creating conditions for policy exploitation and manifested through brokerage rings that fabricate application files to legitimize eligibility for purchasing social housing, which police authorities dismantled in a number of localities during 2026, including one case announced by the Economic Security Department (Ministry of Public Security) on July 2, 2026, showing that the perpetrators had "arranged" eligibility confirmation documents for more than 100 cases,

misappropriating more than VND 40 billion and resulting in the prosecution of 13 defendants.

The third group of causes originates from objective socio-economic conditions. High land prices and the scarcity of clean land funds with synchronized technical infrastructure have sharply increased project development costs, particularly in the central areas of major cities; meanwhile, construction costs have also risen continuously owing to fluctuations in material and labor prices, creating financial-balancing difficulties for many enterprises (Enterprise Integration Magazine, 2026). The imbalance between the spatial distribution of employment and of residential areas means that many potential projects are located far from where people need to live, reducing their attractiveness even after completion. Workers' incomes have risen more slowly than housing prices, meaning that despite support policies, low-income earners' actual ability to access housing remains limited. This is also a deep-seated cause driving speculation and policy exploitation, as the gap between social housing prices and market prices continues to widen.

In summary, it may be concluded that the gap between planning and implementation in social housing development in Vietnam during 2021-2025 stemmed mainly from a bottleneck at the pre-project stage (planning, legal procedures, investor selection and site clearance) rather than from actual construction capacity; at the same time, the initial design of the targets under Decision No. 338/QĐ-TTg (2023) did not fully anticipate the institutional lag necessary for the 2023 Law on Housing and its implementing decrees to take effect in practice, nor the major changes in administrative boundaries resulting from the process of merging provinces and cities from mid-2025 onward. The marked acceleration from late 2025 through mid-2026, while noteworthy, should still be viewed with caution, since most of this increase derives from the number of projects that have commenced construction or received investment policy approval, whereas the number of units actually completed and handed over for use by low-income earners remains far short of the 1,140,600-unit target for the entire Project by 2030.

5. Solutions to Improve the Law and Enhance Implementation Effectiveness in Social Housing Development for Low-Income Earners in Vietnam Today

On the basis of the foregoing analysis, this article proposes four groups of solutions aimed at narrowing the gap between planning and implementation.

First, the provisions on beneficiaries and eligibility conditions should be improved in the following directions: authorizing the Government to prescribe a mechanism for periodically adjusting the income ceiling in line with movements in regional minimum wages and the consumer price index, thereby avoiding a situation in which the income threshold becomes outdated through being fixed for a prolonged period; and simplifying the procedure for confirming income eligibility for freelance and informal laborers by allowing confirmation through voluntary social insurance data or a responsibility-backed declaration accompanied by sanctions for fraud, rather than relying entirely on manual

confirmation by commune-level authorities.

Second, provisions on social housing development and administrative procedure reform should be improved in the following directions: specifically prescribing a minimum proportion of social housing land within sub-zone and detailed planning, coupled with sanctions for land recovery where localities fail to meet the required progress; codifying a "land-for-infrastructure" exchange mechanism into law; piloting a post-audit mechanism in place of ex-ante inspection for certain low-risk stages, so as to shorten project implementation time; and, most importantly, making maximum use of the special mechanism piloted under Resolution No. 201/2025/QH15 dated May 29, 2025 and Decree No. 192/2025/ND-CP dated July 1, 2025, which streamlines the process of granting investment policy approval concurrently with investor selection, which is identified as the main reason many enterprises are reluctant to invest in social housing, with a view to promptly reviewing and scaling it up nationwide after the pilot period.

Third, incentive, finance and resource mechanisms should be improved. The causes of slow disbursement under the VND 145,000 billion credit program, which has reached only about 8.5% of its scale after nearly three years of implementation, should be seriously assessed to avoid a repetition of this situation with the capital of the newly established National Housing Fund under Decree No. 302/2025/ND-CP dated November 19, 2025; a mechanism should be studied for compensating commercial banks directly for interest-rate differentials based on the actual disbursed loan balance, rather than the current fixed-rate mechanism; and clear principles for open, transparent capital allocation between the Central Housing Fund and Local Housing Funds should be prescribed, prioritizing localities with high target-completion rates and clean land funds ready for implementation. For the rental housing segment, which is better suited to the actual payment capacity of workers and low-income laborers, separate targets and a stable, long-term (15-20 year) interest-rate mechanism should be developed, rather than applying the same short-term credit mechanism used for the sale segment.

Fourth, the application of technology should be promoted, information made transparent and post-audit strengthened to prevent policy exploitation. A unified electronic database on social housing should be built and operated, interconnected with the national database system on housing and the real estate market under Decree No. 357/2025/ND-CP dated December 31, 2025, to prevent a single individual from benefiting from the policy across multiple projects or localities; the process of balloting and application review should be made open and transparent on electronic information portals; and a mechanism for regular, periodic (not merely a problem arising) inter-sectoral coordination should be prescribed among housing management authorities, police, tax authorities and commune-level governments for reviewing and cross-checking information on beneficiaries, as the basis for effectively implementing the post-audit mechanism.

Finally, to remedy the lack of consistency in target figures noted in Section 4.1, it is recommended that provincial-level

People's Committees, particularly localities that have recently undergone mergers, urgently issue a single official document announcing the targets, project list and implementation roadmap for the social housing development program uniformly across the entire post-merger territory, to serve as the sole legal basis for departments, sectors, commune-level governments and enterprises to act upon, thereby avoiding a situation in which each agency, at each point in time, announces a different target figure.

6. Conclusion

Social housing for low-income earners is a major, deeply humane policy that reflects the State's role in ensuring social security and citizens' right to lawful accommodation. In legal terms, the 2023 Law on Housing, together with its implementing documents, has produced an important advance in the direction of broadening the range of beneficiaries, simplifying administrative procedures and diversifying incentive and support mechanisms, particularly with the establishment of the National Housing Fund and the pilot mechanism under National Assembly Resolution No. 201/2025/QH15. However, the results of examining the system of social housing development plans and targets, from Decision No. 338/QĐ-TTg (2023) to Resolution No. 07/NQ-CP (2026), and comparing them against actual implementation data show that a considerable and prolonged gap existed throughout most of the 2021-2025 period, when the completion rate relative to targets fluctuated only between 4.7% and about 6% during 2023-2024, before improving markedly to around 62-77% (measured by the aggregated number of projects completed, commenced and granted investment policy approval) from late 2025 through mid-2026.

The causes of this gap stem from all three dimensions: legal provisions that remain scattered, unstable and, in some respects, insufficiently feasible; implementation organization that remains subject to numerous limitations, particularly in planning approval, disbursement of preferential credit and control of policy exploitation; together with objective socio-economic factors such as rising land prices, rising construction costs and the scarcity of clean land funds. On this basis, the article has proposed four groups of solutions concerning beneficiaries and eligibility conditions; social housing development and procedural reform; incentive, financial and resource mechanisms; and the application of technology and information transparency, so as to help translate social housing policy genuinely into practice and narrow the gap between the 1,140,600-unit target for 2030 and localities' actual implementation capacity in the period ahead. Owing to limitations in scope and secondary data sources, this article has not been able to undertake an in-depth quantitative analysis of the economic effectiveness of each specific incentive mechanism. This is a direction for further research that the authors intend to pursue.

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