

ANALYSIS OF SPANISH SOCIAL HOUSING POLICIES IN THE LAST 16 YEARS AND PRELIMINARY NOTES ON THE APPLICABILITY OF SIMILAR SOLUTIONS TO HO CHI MINH CITY

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Abstract

With the increasing inflow of new citizens coming to live in Ho Chi Minh City from the countryside or smaller cities, the still low incomes of most of the existing population and the rapid expansion of the urban area, a solid additional supply of social housing at a more reasonable price to underprivileged people - both residents and immigrants - in Ho Chi Minh City is a must. Social housing policies to adopt have to take into account many factors in order to meet the real demand in both quantity and quality. They should contain the public budget expense and procure the involvement of private developers. In the context of a fast growing city with limited infrastructure, a large number of buildings in need of rehabilitation, and subject to short cycles of high and low sales periods, the steps have to be carefully analysed. The authors focus on understanding social housing policies that have been successfully implemented in Spain over the last 16 years and the results of solutions adopted as circumstances have changed quickly in the country. Despite differences between Spain and Vietnam, some similarities in the socio-economic environment have been found after comparing the fluctuating conditions of the Spanish housing development in the first period with those of Ho Chi Minh City today. The conclusions drawn from Spain have been extrapolated and may be useful to the specificities of Ho Chi Minh City, resulting in a number of recommendations of different solutions for social housing and highlighting the advantages (to learn and apply) and disadvantages (to tackle).

Keywords: social housing; social sustainability; urban development.

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1. Introduction

1.1. The challenges of policy making

The case study chosen illustrates the difficulties arising out of the different choices to make when defining social housing policies. Development-related factors, such as design, location, social inte-

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gration into the urban context and facilities available can have an impact on the acceptance of specific developments, but they are at the same time easily reversible and subject to quick adjustments to be implemented in the next phase(s) of construction. These are factors like the division of use into units for rent and units for purchase, the selection of aid through soft loans to the beneficiaries or through land facilitation to developers, the involvement of private investment as opposed to full state-supported measures, or the delegation of the responsibilities among different authorities versus centralisation may introduce key variations. The effects of such variations will only be clearly distinguished after years of implementation and have profound consequences in the success of the initiative.

One of the first discussions is posed by the choice between rented or owned units. Many parameters enter the delicate balance between the advantages and disadvantages of both solutions. The development of social houses for rent provides an immediate benefit: the beneficiaries do not need to engage into mortgages or make any disbursement to start using the units. This facilitates a higher dynamic of the process and makes it easier to those coming to the city in search of employment so that they will not overload themselves with the financial obligation of the purchase. Yet it is true that the development of housing for rent requires a long-term involvement of the developers, who will see the returns of their investment postponed and their task enlarged with obligations in facility management. In turn, housing for rent may procure a faster rotation, as dwellers may opt for purchasing free units as their income levels increase, giving other beneficiaries a chance to have the same unit in a shorter cycle than that of purchased houses.

The cooperation of private developers will be easier to secure while promoting the construction of units for sale. These units will also generate a higher level of engagement in their occupants and may lead to a more stable environment, but in requiring a stronger initial financial effort to the purchaser it will likely benefit only the upper class of the group in need of assistance. In addition, there will be a fixed term during which the unit cannot be sold by the beneficiary, and a calculation of the maximum selling price upon expiration of the term can bring problems if the volume of units becoming sellable in a determined period is high, competing and interfering with free housing market.

Incentivising the rehabilitation of existing buildings can be very efficient in case of shortage of land, presence of large long-deteriorated zones or lack of infrastructure to link the city with potential new urban areas. That choice requires a special treatment, though, as the rehabilitation must follow certain minimum standards to entitle subsidies, and matching them is closely linked to the local contractors' capabilities.

Administratively, the whole housing provision process will need the involvement of several levels in the state administrative systems, from the central government to municipalities. The efficiency of the process will largely depend on how strong the decision-making of each authority can be. Highly stratified structures, like in the case study of Spain to be analysed later, may bring about territorial inequality and heterogeneous criteria which would be difficult to deal with and manage if the responsible authority is not experienced or strong enough.

These are only some of the many parameters that have to be balanced and combined to procure a positive and predictable outcome of the policies in an environment per se - subject to the instability and cyclic moves of its social and macro-economic components.

1.2. The Spanish case study

The first regulations related to social housing were issued in the early 1950s in European developed economies [1]. In those years, successive changes of regulations had been adapting the policies to the social changes of the last 50 years. Spanish history was strongly influenced by the Civil War

(1936–1939) and the dictatorship of General Franco (1939–1975), or Franco Era [2]. The post-war years, with an international embargo, impoverished a large part of the population who struggled to enjoy housing meeting minimum standards. Those facts, together with the migrations from the countryside mainly between the 1960s and the 1980s and the waves of immigrants from South America and North Africa, produced a quite unique combination of events in Spain. Those events made the issue of social housing become a serious problem to be investigated. In addition, the sharp cycles of high construction market and bubble explosions of the real estate in 1993 and again in 2008 in a country that made the construction one of its major sources of wealth provide a very good example of pursuing successive regulations in an attempt-and-error mode to find an adequate social housing model for the changing circumstances.

The post-war crisis and the exposure to cycles of a high-and-low market may have posed a typical example to analyse how a mature economy has changed its policies to fight the adversities, and therefore provide a valid case study to extract some conclusions applicable to Vietnam and specifically, to Ho Chi Minh City, by trying to learn from good practices from several other countries in the world and to avoid inappropriate measures.

This investigation has focused on the events occurring from 2002 to 2018 in Spanish social housing market, in an attempt to show a model that can be extrapolated in time.

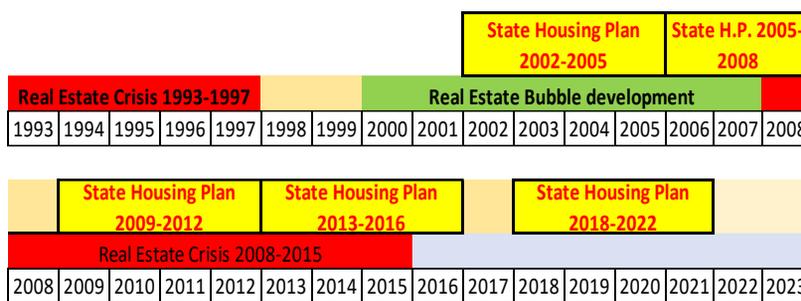


Figure 1. Spanish Real Estate Crisis and correlation with major Estate Housing Plans [24]

2. Objectives and methodology

The goal of this study is to be the first of a series of choosing case studies on social housing policies to analyse their possible application in both developed and developing economies.

The methods to be used include:

- Analysis of the cycles of Real Estate market expansion and collapse, the parallel issuing of different housing plans, and the study on how some measures have proved to be successful, others turned out to be ineffective and a few have driven to worsening of the crisis they intended to mitigate. Relevant aspects of social housing market in Ho Chi Minh City are analysed;

- Correlation of data of the National Institute of Statistics of Spain, publications of the National College of Property Registers, the National College of Notaries and several other specialised publications as well as official websites for the timeline represented in Fig. 1, to investigate the effects of the different policies upon the market, and the changes in policies forced by the market conditions;

- Comparison among the different state housing plans available so far, with an emphasis on the changes introduced by each one of them. Such a comparison has been made to evidence the evolution

and the effects produced, driving to a set of conclusions on do's and don'ts that may be useful in the case of Ho Chi Minh City.

3. Spanish State Housing Plans 2002 to 2022

The Regulations Directly involved in social housing can be listed as follows:

- Decree of 1976 on Social Housing;
- Royal Decree 31/1978, dated October 31st, on social housing (still in force) developed by the Royal Decree 3148/1978, dated November 10th;
- Decree 1494/1987, dated December 4th, establishing the new policy for social housing for the period 1988–1991;
- Royal Decree 727/1993, dated May 14th, on social housing privately developed;
- State Plans for Housing in 2002–2005 and in 2005–2008;
- State Plans for Housing and Rehabilitation in 2009–2012 and in 2013–2016;
- Draft State Plan for Housing and Rehabilitation (draft to be approved in March 2018) [5].

These documents are state regulations [6] that serve as a central guide to the regional autonomies, which according to the Spanish Constitution [7] have the competencies on Territory and Urban Planning cum housing.

a. State Plan for Housing in 2002–2005

The first State Plan of the millennium set many of the targets for its successors, but it came in a time of certain economic stability when the prices of the free market housing were affordable to most of the groups in the Spanish society. Its priorities were notably different: facilitating the access to the first house for young people; improving the quality of social housing to bring them to a higher standard for the less favourable levels in the society; and promoting the mobility of workers through the support to rented social housing. Forecasting a hypothetical shortage of land to develop social housing at competitive prices, this plan contained some dispositions to favour the urbanisation of new areas or the rehabilitation of existing living quarters [8].

b. State Plan for Housing 2005–2008

This plan was strongly impacted by two facts: being the first one of the Socialist Government, eight years after the centre-right party came to power, and being published amidst the peak of the Real Estate boom (Fig. 1), with a sustained trend of increase in the price of free housing over the increase in the salaries since 2001, which had resulted in a strong effort made by the families and the consequent concerns in the Spanish society. Raising the percentage of social housing within the housing market to avoid overheating free housing offer among families with limited income levels being forced into an overheating free housing offer became the main target. For the first time there had been a detailed description of intention and tools to reach a balance between the volumes of owned and rented social housing. These measures were accompanied by several actions to acquire land for construction of social housing [9].

Echoing the alarming situation coming from the uncontrollable growth of free housing prices, this plan focused its priorities on youngsters, large or mono-parental families, the disabled, people over

65 years old and victims of gender violence or terrorism. To evaluate properly these entitlements, this plan introduced for the first time the IPREM, a public index of income that allowed for the calculation of the maximum income levels that would permit the families to apply for the aid. In an attempt to avoid speculation during that specific time of real estate booming, the units should not be classified as free before 30 years, with a minimum period of 10 years before they could be sold at a fixed limited price for 15 years. This last point was a data to remember, as it had important consequences [10].

As mentioned before, that was the first plan which fixed some concrete measures to support the rental market, offering support for the payment of the rental fee and promoting the private development of housing for rent. For this reason, the thresholds to access social houses for rent were established (down to 5.5 times) by the IPREM, the maximum rental fee was fixed, depending on the maximum legal price of the units and the period of financing used. The developers were granted with subsidies for their loans that could reach an average of 2.36% for a ten-year amortisation, and 2.34% for 25-year amortisation [9].

Rehabilitation started to be promoted with remarkable efforts driving to subsidies - up to 40% of the cost of the rehabilitation of the units, 20% for the rehabilitation of the surrounding urbanisation and 50% if the intervention was to be done in marginal housing like slums [9].

c. State Plan for Housing and Rehabilitation 2009–2012

This plan arrived, as shown in Figure 1, in a critical moment when the real estate activity had just crashed, the stock of unsold free houses was growing, but the average prices were still too high for a majority of households, and the global crisis took away additional strength of Spain due to its exceptional exposure to the free-falling construction industry [11]. In this context, the policy makers faced the risk of increasing the stock of housing for purchase to avoid a deeper stagnation of the industry, while still having to rapidly give answer to the increasing number of citizens demanding housing.

In this context, the measures taken are driven towards increasing the protected rental housing, limiting the weight of aid to construction for purchase, and fixing a minimum of 40% of units for renting out of the total new construction. Additionally, it was permitted that the free houses unoccupied were classified as social housing and made use of the related benefits if they are rented out. The subsidies over the loans of social housing developers for rented housing development rose up to 27% in comparison to the previous plan. On rehabilitation, the modifications increasing energy efficiency would be promoted through subsidies that could reach 10% of the investment [12].

d. State Plan for Housing and Rehabilitation 2013–2016 [13]

In the middle of the worst period of the economic crisis with an unemployment rate at 27%, about 680,000 units were available in stock. With a banking sector restricting the lending for private purchase of housing, and 17% of the households renting a house while 83% owning it, the policy makers were compelled to take stronger measures: for the first time there would not be new construction of social housing for sale; only for rent. Up to 40% of the rental fee were subsidised and the developers were given up to 20% of the construction cost when building social housing for rent. Rehabilitation incentives were raised in another attempt to avoid growth of the housing stock but re-use of assets and rotation of dwellers [14].

e. State Plan for Housing and Rehabilitation 2018–2022 [15]

This plan has been initiated in the commencement of the economic recovery, with positive figures regarding employment rate but with a still large stock of unsold houses reaching 500,000 units [16]. According to the draft investigated, the intention of this plan is to continue to support the rental versus

the purchase, to specifically support (this is a new content) those who have lost their houses after not being able to pay their mortgages, and to continue to provide incentives for the rehabilitation. An interesting measure is the collaboration with banks, which - due to settlements of debts of bankrupt developers - have become owners of a big share of the stock. These agreements encourage the banks to float to the market their units for social rental.

4. Correlation between data and findings

4.1. Pricing of social housing versus free housing in Spain for the 2002 to 2016 period

Fig. 2 shows the evolution of social housing selling price per sqm versus that of free housing, differentiating the years of increase in the market price marked in green from those of crisis and real estate crash highlighted in red. Free housing is the term used for the housing domain in which the price is only regulated by the market.

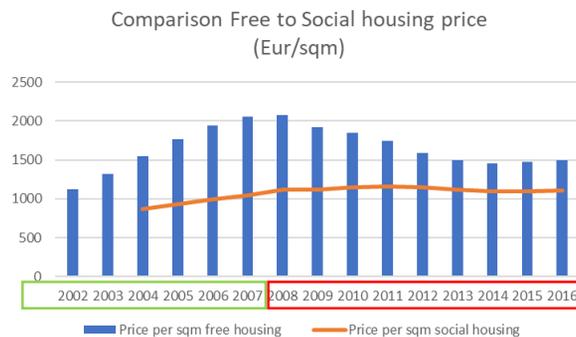


Figure 2. Spanish Real Estate Cycles and correlation with price per sqm of free and social housing. Data available for social housing started in 2004 [17]

Fig. 3 displays the provinces where the prices of social housing in 2016 (with a general low housing market) was higher (yellow) or lower (purple) than in 2008, in the peak of the Real Estate Boom and close to its collapse point.

Some Interesting conclusions can be extracted from both charts: While in Fig. 2 it could be appreciated that social housing was notably more affordable than the free one for most of the years in the market, the trend would not continue after 2008, and paradoxically, there was a period in which the costs of free and social housing were very close to each other. Considering that the data available is the average value of the country, it is possible to deduct that there are some areas where social housing might be more expensive than the free one. The statistics reveal that in the 3rd quarter of 2016, in 12 provinces (those marked with yellow colour in Fig. 3), the price of social housing was up to 20% more expensive than that of the free market, creating an uneven territorial protection, discrimination among those acquiring units in different times, and an indication that the budget expenses did not accomplish their purpose.

Explanation to how this trend happened can be seen in the provisions related to the maximum selling price allowed for social houses, subject to certain annual adjustments. At the time of fixing it on the first plans, the forecasts did not foresee such a fluctuation of the market. On the finalisation of the vesting period of ten years, when the units could be sold, the pre-fixed prices did not match the existing conjuncture and therefore failed to reach the purpose of the programme.

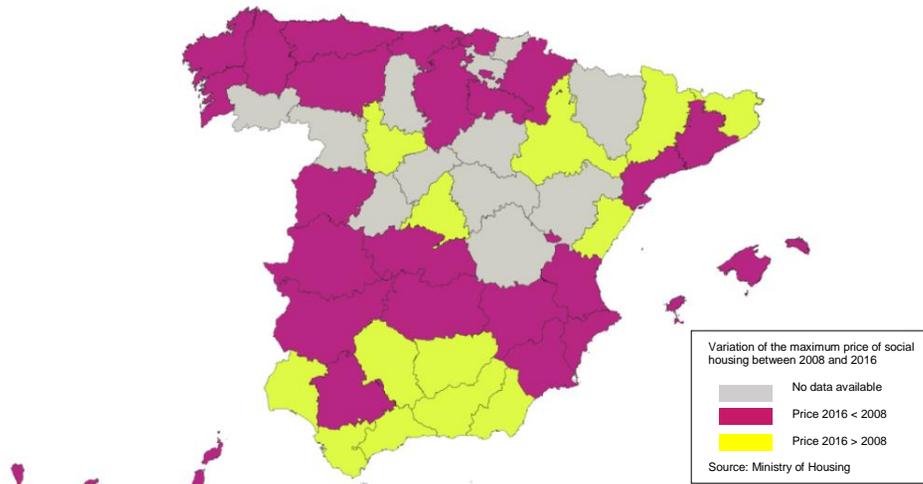


Figure 3. Provinces in Spain where social housing prices in 2016 were higher or lower than those in 2008 [18]

4.2. The Spanish specificity regarding ownership versus rental rations

Fig. 4 below reflects a particularity of the Spanish culture in relation with the ownership of the housing: as of 2016, 77.8% of the households lived in owned housing units instead of rented ones. This data is in line with many other European countries, but notably far from most of the top countries with a strong housing market based on economic maturity and robust legal framework as two pre-requisite conditions for success, and this elite group is characterised with home ownership rate less than 70% and highlighted in dashed red rectangular frame. There are many reasons for this fact which are not the target of this paper, but this explains one of the main hurdles of the regulators in the aim to reach equal protection through subsidised rental rather than through subsidised purchase.

5. Preliminary notes on the applicability of Spanish policy-making experience to Ho Chi Minh City

5.1. A glance at the existing social housing in Vietnam

On November 29th 2005, the Vietnamese National Assembly adopted the Law on Housing, which became effective on July 01st, 2006. Setting out a comprehensive legal framework for the ownership, lease, use, and management of houses, including apartments, with the participation of local and foreign investors, regulations of social housing were for first time officially mentioned and institutionalised. Since then, a large number of decrees, resolutions, decisions and circulars have come out and shaped different aspects of the legal housing, such as typologies, criteria for selections of beneficiaries and pricing guidelines, etc. The evolution led to the promulgation of Housing Law No. 65/2014/QH13 and Decree No. 100/2015/ND-CP dated 20 October 2015. The law states provisions with which the municipalities have the right to request investors of free housing projects to reserve a stock of up to 20% of the land for future social housing development. It has also brought together several measures to benefit the private investors intending to develop social housing or social accommodation (housing for students, workers, etc.), with exemptions in land use levies, application of preferential VAT, preferable financial conditions (with subsidised loans, reduction in interest rate, and technical advantages such as facilitation of existing design and other). Support towards a more active participation

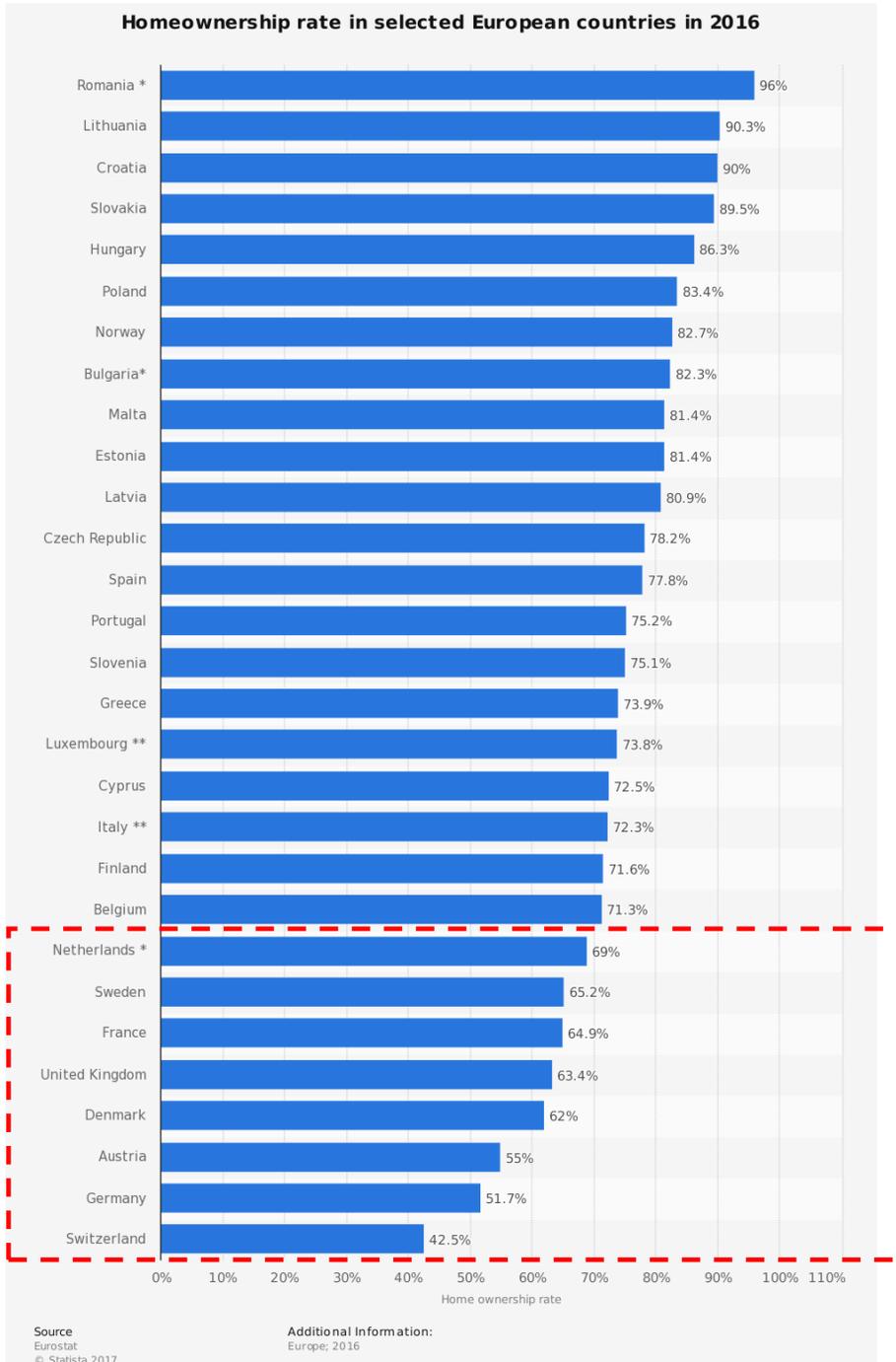


Figure 4. Percentage of households with ownership in different European countries [19]

of private sectors in the provision of social housing to make it more affordable is another outstanding content of the revised Housing Law.

But the fact is that 12 years after the 2005 Housing Law was enforced, and even though several local developers have taken the initiative to build project-based social housing in the country (for

example Vinaconex, Viglacera, Geleximco, Handico and other state-owned corporations and some joint-venture groups), the private investors prefer to build free housing. Profitability, quick return of investment and company image are among the main considerations. In the outskirts of Hanoi and Ho Chi Minh City, many projects of this kind can be seen, and some remain vacant due to poor quality and without basic social infrastructure. With regard to the high demand of the public for real social housing in Hanoi and Ho Chi Minh City as well as in other major cities, providing accessible housing units continues to be an important task to fulfil.

A large part of the Government's 30 trillion VND Stimulus Package has been spent on social housing in Ho Chi Minh City as the country's most important housing area. In terms of housing for workers alone, the city plans to provide 200,000 new units in three years (2017–2020) to meet the demand of 1.2 million migrant workers (245,000 are in urgent need) with a standard of 20 m² per worker [20].

A recent assessment of social housing development in Vietnam in general, and in Ho Chi Minh City in particular was conducted by World Bank experts. It was specified that the role of the central government in ensuring a transparent environment for the development of social housing should be consolidated, as Vietnam continues to attract a greater amount of World Bank fund and other sources of foreign investment capitals in urban development and the international sponsors always require a much stronger mechanism for both policy making and project management. Local authorities are also expected to demonstrate a stronger capacity in the delivery of public services, of which social housing is a very important component, as more and more social housing projects have been locally implemented in recent years. Thus, the involvement of the local authorities is required. The World Bank Report pointed out a number of housing-related problems that the country and its two largest cities are encountering: inadequate policy making targeting at highly prioritised groups, insufficient housing quality, shortcomings in institutional framework, etc. Consequently, Ho Chi Minh City failed to meet the actual demand for social housing [21] and could hardly achieve its goals towards 2020, because there are only two years left and the backlog of work is too large to deal with.

5.2. Effects of the crisis cycles on social housing policies from the Spanish experience

The issuing of housing policy needs to tune many parameters that interrelate in an entire system in which a balance is very sensitive to the calibration of each factor. Macro-economic environment will have a significant impact on the capacity, especially the spending power, of the families to gain access to free housing, and the actual needs of the residents to be subsidised.

The support of the private sector - the developers who can help to build social housing through agreements while making profit to sustain their business will be able to generate excess of stock in case of overheated market. Choosing the solution of rental with an option to purchase after a period - under a limited maximum price - can result in the real estate bubble explosion and also in the paradoxical situation of social housing reaching higher prices than those in the free market. The decentralisation of the administration, at the same time as providing an ad hoc approach made by each concerned authority to their citizens, can be responsible for unequal treatment, bureaucracy in the process and loss of reactivity in policy definition and implementation.

Another point that adds some difficulties to the implementation of social housing programmes is the compatibilisation of making the financial aid accessible to the target population, but controlling the possible ways of fraud that result from too easy requisites for award. The alternating booms and depressions of the real estate market favour the city dwellers' temptation to either buy subsidised houses which they do not really need, when the expectations of revalorisation are high (unnecessarily

diminishing the state budget and preventing other potential beneficiaries from the legitimate profit aimed to strive for by the authorities), or to proceed to highly profitable sales when the prices reach their peaks (partially made in cash to avoid records and to show compliance with the maximum selling price established by the law).

In addition to the above-mentioned factors, the logical need of determining a minimum period of three to five years for the implementation of the plans and their effect(s) to be measured increase the likelihood of encountering a change of cycle, or even a whole process during the lifecycle of the housing plan, and avoid turning a correct selection of the above-mentioned parameters into a set of measures that worsen the situation they intended to curve.

5.3. Applicability of the initial findings to Ho Chi Minh City

In Spain, the dictatorship of General Franco ended in 1975, coinciding with the termination of the Vietnam War. The aftermath of the Franco Era left a strong impact on the economy and the society, as the political and financial difficulties in those years prevented Spain from thriving and leading the way in the EU, similarly to the centralised socialist plan economy which held Vietnam back within the ASEAN for several decades. The influences of Spain's military past (1939–1975) could still be found in some aspects of social development and management, including in housing policies, many years later.

Despite the geographical, cultural and economic differences between Spain and Vietnam, there are several reasons to regard the Spanish case as a solid reference example for Vietnam to study, at least in the first phase of housing policy reform. Within the context of this paper, the outcomes of this study should be applied to Ho Chi Minh City first as Vietnam's most dynamic economic hub, largest housing market (including social housing) and most progressive management concept. In reality, many innovative thoughts in economic and urban development have been officially endorsed here, much earlier than in the rest of the country, and new positive factors/concepts can be easily accepted as the city leaders are quite open-minded.

In order to secure a much better social housing mechanism, as a city, Ho Chi Minh City should reconsider the framework of development policies on the basis of a national strategy which has not yet been systematically or comprehensively developed so far. In this regard, before going into detail, Ho Chi Minh City's authority can take Spain as a suitable case study on social housing from the EU, in addition to lessons from same-level neighbouring countries. Some Spanish experience may be useful to Ho Chi Minh City, such as choosing a small number of references in terms of policy making instead of a large number at the beginning of redeveloping social housing policies, as far as saving time and cost is concerned. It is necessary to establish a professional agency which is responsible to study the demand of the public on a quarterly basis and monitor the construction/provision of social housing. This agency should work in a relatively independent manner from the State and advise the local authority to modify the current policies or to issue new policies in time.

The population living in municipalities with more than 500,000 inhabitants was estimated to make up 8.6% of the total population of Spain in 1940 and have reached 17.1% by 2001 [22] due to the waves of migrants coming from the rural areas. This is a common pattern to most of the growing economies in Southeast Asia. As the consequence of the 36 years under General Franco's dictatorship, the Spanish social policies in 1975 could not be compared to other European same-size economies like France, Italy, Germany and the United Kingdom, even to much smaller-scale ones like Belgium, Austria and Luxemburg. This circumstance has forced steep changes in its social structure in two decades with major modifications in behaviour, preferences and a shift of priorities that would

be typical for a population in transition from a survival mode to the living standards of a European modern society. These transformations may be observed when comparing the last two generations of Ho Chi Minh City inhabitants.

Through adjustments in the existing regulations over the minimum area for free housing [23], there is a possibility to make free housing more affordable, for example by reducing the minimum area from the existing 45 sqm to 30 sqm, giving access to young couples or individuals that would see free housing price reduced to one third. The minimum carpet surface to be allowed of 30 sqm for houses and 24 sqm for apartments proved to be successful in the Region of Valencia in Spain [24].

The specific behaviour of the real estate market in Vietnam in the recent years has shown relatively short cycles, with a rise in the 2008–2011 period, a low from 2012 to 2014, and another high from 2015 to the present days of beginning of 2018. These cycles have introduced strains in the housing market and have contributed to the difficulties and uncertainties of a part of the population seeking housing in Ho Chi Minh City. It is also perceptive to stress the difficult financial period suffered in Spain during the economic crisis of the periods between 1993 and 1997 and again from 2008 to 2015, which made the control of the social expense in the public budget extremely important. Therefore, the reactivity required to adapt the policies to such environments already experienced by the Spanish regulators in the period investigated constitutes a good example to draw some lessons that should be learnt from a pioneering country.

6. Conclusions

The difference of policy development between Spain and Ho Chi Minh City is not too large, just 20 years. This is obviously not a long way to go and this distance of time can be regarded as “appropriate” to make a cross reference.

The perspective that the easily traceable data from Spain as a selected case study show a struggle of the authorities to understand the evolution of a market in turmoil, shifting solutions when the final results of the policies did not turn into the expected social assistance and trying to optimise the public - private partnership while attempting to curve cultural practices and fraud in the context of an intense global crisis. Several lessons learnt can be useful to the updating of social housing policies in Ho Chi Minh City.

Rehabilitation must play a key role. The city’s aging districts, with a majority of unplanned areas with self-built houses lacking minimum construction standards, require actions to promote sustainability, better land-use planning and more liveable zones according to the modern standards. Going further without having to build the whole new urban areas would help to better manage the expenses in the new infrastructure networks where integration with the city systems is a must. The promotion of the rental model needs be enforced to give accessibility to housing to those who are unable to bear the cost of a purchase or having difficulties in receiving loans, and avoiding the loss of the social purpose that comes along with the re-sales of owned units. The increasingly competitive labour market will require a cultural change to adapt to the needs of geographical moves that the seeking of employment will bring, and a more favourable rental fee will reduce the number of residents searching for better jobs that will turn out to be however uncertain or unnecessary in fact.

Appropriate collaboration with the private developers could lead to the floating of unsold units for rent in a hypothetically oversupplied market. The private sector has to be properly incentivised to participate in the development of social units, but through measures that would not contribute to an excess of stock in higher-end housing (as it would be the effect of exchanging local houses for land or facilitation to develop higher-end products). The minimisation or elimination of fraud must be strongly

enforced, with a tighter control of the conditions for open access to the financial aid schemes and over the re-sales operations, being a valid mechanism for the effective right of purchase to be built by the state. The centralisation of the policies to the maximum extent possible deems adequate to prevent bureaucracy and other unsound phenomena from happening to a developing housing market.

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