

Vietnam



Sectors: Transport, Urban

Cities: Hanoi and
Ho Chi Minh City

**Green Cities,
Infrastructure and
Energy Programme (GCIEP)
capabilities:**

Finance and investment,
Policy and regulations

UK Delivery Partners:

Crossrail International,
Transport for London



Members of the GCIEP team visit the newly opened metro in Ho Chi Minh City. © GCIEP

The challenge

Vietnam's rapid urbanisation and high climate vulnerability has led to significant transport and urban infrastructure challenges, particularly in major cities like Hanoi and Ho Chi Minh City. Severe traffic congestion, inadequate public transport networks and road infrastructure are exacerbated by the country's heavy reliance on motorbikes and private vehicles. While metro rail projects are underway, delays and funding constraints hinder their progress. Without taking a more integrated urban planning approach, this could result in increased sprawl and uncoordinated development, straining infrastructure and exacerbating climate change impacts such as greater vulnerability to flooding. Appropriate use of public investment, land use and ensuring enforcement of urban planning regulations are also important for progress. Addressing these challenges requires a holistic approach, incorporating transit-oriented development (TOD), smart city solutions, sustainable financing mechanisms and improved

coordination between national and city-level authorities.

GCIEP's solution

In Vietnam, GCIEP is partnering with government agencies in the urban and transport sectors to develop TOD projects and integrate building information modelling (BIM) requirements into urban rail projects. This work is delivered through the following strategic intervention.

Unlocking sustainable growth through TOD in Hanoi and Ho Chi Minh City

GCIEP is working with Hanoi and Ho Chi Minh City to improve the enabling environment for TOD and land value capture (LVC). This intervention aims to help finance ambitious urban metro rail programmes in both cities, expected to result in enhanced climate resilience, urban productivity and quality of life for citizens.

GCIEP is working to create a unified approach to TOD across Vietnam's largest cities by working closely with key stakeholders,

including the Hanoi Metropolitan Railway Management Board (MRB), the Ho Chi Minh City Management Authority for Urban Railways (MAUR), Ho Chi Minh City Department of Construction (HCMC DOC), People's Committees in both cities, and relevant city departments. GCIEP's experts are developing a new framework with practical measures to structure TOD projects and attract private sector participation through LVC and alternative financing models.

GCIEP, including experts from Crossrail International (CI) and Transport for London (TfL), is working alongside Hanoi MRB with technical inputs and recommendations based on the UK, global and local experience to include in two critical Resolutions to guide TOD implementation and financing, one in Hanoi and one in Ho Chi Minh City. The stakeholder engagement process has been extensive, including three large conferences co-organised by GCIEP and key stakeholders, with participation from government, private sector, the donor community and academia.



More than 100 key stakeholders convened in a workshop to explore TOD solutions for Vietnam cities. © GCIEP

To complement these technical efforts, GCIEP is also fostering knowledge exchange between Vietnamese stakeholders and international counterparts. Through a series of technical workshops, site visits, and peer learning sessions, GCIEP has facilitated exposure to international TOD and LVC best practices, including from the UK, Hong Kong, Japan, India, Singapore and South Korea. These activities are helping build local capacity and deepen institutional understanding of TOD principles. In parallel, GCIEP is involved in the development of technical guidelines and toolkits tailored to the Vietnamese context, ensuring that TOD implementation is both feasible and contextually appropriate. Notably, GCIEP is also exploring opportunities to pilot demonstration projects in select metro corridor zones, which will serve as models for replication across other Vietnamese cities. This multi-pronged approach is intended not only to catalyse TOD uptake in Hanoi and Ho Chi Minh City but also to create a national reference point for TOD, with potential long-term impacts on urban policy, planning practice and financing mechanisms throughout Vietnam.

In addition, GCIEP provides support to the government in digital transformation and BIM in the public transport sector. Working with MRB, MAUR, Ministry of Construction and key partners, CI is helping to standardise BIM requirements in urban rail procurement, ensuring best practices are embedded.

This comprehensive support, which will strengthen knowledge transfer and capacity building on land use, transport integration, and the LVC financing mechanism, while also accelerating urban metro development and promoting sustainable, low-carbon mobility in Vietnam's largest cities, is highly appreciated by key partners. In a recent testimonial to the UK Embassy in Hanoi, MRB's Director-General stated *"MRB's enhanced knowledge and capabilities in adopting and integrating TOD principles, not only reflected in the process of drafting the regulations for Hanoi but also in the National Assembly's Resolution no. 188/2025/QH15 on piloting mechanisms for the development of urban railway networks, passed on 19 February 2025."*

Expected results

Working with the cities of Hanoi and Ho Chi Minh City to enable transit-oriented development (TOD) will increase financing options for urban metro rail, leading to improved mobility and productivity for millions of residents, enhanced climate resilience and quality of life.

The change in the Government of Vietnam's institutional arrangements and the pausing of work on the Urban Development Management Law has significantly changed the circumstances under which the Green Cities intervention was to be implemented. The intervention is no longer valid under its original design and the UK Foreign, Commonwealth & Development Office has decided to close the intervention.

GCIEP is also creating multiple opportunities for international businesses, including involving UK entities in downstream work, particularly in TOD. For example, CI and TfL is in a strong position to further support the government in Hanoi, Ho Chi Minh City and other large cities, and UK business can compete in a level playing field in TOD and urban rail planning, design, financing and construction.

GCIEP is a demand-driven initiative focused on sustainable green cities and climate-resilient infrastructure in lower-income countries. As the flagship programme of the UK's Centre of Expertise for Green Cities, Infrastructure and Energy, GCIEP supports the UK Government's mission to accelerate investment in, and delivery of, infrastructure and urban development that is responsible, reliable, inclusive, low-carbon and climate-resilient.

A significant proportion of GCIEP's work is carried out in six priority countries: Ghana, Indonesia, Philippines, Mozambique, Vietnam and Zambia, where a Deep Offer programme provides long-term, systemic interventions focused on transformative change and infrastructure financing.

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