



**Asia-Pacific
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The Philippines Experience in Managing Urbanization: Social Sustainability


Submitted by: Philippines



**Policy Dialogue on Urbanization
Beijing, China
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The Philippines Experience in Managing Urbanization: Social Sustainability in Urbanization Process and Governance HOUSING AND BASIC SERVICES



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Outline of Presentation

- Urbanization Trends in the Philippines
- Housing and Basic Services
 - Issues and Challenges for a New Urban Agenda
- Future Challenges and Opportunities that Could be Addressed by a New Urban Agenda

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Philippine Population and Urbanization Trends

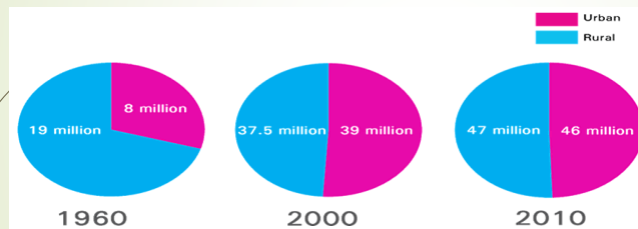
- 12th most populated economy in the world (between Mexico and Ethiopia)
 - Population in 2013: **98,734,798**
 - **1.89%** growth rate per annum based on the 2010 census results.
- July 27, 2014: Philippine population officially hits **100 million**



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Philippine Population and Urbanization Trends

- Urban Population (2011): **49%** of Total Population
- Rate of Urbanization: **2.16%** (2010-2015 est.)



Source: UNICEF, NSO Census Data, and Human Settlement 2004-Philippines

- Projected to increase to **65% by 2030**

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Issues and Challenges for a New Urban Agenda

1. Slum Upgrading and Prevention

- Housing shortage is generally acute in the urban areas
 - 1.5 million families living in informal settlements across the Philippines
 - Informal settlements in Metro Manila: 4 out of 10 families live in slums
 - Regions surrounding the Capital Region account for 40% of informal settlers
- Government interventions:
 - Resettlement Program – provision of serviced lots with core housing units
 - Community Mortgage Program – financing assistance extended to legally organized residents
 - Slum Upgrading – on-site development program implemented by the NHA
- Government efforts have been inadequate, e.g. low budget allocation for housing (only 1% of the total budget)

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Issues and Challenges for a New Urban Agenda

2. Improving Access to Adequate Housing

- Adequate housing conditions: security of tenure, availability of basic services, affordability, habitability, accessibility, location and cultural adequacy
- Direct and indirect housing assistance provided by government housing agencies:
 - Financing assistance for land acquisition through the Community Mortgage Program (CMP)
 - Provision of retail and development guaranties
 - Identification of suitable socialized housing sites in the Comprehensive Land Use Plans (CLUPs) of cities and municipalities.
 - Passage of several laws to enhance access to housing particularly of Informal Settler Families (ISFs) and disadvantaged sectors.

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Issues and Challenges for a New Urban Agenda

3. Ensuring Sustainable Access to Safe Drinking Water and Safe Sanitation and Drainage

- Basic sanitation refers only to access to sanitary toilets (flush, owned or shared, and closed pit toilet type facilities) without accounting for septic tank connections
- The completion of the Manila Third Sewerage Project (MTSP) increased the coverage and effectiveness of sewerage service delivery in Metro Manila
- Expansion of the project is needed to cover the 8.1% balance of households still with no access to sanitary toilet facilities
- Efforts to improving sanitation:
 - The Philippines Sewerage and Septage Management Program
 - DILG *Salintubig* Program

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Issues and Challenges for a New Urban Agenda

4. Improving Access to Clean Energy

- Access to electricity in urban areas is not as critical compared to non-urban areas
- Deterrents to electricity connection in urban areas include high costs of installation and electricity rates, and poor housing structure that could not pass a genuine installation test
- Urban households experience critical problems in electricity supply such as frequent brownouts, high rates, low voltage, and fluctuating voltage
- While solar energy technology is available, it has not been widely used
- There are pilot projects being implemented in low-income communities particularly those areas out of reach/coverage of service providers
- There are no official nor available figures documenting the utilization of clean renewable energy in the Philippines

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Issues and Challenges for a New Urban Agenda

5. Improving Access to Sustainable Means of Transport

- The volume of registered vehicles in the Philippines continually grow at a rate of 18.87% annually
- Growth in vehicular traffic has also exceeded the supply and quality of roads
- Dedicated funds for maintenance are often diverted to other purposes
- Target improvements in transport quality lag behind due to under-funding, misallocation, and poor project implementation
- The existing rapid mass transport system in Metro Manila is not adequate to serve the majority of the population. The system also lacks connectivity to outlying areas
- The poor in Metro Manila spend 15% of their income for transportation costs
- The Bus Rapid Transit (BRT) is on its experimental stage in Cebu City, in the Visayas Island.

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Future Challenges and Opportunities for a New Urban Agenda

□ Need for social housing finance

- The magnitude of the housing problems require the production of housing units on a massive scale within the affordability levels of the intended families. This will also require substantial funds.
 - Government efforts to address the housing needs of Informal Settler Families (ISFs) have to be complemented with firm funding commitments
 - Government can look into the possibility of partnerships with the private sector for project development
- Lessons from past relocation projects should guide where in-city upgrading or near-city relocation is not possible
- Establishment of disaggregated data base to know where ISFs are and how much resource they have for housing. These resources must be matched with the appropriate housing assistance package

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Future Challenges and Opportunities for a New Urban Agenda

- ❑ Need for improved LGU performance in housing and urban development
 - Many LGUs are handicapped in addressing the issues of housing and basic sector delivery because of low capacity, lack of ability, or political will to respond.
 - Weak local tax base and high dependence on Internal Revenue Allotment (IRA) transfers and other financial assistance from the central government
 - Lack of effective implementation and enforcement of their Comprehensive Land Use Plans (CLUPs) and local development plans which are policy instruments to guide local development
 - Need for reforms to capacitate LGUs and strengthen the decentralization process through good local governance
 - Address legislative deficiencies, policy and institutional weaknesses, poor implementation and local capability problems

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Future Challenges and Opportunities for a New Urban Agenda

- ❑ Need for LGUs to make their cities safe, clean and climate-resilient and to sustain their robust economies
 - Crime rates in major urban centers have been steadily on the rise, specially in Metro Manila.
 - Need to increase police presence and visibility in crime hotspots and improved police facilities
 - Cooperation of LGUs and civil society in the implementation of community programs
 - Future urban designs must promote social inclusion and safety of public spaces
 - Strict compliance with environmental standards for air and water quality
 - LGUs must have the capability of reducing and managing disaster risks and adoption and use of climate change adaptation and mitigation measures
- ❑ Need to push sustainable agriculture as key to long-term food security

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CONCLUSION

- Local governments must aim at building their cities as sustainable ecosystems where urban development is shaped by the principles of environmental sustainability, social and cultural integration, urban-rural linkage, climate resiliency, and inclusive growth as overarching development strategy.
 - Focus on the protection of environmental assets, open spaces and other public places from informal settlers and other unplanned urban use
 - Prepare for eventual relocation of existing informal settlers to well-planned resettlement sites
 - Attain and maintain air quality by freeing streets from carbon emitting vehicles and industries and other environmental actions
 - Protect populations and communities from climate-induced devastations by installing sound institutions and systems to manage disaster risks and promote climate resiliency.
- Reducing urban poverty shall remain top priority because unabated poverty will erode the gains of the cities' growing economies
 - Delivery of basic services has to be directed to urban poor communities

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