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Social Housing Development for Industrial Workers and Low-Income Laborers in the Context of Urbanization: The Case of Vung Tau City, Vietnam (2021–2030)

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Abstract

Urbanization and industrial growth have significantly increased housing demand in many Vietnamese cities, particularly in areas with strong industrial and service-sector development. In recent years, Vung Tau City has experienced rapid urban expansion associated with industrial activities, logistics services, tourism, and labor migration. These processes have generated increasing demand for affordable housing among industrial workers and low-income laborers.

This study analyzes social housing development in Vung Tau City during the 2021–2030 period within the broader context of urbanization. The research used both secondary and primary data sources, including statistical reports, housing development plans, legal documents, questionnaire surveys, and interviews with industrial workers and local stakeholders. Descriptive statistics, comparative analysis,

and qualitative synthesis were applied to evaluate housing demand, housing supply, and the major constraints affecting social housing development.

The results indicate a considerable imbalance between housing demand and available social housing supply in Vung Tau City. Rising land prices, limited urban land reserves, and lengthy administrative procedures continue to constrain project implementation and housing accessibility for industrial workers and low-income households. Consequently, many migrant workers still rely on small-scale rental accommodation with inadequate living conditions. The study suggests that stronger land-use planning coordination, preferential financing mechanisms, and greater private sector participation are necessary to improve housing accessibility and support sustainable urban development.

Keywords: Social Housing, Industrial Workers, Low-Income Laborers, Urbanization, Housing Affordability, Vung Tau City

1. Introduction

Rapid urbanization and industrialization have significantly reshaped urban development patterns in Vietnam over the past decade. The expansion of industrial zones, seaport systems, and urban infrastructure has accelerated labor migration and increased demand for affordable housing, particularly among industrial workers and low-income households (Seo & Kwon, 2017).

Ba Ria – Vung Tau Province is located in the Southern Key Economic Region and plays an important role in regional industrial and maritime economic development. Due to its strategic location adjacent to Ho Chi Minh City, Dong Nai Province, and the East Sea, the province has favorable conditions for industrial expansion, logistics, tourism, and urban development.

According to the Statistical Yearbook of Ba Ria – Vung Tau Province, the provincial population reached 1,187,501 people in 2023, of which the urban population accounted for 60.92%. The labor force aged 15 years and above was estimated at approximately 629,415 people, equivalent to nearly 53% of the total population. In addition, Phu My City has emerged as one of the major industrial centers in the province, attracting a large number of migrant workers from neighboring provinces.

The rapid growth of urban population and industrial labor has substantially increased housing demand in urban areas, especially demand for affordable housing and social housing. However, rising land prices, limited housing supply, and increasing pressure on urban infrastructure continue to constrain housing accessibility for industrial workers and low-income households. Many workers still rely on temporary rental accommodation with inadequate living conditions and limited access

to urban services (JICA, 2016) [13].

In this context, social housing development has become an important component of urban social policy and sustainable urban development in Vung Tau City. Therefore, this study examines social housing development for industrial workers in the context of urbanization in Vung Tau City during the 2021–2030 period, with emphasis on housing demand, development challenges, and policy implications.

According to the provincial planning approved under Decision No. 1629/QĐ-TTg, Ba Ria – Vung Tau Province is expected to continue developing as a regional center for seaport services, logistics, tourism, and industrial production during the 2021–2030 period, thereby increasing urbanization pressure and housing demand in major urban areas such as Vung Tau City (Thủ tướng Chính phủ, 2023) [26].

2. Literature Review and Policy Framework

2.1 Social Housing for Industrial Workers and Low-Income Laborers

The provision of social housing has become a critical component of urban housing policy in rapidly urbanizing and industrializing economies. In Vietnam, accelerated industrial expansion and labor mobility have substantially increased housing demand in major urban and industrial centers. Under the Housing Law 2023, social housing refers to state-supported housing developed for eligible beneficiaries, particularly low-income households, industrial workers, migrants, and socially vulnerable groups with limited access to commercial housing markets (Housing Law 2023).

Industrial workers are widely recognized as one of the most housing-vulnerable groups in urban areas. The expansion of industrial parks and export-oriented manufacturing has intensified rural–urban migration, resulting in increased pressure on urban housing systems and public infrastructure. Nevertheless, the growth of affordable housing supply has remained relatively limited compared to labor demand. Consequently, many workers continue to depend on informal rental housing characterized by overcrowding, inadequate sanitation, and poor living environments (JICA, 2016) [13].

Housing affordability has become increasingly challenging for industrial workers due to rising land values, increasing construction costs, and escalating urban living expenses. Previous studies have indicated that the mismatch between workers' income levels and commercial housing prices has reduced access to formal housing markets for low- and middle-income households (Seo & Kwon, 2017). As a result, social housing programs are considered essential instruments for improving housing accessibility and maintaining social stability in industrial and urban areas.

From the perspective of sustainable urban development, social housing contributes not only to improving living conditions but also to labor retention, social inclusion, and urban resilience. Nguyen *et al.* (2023) emphasized that expanding social housing supply for industrial workers is necessary to support long-term industrial development and sustainable urbanization in Vietnam.

In Vietnam, social housing development for industrial workers and low-income laborers has become an increasingly important policy issue in rapidly industrializing regions. Previous studies indicate that labor migration and industrial expansion continue to generate substantial

pressure on urban housing systems and local infrastructure. In industrial provinces such as Bac Giang, the development of worker housing has been identified as an urgent task to maintain labor stability and support long-term industrial growth (Nguyen *et al.*, 2024). In addition, studies conducted in several industrial and urban areas in Vietnam have shown that the effectiveness of social housing programs is closely associated with institutional coordination, land-use planning, investment capacity, and local governance mechanisms (Shin *et al.*, 2023; Nguyen & Nguyen, 2023). These conditions suggest that the shortage of affordable housing is not limited to a single locality but has become a common challenge across rapidly urbanizing and industrializing cities in Vietnam, including Vung Tau City.

Existing studies generally indicate that social housing shortages in Vietnam are closely associated with rapid industrialization, labor migration, and institutional limitations in affordable housing provision.

2.2 Urbanization and housing pressure in Vung Tau City

Urbanization has significantly altered the spatial and socio-economic structure of Vietnamese cities over the past decade. The rapid growth of industrial production, logistics activities, and urban services has accelerated population concentration and labor migration into urban areas, thereby increasing pressure on housing systems and urban infrastructure. Previous research has shown that rapid urbanization is often associated with housing shortages, declining housing affordability, and increasing demand for low-cost housing solutions (Seo & Kwon, 2017).

Located within the Southern Key Economic Region, Ba Ria – Vung Tau Province possesses strategic advantages for industrial and urban development due to its coastal location, deep-water port system, and connectivity with Ho Chi Minh City and Dong Nai Province. In recent years, Vung Tau City and Phu My City have emerged as important industrial and logistics hubs attracting substantial flows of migrant labor and industrial workers.

According to the Statistical Yearbook of Ba Ria – Vung Tau Province, the provincial population reached approximately 1.19 million people in 2023, with the urban population accounting for more than 60% of the total population. The rapid increase in industrial workers and migrants has considerably intensified demand for affordable housing and worker accommodation.

Despite favorable economic growth conditions, housing accessibility remains constrained for many low-income workers. Rapid urban expansion, rising land prices, and limited affordable housing supply have reduced the ability of industrial workers to access commercial housing. Consequently, a significant proportion of workers continue to rely on privately rented accommodation with inadequate infrastructure and limited access to urban services.

These conditions indicate a growing imbalance between housing demand and housing supply in Vung Tau City and surrounding industrial areas. Therefore, the development of social housing has become increasingly important in addressing housing pressure generated by rapid urbanization and industrial growth.

These findings suggest that urbanization pressure in rapidly industrializing cities is strongly associated with increasing housing demand and declining housing affordability among migrant workers.

2.3 Policy framework for social housing development

Vietnam has progressively strengthened its institutional and regulatory framework for social housing development through various housing policies and national housing programs. The Housing Law 2023 and Decree No. 100/2024/ND-CP currently provide the principal legal foundation for the development, allocation, and management of social housing projects. In addition, Decree No. 94/2024/ND-CP strengthened regulations on housing information systems and real estate databases in order to improve transparency and management efficiency in the housing sector (Chính phủ, 2024) [2].

At the provincial level, the Housing Development Program of Ba Ria – Vung Tau Province for the 2021–2030 period also identified social housing development as an important policy priority associated with affordable housing provision for industrial workers and low-income households (Ủy ban nhân dân tỉnh Bà Rịa – Vũng Tàu, 2023).

Existing policies encourage diversified investment mechanisms, including state-funded housing projects, private sector participation, public–private partnerships, and trade union-supported housing models for industrial workers. In addition, several incentive schemes related to land-use exemptions, tax reductions, and concessional credit programs have been implemented to attract investment in the social housing sector (Nguyen *et al.*, 2023).

National housing development strategies have also emphasized the importance of increasing affordable housing supply for low-income households and industrial workers in urban areas. These strategies aim to improve housing accessibility, reduce housing deficits, and support sustainable urban development in rapidly industrializing regions.

Despite these policy efforts, the implementation of social housing projects remains constrained by several structural and institutional barriers. Previous studies have identified key challenges including land scarcity, lengthy administrative procedures, limited financial resources, and relatively low profit margins for developers. In some cases, delays in land clearance and project approval processes have significantly affected project implementation and housing supply expansion.

As a result, the shortage of affordable housing for industrial workers continues to be a major challenge in rapidly urbanizing cities such as Vung Tau City. Strengthening institutional coordination, improving financing mechanisms, and enhancing private sector participation are therefore considered essential for promoting sustainable social housing development in Vietnam.

In recent years, Vietnam has gradually strengthened the legal and institutional framework for social housing development through major policy reforms and national housing programs. The Housing Law 2023 and the national target of developing at least one million social housing units by 2030 have established an important policy foundation for expanding affordable housing supply nationwide. In addition, preferential credit programs and financial support mechanisms have been introduced to encourage investment in social housing projects, although implementation in many localities continues to face constraints related to capital accessibility and administrative procedures (Dang, 2024) [3]. Recent institutional adjustments have also contributed to improving administrative transparency, promoting private sector participation, and enhancing management efficiency

in the social housing sector (Luu, 2025) [14]. These policy changes provide favorable conditions for strengthening social housing development in rapidly urbanizing cities such as Vung Tau City.

3. Materials and Methods

3.1 Data Collection

This study was conducted using both secondary and primary data sources to examine social housing development for industrial workers in Vung Tau City during the period of rapid urbanization from 2021 to 2030.

Secondary data were collected from statistical yearbooks, socio-economic reports, legal documents, housing policies, and previous studies related to urbanization, labor migration, housing affordability, and social housing development in Vietnam. Relevant information from provincial authorities and housing reports was also reviewed to provide an overview of urban growth and housing conditions in the study area.

Primary data were collected through questionnaire surveys and semi-structured interviews with industrial workers, migrant laborers, low-income households, and local stakeholders in Vung Tau City. The survey mainly focused on current housing conditions, housing affordability, housing demand, and accessibility to social housing programs.

3.2 Data Analysis

The collected data were processed using Excel and SPSS software. Descriptive statistics were used to summarize housing conditions, housing demand, and affordability among industrial workers. Comparative analysis was also applied to evaluate the relationship between urbanization and housing pressure in Vung Tau City. In addition, qualitative information obtained from interviews and relevant documents was synthesized to identify major challenges affecting social housing development, particularly limited housing supply, rising housing costs, labor migration, and increasing pressure on urban infrastructure.

The minimum sample size was determined based on the regression approach proposed by Carakostas and Green (1991), which has been commonly applied in housing-related studies using non-probability sampling techniques. During the survey process, 800 questionnaires were distributed, of which 700 valid responses were retained for analysis following data screening and quality control procedures. The survey data were processed using SPSS and Excel software for descriptive statistical analysis (Ủy ban nhân dân tỉnh Bà Rịa – Vũng Tàu, 2025) [32].

The survey was conducted in major industrial and urban areas of Vung Tau City, particularly in locations with high concentrations of migrant workers and low-income households. Respondents were selected using purposive and convenience sampling methods due to accessibility constraints and the mobility of industrial workers.

4. Results and Discussion

4.1 Urbanization and Housing Demand for Industrial Workers and Low-Income Laborers in Vung Tau City Study Area

Vung Tau City is located in Ba Ria–Vung Tau, a coastal province within the Southern Key Economic Region of Vietnam. Owing to its strategic geographical location

adjacent to Ho Chi Minh City, Dong Nai Province, and the East Sea, the province has developed into an important center for seaport services, logistics, tourism, and petroleum-related industries in Southern Vietnam (Do Thi Mien Nam, 2024) [9].

In recent years, the administrative structure of Vung Tau has undergone substantial changes under Vietnam's administrative restructuring policy. Since July 1, 2025, Vung Tau City and Ba Ria–Vung Tau Province have been incorporated into the newly expanded administrative structure of Ho Chi Minh City. The former urban administrative units of Vung Tau were reorganized into four major wards, including Vung Tau, Tam Thang, Rach Dua, and Phuoc Thang, while Long Son retained its commune status. These changes are expected to affect urban governance, infrastructure planning, labor mobility, and future housing development in the area.

Urbanization in Ba Ria–Vung Tau has accelerated alongside industrial expansion and economic restructuring over the past decade. Besides Vung Tau City, Phu My has also emerged as an important industrial and logistics area attracting large numbers of migrant workers and industrial laborers. According to the Statistical Yearbook of Ba Ria–Vung Tau Province, the provincial population reached approximately 1.19 million people in 2023, of which urban residents accounted for 60.92%. The labor force aged 15 years and above was estimated at 629,415 people, representing nearly 53% of the total population (Ba Ria–Vung Tau Statistical Office, 2023).

As a Class-I urban center, Vung Tau recorded an average population of 368,682 people in 2023, with urban residents accounting for approximately 96% of the total population. During the last five years, the city maintained an average annual population growth rate of around 0.92%, reflecting continued urban concentration and spatial expansion (Ba Ria–Vung Tau Statistical Office, 2023).

Rapid industrialization and labor migration have significantly increased demand for affordable housing and worker accommodation. By 2023, several social housing projects for low-income households had been completed in Vung Tau, providing approximately 665 housing units with a total floor area exceeding 58,000 m². Most projects were developed as high-rise apartment complexes integrated with technical infrastructure in order to improve land-use efficiency under conditions of increasing urban density and limited land availability.



Source: Field survey conducted by the author, 2025.

Fig 1: High-rise social housing apartment complexes in Vung Tau City under conditions of increasing urban density

Despite these developments, the supply of affordable housing remains inadequate relative to actual demand,

particularly for industrial workers and migrant laborers. Escalating land values, rising housing costs, and increasing pressure on urban infrastructure have reduced the affordability of commercial housing for low- and middle-income groups. Consequently, many workers continue to depend on informal rental housing characterized by inadequate living conditions and limited access to public services.

Previous studies have suggested that inadequate worker housing may adversely affect labor retention, workforce productivity, and long-term urban sustainability in rapidly industrializing cities (JICA, 2016 [13]; Nguyen *et al.*, 2023). In this context, expanding affordable and accessible social housing has become an important requirement for sustainable urban development in Vung Tau City.

Urbanization and Housing Demand for Industrial Workers

In recent years, urban expansion in Vung Tau City has taken place alongside industrial growth and increasing labor migration. The development of industrial parks, seaport services, logistics activities, and urban services has attracted a large number of migrant workers and low-income laborers, leading to rising demand for affordable housing in the city.

Rapid industrial expansion and labor migration continue to increase housing pressure in Vung Tau City, reflecting broader urbanization trends observed in many southern economic regions of Vietnam. Previous studies indicate that rural-to-urban migration has accelerated urban expansion while placing increasing pressure on housing systems and urban infrastructure (Seo & Kwon, 2017). In addition, housing accessibility among migrant workers is strongly influenced by employment location and household financial conditions (Seo & Kwon, 2017). These conditions have contributed to increasing housing shortages and infrastructure pressure in rapidly urbanizing areas such as Vung Tau City.

The concentration of industrial activities and population growth has created growing pressure on housing supply and urban infrastructure. Although several social housing projects have been completed in Vung Tau City, providing approximately 665 housing units with a total floor area of more than 58,000 m², the available housing stock remains limited compared to actual demand. Most projects were developed as high-rise apartment buildings in response to increasing urban density and limited land availability.

Housing affordability continues to be a major issue for many industrial workers. Rising land prices and increasing housing costs have reduced access to commercial housing, particularly for low- and middle-income groups. As a result, many workers continue to live in privately rented accommodation with limited living space and inadequate infrastructure conditions.

The shortage of affordable housing for industrial workers has become more evident under rapid urbanization conditions. Inadequate housing conditions may affect labor stability and reduce the attractiveness of the city for long-term workforce development. These findings suggest that expanding social housing supply remains an important requirement for sustainable urban development in Vung Tau City (JICA, 2016 [13]; Nguyen *et al.*, 2023).

4.2 Current Situation of Social Housing Development for Industrial Workers and Low-Income Laborers in Vung Tau City during the 2021–2025 Period

During the 2021–2025 period, rapid urbanization in Vung Tau City occurred simultaneously with the expansion of industrial production, port-related services, logistics activities, and tourism development. As an important urban and economic center of Ba Ria – Vung Tau Province, the city has attracted a considerable number of migrant workers and low-income laborers, resulting in increasing pressure on urban housing demand and social infrastructure systems.

The demand for social housing in Ba Ria – Vung Tau Province has increased considerably in recent years under the combined effects of urbanization, industrial expansion, and population growth. In Vung Tau City, demand for social housing is concentrated mainly among low-income groups, including workers, low-income households, public employees, and households affected by land acquisition and resettlement processes.

According to provincial housing development data, the estimated social housing demand in Vung Tau City by 2030 is approximately 34,539 people, equivalent to about 17,269 housing units. At the provincial level, total social housing demand during the 2021–2030 period is estimated at 66,488 people, corresponding to 32,941 housing units.

Despite ongoing housing development programs, the current supply of social housing remains limited relative to actual demand. Provincial planning data indicate that investment demand for social housing development in Vung Tau City during the 2026–2030 period is projected to increase significantly, particularly for housing targeted at low-income households.

In addition, rapid urbanization and increasing land values continue to create pressure on housing affordability and housing accessibility in urban areas. Existing studies on worker housing conditions in Vietnam indicate that many migrant laborers continue to depend on small-scale rental accommodation located near industrial zones due to limited access to formal housing programs. These rental housing forms are often characterized by limited living space and inadequate infrastructure conditions.

The imbalance between housing demand and housing supply has therefore become increasingly evident in rapidly urbanizing areas such as Vung Tau City. These conditions suggest that expanding affordable and accessible social housing remains an important requirement for sustainable urban development and long-term labor stability in the city.

According to the provincial social housing development plan, total demand for social housing in Vung Tau City during the 2021–2030 period is estimated at approximately 34,539 people, equivalent to 17,269 housing units. Demand during the 2021–2025 period accounts for the largest proportion, estimated at around 29,398 people and 14,699 housing units, while projected demand for the 2026–2030 period is approximately 5,141 people and 2,570 housing units. These figures indicate that housing demand for industrial workers and low-income households increased substantially during the initial stage of urban expansion and industrial development in the city.

Provincial housing development projections indicate that demand for social housing in Vung Tau City is expected to rise considerably during the 2021–2030 period, particularly in the context of rapid industrial expansion and increasing

labor migration. Detailed estimates of housing demand are presented in Table 1.

Table 1: Social housing demand in Vung Tau City during the 2021–2030 period

Indicator	Total demand	2021–2025	2026–2030
Number of people	34,539	29,398	5,141
Housing units	17,269	14,699	2,570

Source: Compiled by the author from Ba Ria–Vung Tau Provincial Social Housing Development Plan (2025).

Table 1 shows that social housing demand in Vung Tau City was concentrated mainly in the 2021–2025 period, accounting for approximately 85% of total projected demand during the study period. This trend reflects the rapid increase in migrant labor and population concentration associated with industrial and urban development. Demand for affordable housing originated not only from industrial workers but also from employees working in logistics, tourism, trade, and urban service sectors.

Although several social housing projects have been implemented, the existing housing supply remains relatively limited compared to actual demand. By 2025, Vung Tau City had completed approximately 665 social housing units with a total floor area exceeding 58,000 m². Most projects were developed as high-rise apartment buildings in order to improve land-use efficiency under conditions of limited urban land availability and increasing construction density. However, compared with the projected demand of more than 17,000 housing units by 2030, the current housing stock remains insufficient.

Although several social housing projects have been implemented in recent years, the overall housing supply in Vung Tau City remains relatively limited compared with increasing demand from industrial workers and low-income households. Existing social housing projects are summarized in Table 2.

Table 2: Existing social housing projects in Vung Tau City

Project	Floor area (m ²)	Housing units
13 Ly Thuong Kiet Apartment Building	5,610	66
Chi Linh A Social Housing Area	38,335	451
IDICO Social Housing Project	2,887	24
Social Housing Project for Provincial Military Command Forces	11,226	114
Total	58,058	665

Source: Compiled by the author from field survey data, 2025.

Table 2 indicates that the current social housing supply in Vung Tau City depends largely on a limited number of projects, particularly the Chi Linh A Social Housing Area, which accounts for the majority of completed housing units. The limited number of projects and relatively small housing stock demonstrate that the pace of social housing development has not yet matched increasing demand generated by urbanization and labor migration.

Compared with larger metropolitan and industrial centers such as Hanoi and Ho Chi Minh City, social housing development in Vung Tau City remains relatively modest despite the growing housing demand generated by urban expansion and labor migration. This situation reflects several persistent challenges commonly observed in rapidly urbanizing cities in Vietnam, including limited land

availability, financial constraints, and lengthy administrative procedures affecting project implementation (Tran, 2025; Nguyen & Nga, 2024).

Housing accessibility also remains a significant issue for industrial workers and low-income households. Rising land values and increasing housing costs have reduced access to commercial housing, particularly for workers with relatively low and unstable incomes. Consequently, many migrant workers continue to depend on privately rented accommodation located near industrial and service areas. These rental units are generally characterized by small living spaces, inadequate infrastructure conditions, and limited access to public services.

In addition to housing supply constraints, the development of social housing in Vung Tau City continues to face difficulties related to land availability and investment capital. Provincial planning data indicate that land demand for social housing development during the 2026–2030 period is estimated at approximately 77.50 hectares of project land and 4.82 hectares of residential land. By the 2030–2045 period, projected demand remains substantial, requiring an additional 67.80 hectares of project land and 16.98 hectares of residential land.

Future social housing development in Vung Tau City will require substantial land resources under conditions of continuing urban expansion and population growth. Estimated land demand for the upcoming development stages is presented in Table 3.

Table 3: Land demand for social housing development in Vung Tau City

Period	Project land area (ha)	Residential land area (ha)
2026–2030	77.50	4.82
2030–2045 orientation	67.80	16.98

Source: Compiled by the author from field survey data, 2025.

The projected increase in land demand reflects growing pressure on urban land resources as industrial activities, tourism, logistics services, and urban expansion continue to develop. At the same time, investment demand for social housing development is expected to increase considerably in the coming years. According to the provincial housing development plan, estimated investment capital for social housing development in Vung Tau City during the 2026–2030 period is approximately VND 4,492.22 billion and is projected to continue increasing in subsequent development stages.

Overall, although Vung Tau City has recorded several positive outcomes in social housing development during the 2021–2025 period, the imbalance between housing demand and housing supply remains considerable. In the context of continuing urbanization and industrial growth, the expansion of affordable and accessible social housing for industrial workers and low-income groups remains an important requirement for labor stability, urban welfare, and sustainable urban development in the city.

The shortage of social housing supply in Vung Tau City reflects a broader trend observed in many rapidly urbanizing cities in Vietnam. Previous studies in Hanoi indicate that existing social housing projects have only met approximately 33.02% to 43.65% of actual housing demand, although residents generally reported acceptable levels of satisfaction regarding basic housing conditions (Nguyen *et*

al., 2024). In addition, research conducted in industrial and urban areas surrounding Ho Chi Minh City shows that worker housing development often remains inadequately connected to transportation systems and essential social infrastructure such as healthcare, education, and public services (Tong *et al.*, 2025) [28]. These conditions suggest that housing shortages and infrastructure limitations continue to be significant challenges affecting labor stability and sustainable urban development in rapidly industrializing cities, including Vung Tau City.

4.3 Policy Implications for Social Housing Development for Industrial Workers and Low-Income Laborers in Vung Tau City during the 2025–2030 Period

The research results indicate that social housing development in Vung Tau City will continue to encounter considerable challenges during the 2025–2030 period under the impacts of urbanization, industrial expansion, and increasing labor migration. Although several social housing projects have been completed in recent years, the current housing supply remains inadequate relative to the actual demand of industrial workers and low-income households. Similar conditions have been identified in many rapidly urbanizing cities in Vietnam, where affordable housing development has not kept pace with urban population growth and industrialization processes (JICA, 2016) [13].

One of the major issues affecting social housing development in Vung Tau City relates to urban land availability. The expansion of tourism, logistics services, transport infrastructure, and commercial activities has intensified competition for urban land resources, resulting in increasing land values and development costs. According to provincial housing planning data, Vung Tau City is projected to require approximately 77.50 hectares of land for social housing development during the 2026–2030 period, while land demand is expected to continue increasing toward the 2030–2045 period. In the context of limited urban land resources, the allocation and reservation of land funds for affordable housing projects remain important planning challenges.

In recent years, provincial authorities have promoted the implementation of land reservation mechanisms within commercial housing and urban development projects in accordance with housing regulations and planning orientations. However, the implementation process has remained relatively slow due to legal procedures, planning adjustments, land clearance difficulties, and administrative approval processes. Tran (2025) noted that institutional fragmentation, overlapping legal regulations, and procedural complexity continue to reduce the effectiveness of social housing policies and delay project implementation in Vietnam.

Besides land-related constraints, investment capital remains another major barrier affecting the expansion of social housing supply in Vung Tau City. Provincial planning estimates indicate that investment demand for social housing development during the 2026–2030 period may reach approximately VND 4,492.22 billion and continue increasing significantly in subsequent development stages. Nevertheless, compared with commercial housing projects, social housing developments generally generate lower profitability and longer capital recovery periods, thereby limiting the participation of private developers. Nguyen and Nga (2024) similarly emphasized that limited access to

preferential credit and insufficient financial incentives remain important obstacles affecting affordable housing development in Vietnam.

The development of social housing in Vung Tau City continues to encounter various structural challenges related to land availability, investment capital, administrative procedures, and urban infrastructure pressure. Major constraints affecting project implementation are summarized in Table 4.

Table 4: Major Constraints Affecting Social Housing Development in Vung Tau City

Constraint	Key Issues	Implications for Social Housing Development
Urban land constraints	Limited land availability and increasing land values	Difficulties in allocating land funds for social housing projects
Investment and financing	High development costs and limited financial incentives	Reduced participation of private developers
Administrative procedures	Lengthy legal and approval processes	Delays in project implementation and investment progress
Housing affordability	Low and unstable incomes of industrial workers	Limited access to commercial and formal housing markets
Urban infrastructure pressure	Rapid population growth and labor concentration	Increasing pressure on transportation, public services, and urban infrastructure

Source: Authors' synthesis based on JICA (2016) [13], and Nguyen and Nga (2024).

Under these conditions, strengthening financial support mechanisms for both developers and housing beneficiaries becomes necessary. Preferential credit packages, tax incentives, land-use incentives, and infrastructure support mechanisms may contribute to improving project feasibility and encouraging greater private sector participation in social housing development. Previous studies have suggested that expanding public-private partnership models could improve capital mobilization capacity and increase affordable housing supply in rapidly urbanizing areas (Nguyen & Nga, 2024). In addition, expanding preferential housing loan programs for industrial workers and low-income households may improve housing affordability and reduce dependence on informal rental accommodation.

The findings also indicate that social housing demand in Vung Tau City extends beyond industrial workers and includes multiple vulnerable urban groups such as migrant laborers, low-income households, public employees, and households affected by land acquisition and urban redevelopment projects. This reflects the socio-economic characteristics of Vung Tau City as a diversified urban economy associated with industrial production, tourism, logistics services, trade, and port-related activities. Consequently, future housing policies should adopt a broader urban housing approach capable of addressing the housing needs of different social groups rather than focusing solely on worker dormitory development.

In addition to increasing housing supply, improving housing quality and residential conditions should become an important policy priority. Previous studies have shown that many migrant workers in Vietnamese urban areas continue

to reside in small-scale rental accommodation characterized by overcrowding, inadequate sanitation conditions, poor environmental quality, and limited access to public services (JICA, 2016) [13]. UN-Habitat (2024) also emphasized that inadequate housing conditions remain a significant challenge affecting social inclusion and urban sustainability in rapidly urbanizing areas. Such conditions may negatively affect labor productivity, workforce stability, public health, and overall urban welfare.

Therefore, future social housing development should be integrated with transportation systems, healthcare facilities, educational infrastructure, public spaces, and commercial services in order to improve overall living conditions and support sustainable urban development. World Bank (2024) noted that integrated housing and infrastructure planning plays an important role in improving urban resilience and long-term housing sustainability in rapidly urbanizing cities. Provincial development orientations also encourage the development of high-rise social housing projects in order to improve land-use efficiency under conditions of increasing urban density and limited urban land resources. This development orientation is considered relatively appropriate for Vung Tau City, where urban land availability is increasingly constrained by tourism development, infrastructure expansion, and commercial land-use competition. Similar high-density housing models have also been applied in several rapidly urbanizing Asian cities as a strategy for accommodating migrant workers and low-income urban populations while improving land-use efficiency and infrastructure connectivity (UN-Habitat, 2024).

The implementation of social housing policies in Vietnam continues to face challenges related to land allocation, infrastructure development, and administrative procedures. Previous studies indicate that regulatory constraints and delays in infrastructure integration have reduced the effectiveness of social housing programs and limited private sector participation in many urban areas (Dinh *et al.*, 2025) [6]. Therefore, strengthening local planning coordination and improving regulatory implementation are important conditions for achieving affordable housing targets in rapidly urbanizing cities such as Vung Tau City.

To enhance the effectiveness of social housing development in Vung Tau City during the 2025–2030 period, closer coordination between urban planning, land management, and housing policy implementation is necessary. Rather than developing separate and fragmented housing projects, local authorities should encourage integrated planning approaches that combine social housing with transportation networks and essential urban infrastructure. Previous studies have suggested that stronger state involvement in land preparation and infrastructure investment, together with greater participation from the private sector through public-private partnership models, may improve the implementation efficiency of social housing programs in Vietnam (Nguyen *et al.*, 2026). In the case of Vung Tau City, prioritizing social housing development in areas located near industrial zones and major employment centers may contribute to reducing development costs, improving housing accessibility, and strengthening long-term labor stability.

From the perspective of housing beneficiaries, the effectiveness and long-term sustainability of social housing projects depend not only on housing affordability but also on living conditions and access to surrounding urban

services. Previous studies indicate that housing price and the financial capacity of industrial workers remain the most important factors influencing housing accessibility and residential decisions (To *et al.*, 2025) [27]. In addition, environmental quality, surrounding public facilities, transportation accessibility, and the availability of basic urban services such as schools, markets, and healthcare facilities also play important roles in determining residential satisfaction among workers (To *et al.*, 2025) [27]. Therefore, social housing planning in Vung Tau City should consider both economic affordability and the quality of the living environment in order to improve long-term occupancy and labor stability.

To improve the effectiveness of social housing development in Vung Tau City, future housing policies should prioritize integrated urban planning rather than isolated residential projects. Previous studies indicate that affordable housing areas lacking connections with transportation systems and public services may increase spatial segregation and reduce long-term residential sustainability (Sabah, 2025) [24]. Therefore, social housing projects in Vung Tau City should be closely integrated with industrial zones, public transportation, healthcare facilities, and educational infrastructure in order to improve housing accessibility and support long-term labor stability.

Overall, improving access to social housing for industrial workers and low-income households in Vung Tau City requires stronger coordination among local authorities, investors, industrial enterprises, and financial institutions. Expanding land funds, improving financial support mechanisms, simplifying administrative procedures, and integrating housing development with urban infrastructure planning will play important roles in supporting labor stability, social welfare, and sustainable urban development in the city (Nguyen *et al.*, 2023).

5. Conclusion

This study shows that urbanization and industrial growth have significantly increased the demand for social housing in Vung Tau City during the 2021–2030 period. As an important coastal and industrial urban center in Southern Vietnam, the city has attracted a large number of migrant workers and low-income laborers, creating growing pressure on housing supply, urban infrastructure, and land resources. Although several social housing projects have been implemented in recent years, the current housing supply remains limited compared with actual demand.

The research findings indicate that social housing development in Vung Tau City continues to face several challenges related to land availability, rising land prices, investment capital, administrative procedures, and infrastructure capacity. In addition, many industrial workers and migrant laborers still depend on small-scale rental accommodation with limited living conditions and insufficient access to public services. These issues have become more evident under rapid urbanization and industrial expansion.

The study also emphasizes that social housing development should be closely associated with urban planning, transportation systems, and essential social infrastructure in order to improve housing accessibility and long-term residential conditions for workers. In this context, strengthening land reservation policies, preferential financial mechanisms, and public–private partnership models may

improve the effectiveness of social housing programs in Vung Tau City. Furthermore, prioritizing housing development near industrial zones and employment centers may contribute to reducing commuting pressure and supporting workforce stability.

The findings indicate that the imbalance between housing demand and affordable housing supply has become increasingly significant under conditions of rapid urbanization and industrial expansion in Vung Tau City. Without stronger land-use coordination, financing support, and infrastructure integration, social housing programs may continue to face implementation difficulties in the coming development stages.

This study has several limitations. The survey was conducted mainly in selected urban and industrial areas of Vung Tau City and may not fully represent all worker groups in Ba Ria–Vung Tau Province. In addition, housing demand and affordability conditions may change over time due to administrative restructuring and fluctuations in the real estate market. Future research could apply larger-scale surveys and comparative approaches across different industrial cities in Vietnam. Further studies may also examine housing satisfaction and long-term residential stability among industrial workers in rapidly urbanizing urban areas.

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