

Determinants of Social Housing Supply: An Empirical Assessment in the Context of Vietnam

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Abstract

The development of social housing to meet the residential needs of the population has consistently remained a strategic priority of the Vietnamese Government. As urbanization accelerates—evidenced by an urbanization rate of 44.3% reported by the Ministry of Construction—the demand for housing has increased substantially. Nevertheless, the expansion of the social housing supply has not kept pace, progressing at a notably sluggish rate. A critical issue emerges: although the Government of Vietnam has enacted a range of mechanisms and policies to support social housing development—including capital allocation and various investment incentives—the supply remains insufficient. Despite evident interest and willingness among investors to engage in this sector, the actual supply currently satisfies only approximately 20% of the prevailing demand. This study seeks to identify, analyze, and evaluate the principal factors constraining the supply of social housing in Vietnam. Utilizing a mixed-methods approach—including expert interviews, a survey of 120 respondents, and exploratory factor analysis—the study investigates 14 causal factors, including two newly proposed ones related to the capacity of construction enterprises. Among these, six factors were found to exert particularly strong influence. Based on these findings, the paper offers targeted policy recommendations to address legal, financial, and institutional barriers and to enhance the viability of the social housing market in Vietnam.

1. Introduction

The development of social housing is regarded as a fundamental pillar of Vietnam's social welfare policy and serves as an effective instrument for promoting socio-economic advancement [1]. In recent years, the legal and policy frameworks governing social housing have been progressively established and refined. Notably, the Housing Law No. 27/2023/QH15, along with its implementing Decree No. 100/2024/ND-CP, outlines comprehensive provisions for the development and management of social housing. Supplementary regulatory instruments include Decree No. 95/2024/ND-CP, which elaborates on several provisions of the Housing Law—particularly Article 39 concerning social housing—and Circular No. 05/2024/TT-BXD, which stipulates eligibility criteria for beneficiaries of social housing support policies. Additionally, Decision No. 486/QĐ-TTg provides guidelines on preferential interest rates for social housing loans via the Bank for Social Policies.

To further accelerate the development of social housing, the National Assembly and the Government have introduced a series of new legislative instruments. These include Resolution No. 201/2025/QH15 by the National Assembly and Government Resolution No. 155/NQ-CP, which introduce pilot mechanisms and specific policies

designed to address barriers in the implementation of social housing projects. Collectively, these legal provisions aim to alleviate challenges faced by both prospective buyers and project developers. The key updates and measures are detailed as follows:

Regarding incentives for investors: They are allowed to allocate a maximum of 20% of the total land area designated for commercial housing development to build social housing; exempted from land use fees and land rent; not required to undertake land valuation procedures; eligible for preferential interest rate loans; granted reductions in corporate income tax and value-added tax.

The funding sources for social housing development in Vietnam have become increasingly diversified and include the following: (1) capital invested by developers of social housing projects, housing for industrial zone workers, housing for the armed forces, and commercial housing projects; (2) capital mobilized through equity contributions, investment cooperation, business partnerships, joint ventures, and collaborations with organizations and individuals; (3) financial contributions from individuals eligible for social housing support; (4) governmental capital allocated for housing development, including public investment capital, proceeds from national and other types of bonds, official development assistance (ODA), concessional loans, government development investment credit, and funds mobilized from the Land Development Fund and other extra-budgetary state financial mechanisms; (5) direct financial support provided by the government to eligible beneficiaries and preferential loan funding through the Vietnam Bank for Social Policies or other state-designated credit institutions; (6) financial resources from trade union organizations for project implementation; (7) loans from domestic credit institutions and financial organizations; and (8) foreign direct investment and other lawful capital sources [2], [3].

With respect to social housing development policy, a significant milestone was reached in April 2023, when the Prime Minister approved the programme entitled “Investment in the Construction of at Least One Million Social Housing Apartments for Low-Income Households and Industrial-Park Workers for the Period 2021–2030.” In support of this initiative, the State Bank of Viet Nam introduced a preferential credit package valued at VND 120 trillion to facilitate project financing and reduce borrowing costs for eligible developers. Complementing this measure, Government Resolution No. 33/NQ-CP (2023) set out a series of solutions aimed at removing institutional bottlenecks and fostering a safe, sustainable real-estate market. Among its provisions, the resolution encourages the mobilization of private capital—particularly from large domestic real-estate enterprises, economic conglomerates, and foreign investors—through specific incentive mechanisms designed to channel resources into social housing development.

Recent regulatory amendments have simplified the investment and construction procedures for social housing projects. Notably, feasibility-study reports are no longer subject to appraisal by specialized construction authorities—a requirement previously stipulated under the Construction Law—and project developers are now granted the authority to independently set selling prices and lease-purchase rates for social housing units. [4]. These policy changes are anticipated to incentivize increased private sector involvement, accelerate project implementation, and contribute to expanding the housing supply while improving affordability and accessibility for low-income households and workers in industrial parks.

Despite substantial policy efforts, the expansion of social housing in Vietnam continues to progress at a notably slow pace. During the 2010–2020 period, the total completed social housing area met only 56.1% of the established target [5]. Since 2021, the development rate has further declined. According to the national proposal [2], the government aims to complete one million social housing units by 2030. However, as of September 2024, only 619 social housing projects have been initiated nationwide, representing an estimated total of 561,000 planned units. Of these, over 400,000 apartments remain at the stage of in-principle project approval, while merely 40,600 units have been completed—accounting for just 4% of the targeted goal (see Fig. 1) [6], [7].

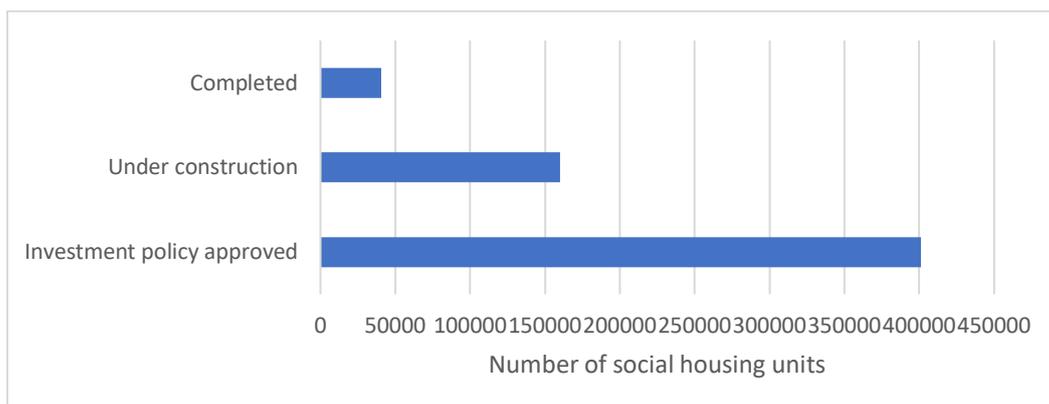


Fig. 1 Number of social housing apartments by September 2024 [6], [7]

As demonstrated above, despite the high demand for social housing, the number of implemented projects remains limited.

The central question posed is as follows: Although mechanisms and policies have been established, investment incentives for developers have been revised to reduce procedural complexity, capital sources have become more diverse, eligibility to act as project developers has been broadened, and preferential credit packages have been implemented—what barriers continue to impede the development of social housing? Are current incentive policies still misaligned, improperly targeted, or insufficiently accessible?

This paper systematically investigates the root causes underlying the limited supply of social housing in Vietnam. By analyzing, evaluating, and quantitatively assessing the contributing factors, the study identifies and ranks the most critical determinants constraining supply. The findings contribute to the field by revealing key structural and contextual barriers to social housing development, thereby providing a comprehensive foundation for targeted policy interventions and sustainable planning strategies

2. Literature Review

The concept of “social housing” has existed for a considerable period; however, it only gained widespread recognition in the 1970s, particularly in countries such as the United Kingdom, the United States, and Canada, before gradually expanding to nations like Japan and South Korea. In Western Europe and the United States, the term “social housing” is often used interchangeably with “public housing.” Nonetheless, these terms reflect distinct definitions. “Public housing” typically refers to residential properties owned or managed by governmental authorities and intended for rent by low-income households. In contrast, “social housing” encompasses a broader category that includes all forms of subsidized housing offered at affordable prices and designated for individuals or families who face difficulties in accessing suitable accommodation through the conventional housing market. This includes housing provided by community organizations or those owned and operated by non-profit entities. Notably, in European legislative and policy contexts, the term “social housing” is rarely employed. Instead, alternative terminology is utilized, such as “housing at moderate rent” in France, “affordable housing” or “not-for-profit housing” in Denmark, “housing promotion” in Germany, “limited-profit housing” or “people’s housing” in Austria, “publicly protected housing” in Spain, and “public utility housing” in Sweden [8], [9].

There exists a substantial body of academic research on the factors influencing the development of social housing. These influencing factors are relatively diverse, with each country exhibiting distinct success determinants and varying degrees of impact. Nevertheless, the majority of studies converge on the central theme of government intervention in the housing market, primarily through policy frameworks and legal regulations. These investigations commonly aim to propose strategies for enhancing the effectiveness of housing policy and management. For instance, Adabre and Chan [10] examines critical success factors (CSFs) for sustainable affordable housing, identifying 30 potential CSFs that are categorized into four principal components: policy facilitating private sector involvement in the construction of affordable housing, household demand enablement, mixed land use, and land-use planning. The primary factor is the government's sustainable support policy. Similarly, Oyebanji et al. [11] outlines several key factors contributing to the success of sustainable social housing initiatives. These include adequate financial resources and funding mechanisms, affordability for target populations, effectively formulated economic plans, the adoption of appropriate and efficient construction technologies, environmental sustainability through the use of eco-friendly materials, efficient land-use planning, context-sensitive architectural design, and the assurance of safety, essential social services, and social cohesion for residents. Among these, financial support plays a crucial role.

Moreover, the government's regulations on land use, growth management also are key factors that have effects on housing supply [12]. Eicher [12] has examined the key factors that have affected the housing supply in a study of 250 Major US cities and pointed out the importance of government's regulations especially on land use and relevant issues. Analyzed and discussed within a context similar to that of Vietnam, Ping [13] mentioned the Chinese government's regulations, including regulations on land supply for residential, regulations on investment incentives and regulations on the administrative approvals, as the determinant on housing supply.

Moreover, Olugbenga and Binti [14] investigates the determinants of affordable housing supply in Nigeria, emphasizing the critical roles of land accessibility, funding, and demographic factors. *The study recommends direct government intervention in housing provision to stimulate the growth of the national housing sector.* Specific initiatives include the establishment of the Real Estate Developers Association of Nigeria (REDAN) and the Building Materials Producers Association of Nigeria, along with proposals to reduce interest rates on national housing fund loans for REDAN-affiliated individuals. Additionally, restructuring the housing finance sector through the development of open mortgage markets is suggested as a means to enhance housing affordability and accessibility.

There is a substantial body of research on government incentives for enterprises investing in social housing, as presented in Kim's work [15], investigates the financial incentives extended to social housing construction companies in Korea. Despite the implementation of various promotional measures, the study reveals that profit

margins remain relatively low. Consequently, the author recommends a strategic shift by developers toward the construction of rental housing as a more sustainable and viable model. Similarly, Bakhtyar et al. [16] examines the Malaysian Government's strategy for social housing provision through the implementation of Low-Cost Housing (LCH) programs. The government actively promotes private sector participation in housing provision; however, constraints such as limited land availability and high land prices in urban areas have resulted in increased labor and material costs, thereby limiting the overall effectiveness of LCH initiatives. This study delineates standardized procedures for LCH development and identifies significant barriers to successful implementation. Importantly, the findings underscore the critical necessity of balancing the social mandate to provide affordable housing for low-income populations with the profit expectations of private investors, a balance essential for the scalability and sustainability of such programs. Conteh et al. [17] highlights that the Australian government's incentive policies lack sufficient attractiveness to private sector actors. It asserts that fostering private investor and organizational participation in social housing provision requires demonstrable profitability of investments within this sector. Despite concerted efforts by governmental agencies, non-profit organizations, and the National Affordable Housing Consortium to stimulate private sector involvement, contributions remain minimal, accounting for less than 1% of the total social housing supply. The study identifies three principal factors constraining private participation: low profit margins, elevated investment risk, and limited liquidity. The research further examines a case study of a social housing redevelopment project in Garbutt, Townsville, Australia. Findings indicate that project profitability is substantially greater when assessed through the Real Options valuation method compared to traditional approaches such as Net Present Value (NPV). The application of the Real Options framework to social housing investment is innovative, as it integrates multiple dynamic variables affecting project viability. These include the necessity for public funding or public-private partnerships, environmental risks such as flooding, bushfires, and earthquakes, as well as economic indicators including inflation rates, interest rates, and employment levels. By employing an option pricing approach, the study effectively identifies potential risks, proposes risk mitigation strategies, and delineates optimal conditions for the implementation of social housing projects.

While these studies provide valuable insights into various facets of social housing development, their recommendations are either only briefly outlined or tailored to contexts significantly different from that of Vietnam.

In Vietnam, a substantial body of research has addressed the topic of social housing; however, most studies have predominantly focused on policy development rather than empirical market analysis. These studies consistently highlight the significant and growing demand for social housing. Simultaneously, analyses of existing mechanisms and development policies reveal that the Vietnamese Government has made considerable efforts to improve the regulatory framework and introduce preferential policies to attract investment in the social housing sector. Despite these initiatives, the market remains constrained by various systemic challenges that hinder private sector participation [6], [8], [18].

Nguyen [8] and Nguyen [9] define social housing investment as the process of allocating resources—such as land, capital, human resources, and other assets—for the construction of housing units intended for beneficiaries of housing support policies. The primary objective is to alleviate the housing burden for low-income households. These projects are typically implemented through a combination of public and private sector efforts, with the overarching goal of improving community living conditions and mitigating issues related to overcrowded and substandard housing. Accordingly, the development of the social housing market is highly dependent on the housing support policies enacted by national governments.

Several studies conducted in Vietnam have investigated the policy and legal limitations in the development of social housing prior to the enactment of the Housing Law in 2023. Nguyen [18] identified several factors influencing social housing supply in Vietnam, such as development and management policies, pricing mechanisms, and the number of active investors in the sector. However, the analysis was limited to a qualitative approach and did not incorporate in-depth quantitative methods necessary for objective and comprehensive evaluation. From the perspective of businesses and investors, Nguyen et al. [5] and Tran [19] contend that prior to the enactment of the Housing Law No. 27/2023/QH15, enterprises encountered numerous obstacles, including complex investment procedures, limited land availability, restricted access to financing, inappropriate urban planning, insufficient support from local authorities, and volatile construction material prices. Furthermore, Nguyen [8] in her Doctoral Thesis examined housing market indicators and identified a persistent mismatch between supply and demand across housing segments. The findings indicate a surplus of high-end apartments, villas, and townhouses, while low-profit segments such as social housing remain chronically undersupplied. Additionally, Xuan [20] asserts that procedural barriers in the investment process constitute the primary constraint on expanding social housing supply.

Studies on financial policies and funding sources for social housing investment [5], [9], [21], [22], [23], [24] consistently highlight that, beyond the issue of limited capital, investors face significant challenges in accessing preferential financing. Nhung [21] in her doctoral thesis evaluated the constraints in utilizing financial instruments for social housing development, identifying four primary contributing factors: capital availability,

taxation, credit accessibility, and pricing mechanisms. Nguyen [9] further emphasized that investors frequently encounter complex capital structures and stringent borrowing regulations. As a result, developers often rely on high-interest loans, leading to capital costs that surpass the expected return on investment, thereby discouraging participation in the sector. In addition, Hoa [22], Nhat [23], and Nguyen et al. [24] provided comprehensive analyses of financial policy frameworks for social housing across different periods—2009–2013 and 2013–2021. These studies proposed several policy adjustments aimed at enhancing the mobilization of investment resources, with a particular focus on increasing the effectiveness of financial incentives to attract both public and private sector participation in social housing development.

Furthermore, several studies have indicated that existing preferential policies are neither sufficiently attractive nor robust enough to incentivize the participation of enterprises and large economic groups in the social housing sector [9], [21], [25]. Specifically, Nguyen [9] in her paper, which investigated factors influencing investor engagement in social housing development in Vietnam, identified "*enterprises achieving expected profits*" and the presence of "*attractive and transparent incentives for investors*" as the most influential determinants of investor participation. Nhung [21] and Tuan [25] further emphasize that social housing projects typically require substantial capital investment, yet they offer relatively low profit margins, are subject to high interest rates, involve short loan durations, and have extended capital recovery periods—all of which serve as disincentives to potential investors. Notably, Nhung [21] also underscored the inadequacies in corporate income tax and value-added tax incentive policies, suggesting that reforms in these areas are essential to enhance investment appeal. From the perspective of the investors, Tuan [25] proposed a research framework encompassing government-related and external environmental factors, *identifying land scarcity as a critical constraint on the development of housing for low-income populations in Hanoi*. This shortage of available land significantly reduces profit margins for investors, thereby limiting private sector engagement. Xuan [20] provided further analysis of the 20% land allocation model, highlighting legal inconsistencies and conflicts in the selection process for project developers. The existing body of literature confirms that multiple interrelated factors influence the supply of social housing. Although the government has introduced various incentives—such as preferential land allocation, tax reductions, fee exemptions, and profit guarantees—these measures have proven insufficient in attracting construction firms and private investors to the sector. A key limitation lies in the constrained and budget-dependent nature of capital sources.

Based on a comprehensive review of both Vietnam and international studies, the authors identify three major categories of challenges commonly encountered in social housing investment and development: (1) the adequacy and effectiveness of policies and legal frameworks supporting the social housing market; (2) the commitment and facilitation efforts of local authorities; and (3) the availability and implementation of incentive policies for investors and enterprises engaged in social housing construction. Synthesizing findings from the aforementioned studies, the authors identified twelve key factors influencing the supply of social housing. These factors are categorized into three distinct groups, as presented in Table 1. However, there has been virtually no research analyzing the capabilities of enterprises involved in the construction of social housing.

Table 1 *Determinants affecting the supply of social housing*

No.	Factors	Reference	Symbols
I	Regulatory Frameworks and Policies Governing Social Housing		
1	Legal regulations remain overlapping and inconsistent	[6], [8], [12], [18]	NN1
2	Legal regulations are subject to delays in review, amendment, and supplementation	[6], [8], [18]	NN2
3	Regulations governing investment procedures in construction are complex and time-consuming.	[6], [8], [18], [19], [20]	NN3
4	Regulations governing the determination of selling, rental, and lease-purchase prices are inadequately justified	[18], [19]	NN4
5	Insufficient policy support for small and medium-sized enterprises to invest in social housing	[15], [20], [21]	NN5
II	Local authorities		
6	Local authorities have not yet allocated independent land funds	[6], [10], [12], [14], [16], [19], [20], [25]	NN6
7	Local authorities have not yet issued specific guidelines regarding procedures for construction investment.	[9], [10], [19]	NN7
8	Local authorities exhibit delays in facilitating infrastructure assistance	[9], [11], [18], [19]	NN8
III	Promotions for investors		
9	The preferential policies available to investors are insufficiently attractive	[10], [12],[15], [21], [22], [24], [25]	NN9
10	Investors experience low profitability	[7], [9], [16], [21], [22], [23], [24]	NN10
11	Access to financial resources for social housing development remains a significant challenge for investors and businesses	[9], [11], [21], [22], [23], [24]	NN11
12	The capital support package lacks sufficient attractiveness to incentivize investment	[6], [9], [11], [21], [22], [23], [24], [25]	NN12

3. Research Design and Methodology

3.1 Research Procedure

The research was conducted following a systematic procedure as outlined below:

Step 1: Literature Review - Secondary data were collected through a comprehensive review of both domestic and international studies related to the topic; 12 cause/factors were identified and are presented in Table 1 (from NN1 to NN12).

Step 2: Conducted in-depth interviews with 15 experts, which supplemented two additional factors within the group of 'The capacity of businesses engaged in social housing construction,' namely: Limited capacity of businesses constructing social housing (Factor NN13); and Businesses engaged in social housing construction often fail to meet the creditworthiness criteria required to access capital (Factor NN14). Based on the interviews, we developed a questionnaire for the survey.

Step 3: A questionnaire survey was conducted with 120 experts.

Step 4: Data Analysis and Synthesis - Based on the data collected in Step 3, a quantitative synthesis and analysis of the identified factors was conducted.

Step 5: Analyze the results, followed by discussion and conclusions.

Specifically, the research design is illustrated in Fig. 2

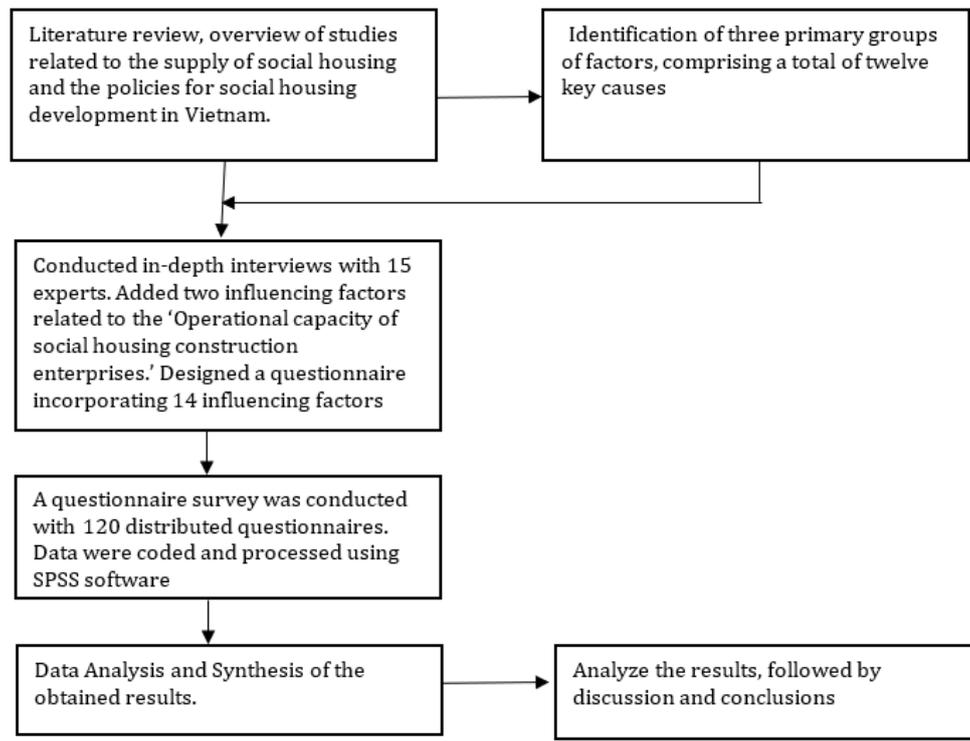


Fig. 2 *The research design*

3.2 Research Methodology

This study adopts a mixed-methods approach, integrating both qualitative and quantitative research methods. Specifically:

3.2.1 Qualitative Research Method

(1) Methods of data collection, synthesis, analysis, evaluation, and comparison: The authors collected and systematized relevant theoretical and empirical studies from both Vietnam and international contexts. A general assessment of previous research findings was conducted to highlight achievements and provide evidence of the novelty and non-duplication of the present study. In parallel, by comparing legal regulations with actual conditions, the authors synthesized secondary data on the factors influencing the supply of social housing. As a result, three groups comprising twelve influencing factors were identified, as presented in Table 1.

(2) In-depth interview: This method was employed to analyze the factors influencing the supply of social housing that had been previously identified. The authors conducted a preliminary investigation through expert interviews to refine the survey questionnaire. The experts included individuals with extensive experience working in state management agencies, investors, construction enterprises, and credit institutions related to social housing. Through the consultation process, the authors reached a consensus to supplement a new group of factors - 'The capacity of businesses engaged in social housing construction' - with two additional influencing factors (NN13 and NN14), as presented in Table 2.

The outcome of the qualitative research phase was the development of a survey questionnaire comprising four main groups of factors, measured using a five-point Likert scale. The degree of influence of each factor was rated from 1 (no influence) to 5 (very strong influence)

Table 2 *Determinants affecting the supply of social housing proposed in this research*

No.	Factors	Reference	Symbols
I	Regulatory Frameworks and Policies Governing Social Housing		
1	Legal regulations remain overlapping and inconsistent	[6], [8], [12], [18]	NN1
2	Legal regulations are subject to delays in review, amendment, and supplementation	[6], [8], [18]	NN2
3	Regulations governing investment procedures in construction are complex and time-consuming.	[6], [8], [18], [19], [20]	NN3
4	Regulations governing the determination of selling, rental, and lease-purchase prices are inadequately justified	[18], [19]	NN4
5	Insufficient policy support for small and medium-sized enterprises to invest in social housing	[15], [20], [21]	NN5
II	Local authorities		
6	Local authorities have not yet allocated independent land funds	[6], [10], [12], [14], [16], [19], [20], [25]	NN6
7	Local authorities have not yet issued specific guidelines regarding procedures for construction investment.	[9], [10], [19]	NN7
8	Local authorities exhibit delays in facilitating infrastructure assistance	[9], [11], [18], [19]	NN8
III	Promotions for investors		
9	The preferential policies available to investors are insufficiently attractive	[10], [12],[15], [21], [22], [24], [25]	NN9
10	Investors experience low profitability	[7], [9], [16], [21], [22], [23], [24]	NN10
11	Access to financial resources for social housing development remains a significant challenge for investors and businesses	[9], [11], [21], [22], [23], [24]	NN11
12	The capital support package lacks sufficient attractiveness to incentivize investment	[6], [9], [11], [21], [22], [23], [24], [25]	NN12
IV	The capacity of businesses engaged in social housing construction.		
13	Limited capacity of businesses constructing social housing	Developed by the authors	NN13
14	Businesses engaged in social housing construction often fail to meet the creditworthiness criteria required to access capital.	Developed by the authors	NN14

3.2.2 Quantitative Research Method

This method is employed to identify and assess the factors influencing social housing development by evaluating the values, reliability, and suitability of measurement scales, as well as testing the research model. It enables the quantification of the extent to which each factor exerts influence. The method was implemented in the following stages:

(1) Questionnaire Survey Method

Sampling method: The authors employed a non-random sampling technique, specifically judgement sampling.
Determining Survey Sample Size: Various approaches exist for determining appropriate sample sizes. In this study, Hair's method [26] was applied, recommending a minimum ratio of five observations per analytical variable to achieve 95% reliability. With 14 causes identified, the minimum required sample size was calculated as $5 \times 14 = 70$ questionnaires. A total of 120 questionnaires were distributed, and 114 valid responses were collected. Six

questionnaires were excluded due to a lack of response from recipients. All 114 returned questionnaires were deemed valid.

(2) Stage 2: Conducting a questionnaire survey with the target respondents (as described in Section 4.1), followed by data processing.

The collected data were processed using SPSS statistical software. The Relative Importance Index (RII) was applied to rank the influence of each cause. This method enabled a quantitative assessment of the relative importance of each factor based on expert responses.

RII represents the normalized mean value of a given factor, scaled to range from $1/A$ to 1, where A denotes the highest weight on the measurement scale [16]. In this study, A is assigned a value of 5. The formula for calculating the index is presented as follows:

$$R = \frac{\sum W}{A \times N} \quad (1)$$

In which

W = Weight, ranging from 1 to 5.

A = Highest weight in the scale (5).

N = Total survey sample size (114 responses)

The calculation of the Relative Importance Index (RII) facilitates the comparison of the impact levels of various causes, thereby supporting informed decision-making and the formulation of appropriate solutions.

The categorization of RII values is presented in Table 2 below:

Table 3 Categorize RII

No	Level	Value
1	No influence	$0 \leq RII < 0,2$
2	Slight influence	$0,2 \leq RII < 0,4$
3	Moderate influence	$0,4 \leq RII < 0,6$
4	Strong influence	$0,6 \leq RII < 0,8$
5	Very strong influence	$RII \geq 0,8$

(3) Stage 3: Data analysis.

The reliability of the measurement scales was evaluated using Cronbach's Alpha coefficient and the Corrected Item-Total Correlation. Exploratory Factor Analysis (EFA) was employed following the reliability assessment, based on the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity. Factor analysis was conducted using the Principal Component Analysis (PCA) extraction method, with Varimax rotation applied to the factor matrix.

4. Research Results

4.1 Profile of Survey Respondents

To collect research data, the authors distributed the questionnaire via email or online survey to managers, civil servants, specialists, and experts from state construction management agencies, specialized construction departments, enterprises/investors that have participated in or are currently involved in social housing development, credit institutions, and research organizations. All respondents were currently or had previously been directly engaged in activities related to the investment and construction of social housing. Specifically, the details regarding respondents' work experience and workplace distribution are presented in **Fig. 3** and **Fig. 4**.

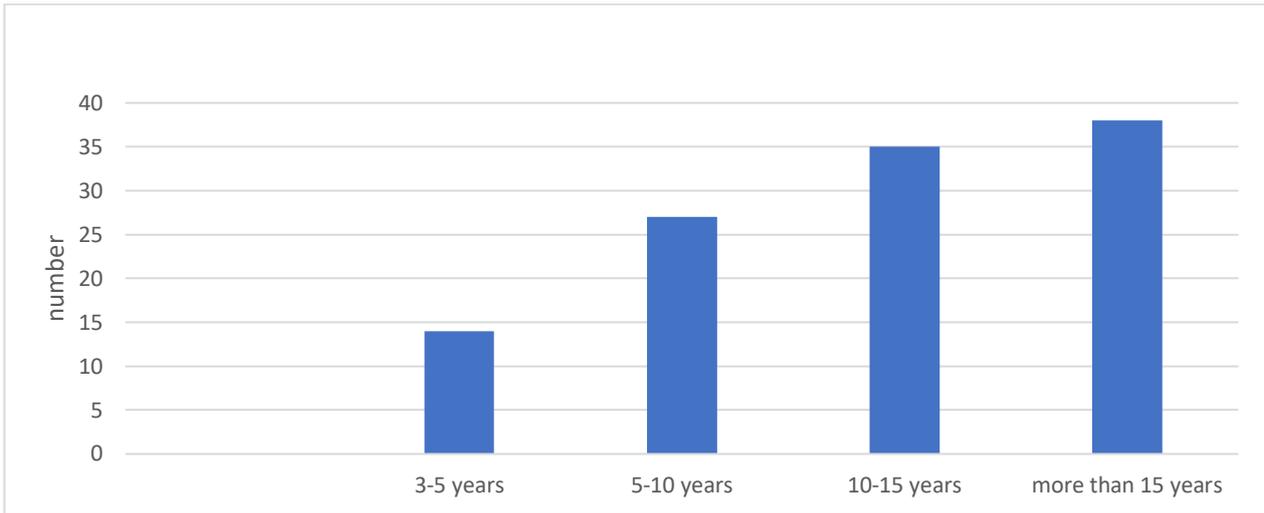


Fig. 3 Information on respondents' years of professional experience

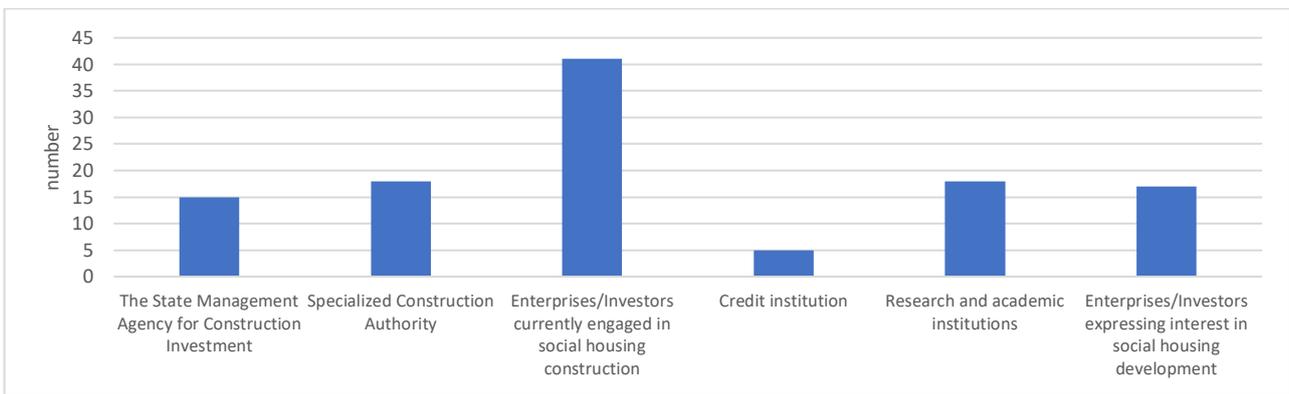


Fig. 4 Information on respondents' places of employment

4.2. Reliability Test of the Measurement Scale Using Cronbach's Alpha

To assess the reliability of the measurement scale, the study employed Cronbach's Alpha - an index reflecting the internal consistency among the observed variables within the same construct. According to Hair et al. (2009) [26], a Cronbach's Alpha coefficient of 0.7 or higher is considered acceptable for reliability. The test results indicate that Cronbach's Alpha reached a value of 0.786, exceeding the recommended threshold of 0.7. This result confirms that the measurement scale is highly reliable and suitable for subsequent Exploratory Factor Analysis (EFA).

Table 4 Reliability statistics

Cronbach's Alpha	N of Items
0.786	14

Table 5 *Item-total statistics*

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
NN1	50.04	38.910	0.394	0.774
NN2	50.10	38.088	0.475	0.767
NN3	49.39	38.469	0.534	0.764
NN4	50.16	37.869	0.415	0.772
NN5	49.63	39.031	0.483	0.768
NN6	49.61	39.903	0.369	0.776
NN7	50.22	38.881	0.341	0.779
NN8	50.45	38.356	0.381	0.776
NN9	49.97	37.973	0.446	0.769
NN10	49.63	38.854	0.418	0.772
NN11	49.70	38.707	0.426	0.771
NN12	49.68	39.227	0.356	0.777
NN13	50.23	39.735	0.317	0.781
NN14	50.45	39.241	0.329	0.780

Table 4 shows that all observed variables have a Corrected Item-Total Correlation higher than 0.3, indicating a reasonable level of association between the observed variables and the overall scale. This result demonstrates that all observed variables make a positive contribution to the scale, and none are excluded from the analysis. Additionally, no observed variable would significantly increase the Cronbach's Alpha coefficient if it were deleted, as all values of "Cronbach's Alpha if Item Deleted" are lower than the overall Cronbach's Alpha coefficient (0.786). Therefore, all 14 observed variables are retained for the subsequent Exploratory Factor Analysis (EFA).

4.3. Results of Exploratory Factor Analysis (EFA)

Before conducting the Exploratory Factor Analysis (EFA), the study assessed the suitability of the data using the Kaiser-Meyer-Olkin (KMO) measure and Bartlett's test of sphericity. This step is essential to evaluate the level of correlation among the observed variables and to determine whether the data are appropriate for factor analysis.

Table 6 *KMO and Bartlett's Test*

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		0.780
Bartlett's Test of Sphericity	Approx. Chi-Square	908.647
	df	91
	Sig.	0.000

The test results indicate that the KMO coefficient reached 0.780, meeting the requirement of being greater than 0.5 as recommended by Hair et al. (2009) [26]. Additionally, Bartlett's test of sphericity yielded a significance value of 0.000, indicating that the correlation matrix among the observed variables is statistically significant and that the data are appropriate for conducting Exploratory Factor Analysis (EFA).

The factor analysis was performed using the Principal Component Analysis extraction method and Varimax rotation. The results show that four factors have eigenvalues greater than 1, with a total explained variance of 77.576%, indicating a good level of variance explanation within the dataset.

Table 7 Total variance explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.881	27.719	27.719	3.881	27.719	27.719	3.571	25.510	25.510
2	3.197	22.836	50.554	3.197	22.836	50.554	3.198	22.846	48.356
3	2.255	16.108	66.663	2.255	16.108	66.663	2.318	16.557	64.913
4	1.528	10.914	77.576	1.528	10.914	77.576	1.773	12.663	77.576
5	0.492	3.513	81.090						
6	0.480	3.432	84.521						
7	0.428	3.057	87.578						
8	0.336	2.402	89.980						
9	0.312	2.230	92.210						
10	0.259	1.852	94.062						
11	0.244	1.741	95.804						
12	0.218	1.560	97.364						
13	0.187	1.337	98.701						
14	0.182	1.299	100.000						

Extraction Method: Principal Component Analysis.

To determine the factor structure among the observed variables, the study employed the Varimax rotation method to clarify the factor structure and facilitate interpretation of the results. Table 8 presents the rotated component matrix, showing the factor loadings of each observed variable after rotation.

Table 8 Rotated component matrix^a

	Component			
	1	2	3	4
NN4	0.878			
NN2	0.862			
NN3	0.830			
NN1	0.820			
NN5	0.809			
NN11		0.899		
NN9		0.893		
NN12		0.873		
NN10		0.872		
NN7			0.883	
NN8			0.875	
NN6			0.845	
NN13				0.914
NN14				0.904

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

The results of the Varimax-rotated component matrix show that all observed variables have factor loadings greater than 0.8. This confirms that the observed variables are statistically significant in measuring the underlying constructs. With high factor loadings, the observed variables are strongly correlated with the corresponding factors, reflecting the model's strong explanatory power. This result also demonstrates that each observed variable plays an important role in defining the specific characteristics of each related factor.

Based on these results, it can be concluded that the rotated factor structure has clearly and reliably identified the factors for measuring the observed variables. The fact that all variables have factor loadings greater than 0.8 confirms the validity of the factors within the model, thereby reinforcing the reliability of the analyses and the study's conclusions based on these factors. Therefore, this factor model can be considered appropriate and highly applicable for future research.

4.4. Assessment of Influential Factors Affecting Social Housing Provision

All 14 identified factors exert an influence on the supply of social housing (Table 9). The variation in impact levels is not substantial, which accurately reflects the multifaceted nature of social housing development—being dependent on a wide range of interrelated factors. Among these, six factors exhibit a very strong level of influence, ranked in the following order: NN3, NN10, NN6, NN12, NN5, and NN11. These results are intended to serve as the basis for recommendations aimed at attracting investment to the sector.

Table 9 Ranking of factors influencing the supply of social housing

No.	Factors	Impact score	Influence level	Rank
I	Regulatory Frameworks and Policies Governing Social Housing			
NN1	Legal regulations remain overlapping and inconsistent	0.749	Strong influence	8
NN2	Legal regulations are subject to delays in review, amendment, and supplementation	0.739	Strong influence	9
NN3	<i>Regulations governing investment procedures in construction are complex and time-consuming.</i>	0.881	<i>Very strong influence</i>	1
NN4	Regulations governing the determination of selling, rental, and lease-purchase prices are inadequately justified	0.726	Strong influence	11
NN5	<i>Insufficient policy support for small and medium-sized enterprises to invest in social housing</i>	0.819	<i>Very strong influence</i>	5
II	Local authorities			
NN6	<i>Local authorities have not yet allocated independent land funds</i>	0.832	<i>Very strong influence</i>	3
NN7	Local authorities have not yet issued specific guidelines regarding procedures for construction investment.	0.714	Strong influence	12
NN8	Local authorities exhibit delays in facilitating infrastructure assistance	0.668	Strong influence	14
III	Promotions for investors			
NN9	The preferential policies available to investors are insufficiently attractive	0.763	Strong influence	7
NN10	<i>Investors experience low profitability</i>	0.835	<i>Very strong influence</i>	2
NN11	<i>Access to financial resources for social housing development remains a significant challenge for investors and businesses</i>	0.821	<i>Very strong influence</i>	6
NN12	<i>The capital support package lacks sufficient attractiveness to incentivize investment</i>	0.823	<i>Very strong influence</i>	4

IV	The capacity of businesses engaged in social housing construction.			
NN13	Limited capacity of businesses constructing social housing	0.731	Strong influence	10
NN14	Businesses engaged in social housing construction often fail to meet the creditworthiness criteria required to access capital.	0.671	Strong influence	13

4.4.1 Factors Related to Policy and Legal Frameworks

Policies and legislation constitute the foundational legal framework governing the investment, construction, and distribution processes associated with social housing. These frameworks are frequently cited as major constraints hindering the attraction of private sector investment in social housing development.

Five principal legal and policy-related factors have been identified as influencing the supply of social housing: (NN1) overlapping and inconsistent legal regulations; (NN2) delays in the review, amendment, and supplementation of existing legal provisions; (NN3) complex and protracted investment and construction procedures; (NN4) unreasonable regulations for determining selling prices, rental prices, and lease-purchase prices; and (NN5) the absence of targeted policies supporting small- and medium-sized enterprises in social housing investment. Among these, the factor concerning the complexity and duration of investment and construction procedures (NN3) is found to exert a significantly stronger impact relative to the others. In particular:

- i. *Complications related to investment procedures are frequently identified as a primary source of frustration among investors, reflected by a high impact score of 0.881 (NN3).* The procedural requirements across all stages of social housing investment and construction are more complex than those associated with commercial housing projects, resulting in prolonged project implementation timelines.

In addition to standard procedures such as urban planning approval, investment policy approval, investor selection through bidding, and land allocation or leasing, social housing projects entail additional steps, including the verification of eligible buyers and tenants, as well as the appraisal of sale and lease prices for social housing units. For projects financed through non-budgetary capital, investors are required to establish pricing and submit it to the provincial People’s Committee for appraisal prior to sale or lease, which further prolongs the investment timeline and increases costs for businesses [6]. Consequently, the investment and construction period for social housing projects is generally longer than that of commercial housing developments.

Moreover, the procedures for approving investment policies and selecting investors are notably complex [6]. The 2023 Housing Law mandates that social housing projects utilizing public land must undergo a bidding process if two or more investors express interest. This requirement can extend the investment period by more than 500 days. While existing legislation—including the Construction Law, Bidding Law, and Public Investment Law—already imposes strict cost controls and limits investor profits to a maximum of 10%, the application of this rule under the Housing Law is considered redundant. As a result, numerous projects experience delays or suspension due to incomplete legal procedures. Investors in this sector encounter significant legal and policy challenges, complicating efforts to develop affordable housing in compliance with state regulations.

- ii. *The second-ranked factor within this group, exhibiting a very strong impact, is the 'lack of policy support for small to medium-sized enterprises investing in social housing' (NN5).*

Currently, small and medium-sized enterprises (SMEs) constitute a substantial proportion of Vietnam’s business sector, representing approximately 98% of all active businesses; however, their participation in the social housing investment sector remains minimal [27]. A primary contributing factor is the lack of targeted state support policies. Specifically, SMEs frequently encounter challenges related to limited financial capacity, restricted access to preferential credit, and deficiencies in project management experience and technical resources necessary for the effective implementation of social housing projects. Moreover, there is presently no dedicated mechanism to provide preferential loans, human resource development support, tax exemptions, or streamlined investment procedures tailored to this group of enterprises in the context of social housing development.

- iii. Additionally, other factors—including ‘overlapping and inconsistent legal regulations,’ ‘delays in the review, amendment, and supplementation of legal regulations,’ and ‘unreasonable regulations governing the determination of selling, rental, and lease-purchase prices’—also exert a strong impact, with impact scores ranging from 0.726 to 0.749.

A stable legal framework mitigates risks and enhances investor confidence in social housing projects. Timely amendments and supplements to legal documents are essential to ensure clarity, comprehensiveness, fairness,

and transparency, thereby facilitating the formation and development of social housing in accordance with state guidelines.

Although the 2014 Housing Law, partially amended in 2023, provides a regulatory basis, several provisions remain outdated and misaligned with current urban development trends, population growth, and housing demand. In particular, standards and eligibility criteria for social housing buyers and renters lack clarity. While the Housing Law specifies criteria such as income level, housing status, and household registration, it does not provide detailed guidance on the verification and documentation of these conditions. This omission has resulted in inconsistent interpretations among ministries and sectors regarding the definition of low income, leading to uneven application processes across different localities.

Furthermore, the 2024 amendment of the Land Law, effective from January 1, 2025, has not been synchronized with the Housing Law and other relevant legislation, including the Construction and Investment Laws, which may cause conflicts during implementation. The Housing Law mandates the designation of land areas for social housing within construction and urban planning frameworks. However, current urban and construction planning primarily emphasize spatial organization, functional zoning, and land use indicators, rather than specific development policies such as those required for social housing.

Regulations governing the selling, leasing, and lease-purchase prices of social housing fail to consider legitimate and reasonable expenses, such as sales organization costs and corporate management fees, while the imposed maximum profit margin of 10% restricts overall investor profitability. Consequently, the market price of social housing often diverges substantially from the original construction cost. Numerous project developers have been compelled to request suspension of sales and subsequent adjustments to selling and leasing prices, including for projects that have already been completed and handed over.

4.4.2 Factors Related to Local Government Authorities: The Commitment and Support Provided by Local Authorities Exert a Significant Influence on Investors

- i. *Land fund constraints for social housing investment (NN6) represent the most critical issue within this group, ranking third among the 14 identified causes and demonstrating a very strong impact.*

This constraint constitutes a major barrier to the expansion of supply in line with projected demand.

During the survey, it was observed that a major concern among investors is the lack of independent land funds specifically allocated for social housing development in many localities. Currently, land for social housing is predominantly derived from the mandated 20% land allocation within commercial housing projects. Between 2015 and 2023, only 18 out of 63 provinces and municipalities allocated independent land for social housing, while 35 localities relied solely on the 20% land quota within commercial projects.

The absence of clearly designated land for social housing in urban and industrial zone planning has led to imbalances—resulting in both shortages and surpluses across different regions. The regulation requiring 20% of land in commercial housing projects to be reserved for social housing has proven inadequate. In major urban centers, where housing demand is high, this land quota is insufficient; conversely, in remote or less populated areas, surplus land remains underutilized. Furthermore, even in cases where land valuation is not required, the procedures for land allocation may extend beyond one year. This delay is a significant factor contributing to the shortage of social housing supply and directly impacts the affordability of selling, leasing, and lease-purchase prices.

- ii. The absence of specific procedural guidelines from local authorities regarding investment in construction is another critical factor that hinders progress and diminishes the effectiveness of social housing project implementation

Despite the existing provisions in the Housing Law, Investment Law, and Construction Law, many localities have yet to issue specific guiding documents concerning procedures for selecting social housing investors, implementing independent social housing projects (not integrated with commercial developments), and defining the required documentation, criteria, responsible authorities, and processing timelines. Furthermore, inconsistencies in interpretation and implementation persist among key departments—including the Department of Construction, Department of Planning and Investment, and Department of Natural Resources and Environment—due to a lack of interdepartmental coordination. These discrepancies create confusion and procedural inefficiencies. In several localities, the absence of a "one-stop shop" mechanism compels investors to engage with multiple administrative offices, resulting in significant delays and administrative burden.

- iii. The slow response of local authorities in supporting infrastructure development has a significant impact on the implementation of social housing projects.

In many localities, investment capital is either not allocated or delayed, resulting in the slow development of essential technical infrastructure such as roads, electricity, water supply and drainage systems, and street lighting. In certain cases, land is allocated without clear plans for infrastructure connectivity, creating substantial challenges during the construction phase. Additionally, the provision of social infrastructure—including schools, healthcare facilities, markets, and parking areas—is frequently inadequate or poorly coordinated. This lack of

synchronization adversely affects the long-term living conditions of residents and has contributed to instances where completed social housing projects remain unsold or unleased [23].

4.4.3 Factors Related to Incentive Policies for Investors

A defining characteristic of social housing projects is their provision of housing units at lower prices compared to other housing types of similar quality, thereby addressing the needs of a substantial segment of the poor and low-income population. To realize this objective, state regulation and support are essential, serving as fundamental prerequisites for attracting private sector investment.

- i. *The factor 'low investor profitability' represents one of the most significant current constraints, ranking second in terms of impact score.*

The state-imposed regulation limiting the profit margin to 10% presents considerable challenges for real estate enterprises, given that inventory turnover typically accounts for only 5% to 7%. Furthermore, prolonged sales periods of one to two years may result in financial losses. Coupled with various procedural inefficiencies and land fund limitations, the controlled selling prices and restricted profit margins remain insufficient. Meanwhile, development costs—including land acquisition, construction, and loan interest—continue to rise, thereby discouraging investor participation in the sector.

- ii. *The factor "capital support package lacks sufficient attractiveness to incentivize investment" constitutes a major barrier to achieving anticipated levels of social housing investment. This factor exhibits a very strong impact and ranks fourth based on the average impact score.*

Capital for social housing development has predominantly been provided through short- and medium-term support packages, which are consequently temporary and lack sustainability. Currently, a support package totaling 120 trillion VND exists; however, it is entirely financed by banks' mobilized deposits rather than state budget capital. This financing structure results in limited preferential loan terms—five years for homebuyers and three years for project investors—and relatively high interest rates (8% per annum for investors and 7.5% for homebuyers), which are only 1.5–2% lower than standard loan rates. As a result, the support package has not effectively attracted borrowers.

Moreover, profits generated from social housing development are generally lower than those from commercial housing projects. These factors collectively contribute to the further constriction of an already insufficient social housing supply.

- iii. *"The preferential policies available to investors are insufficiently attractive" constitutes a significant factor impeding the anticipated growth of social housing supply.*

Investors constitute key stakeholders in the development of social housing. However, existing regulations regarding incentives and support mechanisms for investors are neither sufficiently attractive nor effective. For example, provisions allowing monetary compensation in lieu of allocating 20% of land for social housing in projects under five hectares, or permitting developers to increase construction density and floor area ratio without corresponding increases in population targets, fail to provide tangible benefits to investors. Furthermore, incentives such as exemptions or reductions in land use fees, land leases, value-added tax (VAT), and preferential bank loans predominantly benefit buyers rather than investors, as these state incentives are excluded from the selling, leasing, or lease-purchase prices. Consequently, investors primarily receive incentives related to corporate income tax, clean land funds, and off-site infrastructure support [23]. Additionally, corporate income tax incentives for businesses developing social housing projects solely for rental purposes are not explicitly regulated under the current enterprise law.

Accessing these incentives and support policies involves complex administrative procedures that demand considerable time and resources. According to Clause 4, Article 8 of Decree No. 100/2024/ND-CP, when an investor in a social housing construction project has paid land use fees, the provincial People's Committee is responsible for considering and deciding on refunds or deductions of these fees, calculated as of the date the State authorizes a change in land use purpose [4]. Nonetheless, many businesses have yet to receive such refunds or deductions from provincial People's Committee to date.

- iv. *Difficulties faced by investors and businesses in accessing financial resources for social housing development represent a critical factor that significantly affects supply, ranking sixth among the fourteen identified causes.*

The VND 120 trillion support package has not been effectively disbursed, primarily due to the limited announcement of eligible social housing projects for loans. As of June 2024, only 28 localities have published a list of 68 qualifying projects under the program, with a total loan demand exceeding VND 30 trillion. Of this amount, only VND 1.344 trillion, equivalent to 1.12%, has been disbursed, comprising VND 1.295 trillion allocated to project investors and VND 49 billion to homebuyers.

Furthermore, the slow disbursement of the credit package is attributed to limited bank participation. Currently, participation is restricted to four state-owned banks (Vietcombank, BIDV, Vietinbank, Agribank) and only four commercial banks (TPBank, VPBank, MBBank, Techcombank) out of the 49 licensed banks in Vietnam.

4.4.4 Factors Related to the Capacity of Enterprises to Develop Social Housing

This group comprises two factors: the limited operational capacity of social housing construction enterprises and the failure of these enterprises to meet credit eligibility criteria for loan acquisition. These factors were newly identified and developed by the research team. *Survey results indicate that both causes exert a strong influence, with average impact scores of 0.731 and 0.671, respectively.*

i. The factor "Limited capacity of businesses constructing social housing" exerts a strong impact.

Currently, most social housing projects are implemented by state-owned enterprises or a few large corporations (e.g., Vingroup, Sungroup, BRG, Becamex IDC, Viglacera, HUD, UDIC, Nam Long, Ecopark). Small and medium-sized enterprises participate less frequently due to constraints in capital, experience, technical expertise, and access to supportive policies. This situation is exacerbated by the social housing market's profit caps and fixed selling/leasing prices, while raw material costs and investment expenses continue to rise.

Moreover, some construction enterprises lack specific project management capabilities essential for social housing, particularly in meeting quality, cost, and timeline requirements. They also face difficulties in coordinating with local authorities on legal procedures, land acquisition, site clearance, and post-investment management. Additionally, there is a notable absence of collaboration and joint ventures to facilitate the development of large-scale projects [28].

ii. Additionally, regulatory requirements related to land incentives, capital sources, and verification of financial resources have resulted in some construction enterprises failing to meet credit eligibility criteria for loans.

Challenges include not satisfying credit outstanding balance requirements, lacking sufficient assets to provide credit guarantees, and stringent risk management policies imposed by banks on real estate lending. Consequently, loan interest rates can reach as high as 12–14% per annum.

5. Limitation and Recommendation

This study provides a structured and policy-relevant examination of the constraints affecting social housing development in Vietnam. However, several limitations must be acknowledged. First, the sample size is limited to only 114 valid questionnaire responses, which may not fully capture the diversity of perspectives across the country, especially given the nationwide scope of the research. Second, the geographical scope of the survey was restricted to Vietnam's first-ranked cities, potentially overlooking the distinct challenges faced in lower-tier cities and rural areas. Third, the study is temporally constrained, as data collection was conducted at a single point in time, limiting the ability to observe dynamic changes or long-term trends. Furthermore, due to limited data availability, post-pandemic housing developments are only briefly addressed and require further in-depth investigation. Future research should also focus on examining specific factors—particularly government regulations on housing development—to determine whether increasing regulatory measures leads to beneficial, adverse, or counterproductive outcomes. Such an assessment would necessitate a normative framework and a comprehensive analysis of the associated costs and benefits of regulatory interventions in the housing sector.

Social housing policies seek to establish a public housing sector that operates alongside the private housing market, thereby preventing low-income individuals and industrial park workers from competing directly with real estate investors. The Vietnamese government has enacted numerous decisive policies to accelerate social housing development, the most recent being Resolution No. 201/2025/QH15, issued on May 29, 2025, which pilots specific mechanisms and policies for social housing advancement. However, several critical challenges remain to be addressed in order to meet the target of providing one million social housing units for low-income populations and industrial park workers by 2030. These challenges are outlined as follows:

- Clear assignment of responsibility to local authorities for social housing development is imperative, with explicit definition of their roles in planning and implementation.
- Local authorities should review and update urban and industrial park plans to ensure adequate land allocation for social housing development. For social housing projects, concurrent preparation of general, sub-area, and detailed plans, alongside parallel project appraisal processes, should be permitted to reduce approval timelines by 6 to 9 months.
- Decentralization and resource support are also essential. Provincial People's Committees should be authorized to appoint investors for social housing projects utilizing state-managed land (public land) without requiring competitive bidding, in accordance with the Public Investment Law and Bidding Law. This approach has the potential to reduce investment timelines by more than one year. To facilitate implementation, the Department of Construction should develop and publicly disclose a project list on the websites of the provincial People's Committees and Departments of Construction, as well as on the Ministry of Construction's portal or the housing and real estate market information system, to encourage investor participation. The project list should include: projects with approved investment policies but without selected investors; projects incorporated in housing development programs and plans; and approved land allocations designated for social housing construction.

- Initiate pilot dormitory projects for workers located outside industrial parks should be initiated, especially given the scarcity of land within many older industrial zones. Furthermore, a diversified portfolio of social housing options—including for purchase, rental, and lease-purchase—should be developed, with an emphasis on expanding the rental segment. In the absence of targeted capital support and interest rate subsidies for investors, there is limited motivation for businesses to engage in rental social housing projects.
- Preferential policies for investors in the social housing sector must be rendered more practical and effectively aligned with the responsibilities of local authorities. Specifically: (1) Although investors are exempt from land use fees and are not required to undertake land valuation procedures, delays in land clearance due to inadequate support from local governments significantly hinder project implementation. (2) With regard to funding sources and interest rates, rather than proposing large-scale support packages, such as those totaling hundreds of trillions of VND, that are difficult to disburse due to mismatches in resource allocation, it is more appropriate to allocate targeted financial resources and provide reasonable subsidies. This includes adjustments to interest rates, land access policies, and regulatory flexibility, thereby enabling private investors to develop social housing at affordable prices and facilitating access to homeownership for low- and middle-income citizens through concessional loan schemes. (3) In addition to simplifying legal procedures, the implementation of support mechanisms should be adapted creatively and flexibly to local contexts, particularly to improve investor access to the VND 120 trillion credit package.

To promote sustainable social housing development, it is essential to formulate targeted and appropriate support policies for small and medium-sized enterprises. These policies should encompass financial and technical assistance, as well as initiatives to enhance investment management capacity.

6. Conclusion

Previous studies have identified various factors hindering the development of social housing from different perspectives. Some have focused on financial aspects, others have analyzed policy-related issues, while a number of studies relied on statistical indicators. However, the majority of these investigations were conducted prior to 2021, before the Vietnamese Government significantly increased its commitment to advancing social housing development. Moreover, there remains a lack of comprehensive research that systematically collects and analyzes data on the full range of factors affecting the supply of social housing.

This research identified fourteen factors impeding the supply of social housing, revealing multiple bottlenecks arising from policy and legal frameworks, the roles of local authorities, investor incentives, and the operational capacity of social housing construction enterprises. Despite limited resources, the government's targets remain ambitious. The primary factors constraining social housing supply include complex and prolonged investment and construction procedures, low investor profitability, insufficient land allocation, inadequate capital support, lack of targeted support policies for small and medium-sized enterprises engaged in social housing investment, and difficulties faced by investors in accessing financial resources. Among the various factors, housing policy plays a particularly critical role. Social housing policy must be understood as a mechanism for establishing a public housing sector that operates alongside the private housing market, thereby preventing low-income populations from being forced to compete directly with real estate investors. Such a policy framework must be comprehensive and coherent, encompassing legal regulations governing investment and construction procedures, mechanisms for mobilizing resources (e.g., land, finance, taxation), and incentive structures for both buyers and developers. It is essential that the policy clearly identifies the eligible beneficiaries and providers within the social housing system. The challenges surrounding social housing are not solely issues of banking, developers, or supply constraints; rather, they reflect the broader institutional framework designed and governed by the state. As such, the effectiveness of social housing development is largely contingent upon the government's regulatory capacity and commitment.

In addition to identifying six critical determinants, the study introduces two novel factors related to the capacity of investors involved in social housing construction, both demonstrating significant impact. The findings elucidate the underlying causes of the limited supply and inform several recommendations to promote the development of the social housing market.

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Conflict of Interest

Authors declare that there is no conflict of interests regarding the publication of the paper.

Author Contribution

The authors confirm contribution to the paper as follows: **study conception and design:** Hung Viet Ngo, Nguyen Thi Tuyet Dung; **data collection:** Nguyen Thi Tuyet Dung, Ngoc Bao Ngo; **analysis and interpretation of results:** Hung Viet Ngo, Nguyen Thi Tuyet Dung; **draft manuscript preparation:** Nguyen Thi Tuyet Dung, Ngoc Bao Ngo. All authors reviewed the results and approved the final version of the manuscript.

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