

Performance of the Urban System

Urban areas in the Philippines are “beacons of opportunity.”

- Incomes of urban areas are about 2.3 times that of rural areas
- Urban areas account for 75 percent of the country's economic output
- Metro Manila alone accounted for 33 percent of the country's GDP
- Most jobs are created in urban areas



Performance of the Urban System

But there are critical issues that hamper the performance of the urban system.

- Inadequate infrastructure
- Overcrowding and congestion that lead to slums and informal settlements
- Strained basic urban services
- Poor urban land management
- Weak governance and financial capacities

Drivers of the Urban System

External Drivers

- Global financial crisis
- Competition for FDIs from other countries
- International migration and OFW remittances
- Continuing growth of the IT and tourism sectors
- Rise of sustainability and climate change in the development agenda

Internal Drivers

- Rapid growth of urban areas
- Primacy of an expanded Metro Manila
- Private sector-led housing market
- Education and quality of labor supply
- Inadequate transport systems

Vision and Themes

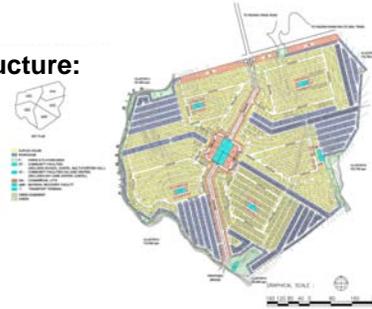
Vision for Urban Development

- Facilitates economic growth
- Develops and strengthens local comparative advantages
- Significantly improves the quality of life of its residents



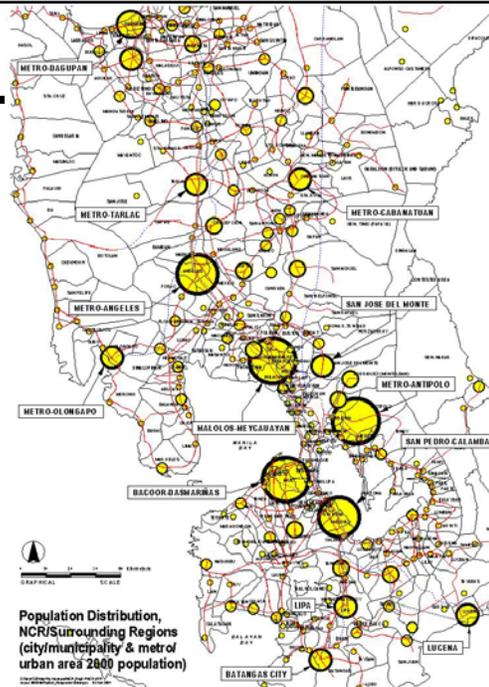
Themes that form the NUDHF's structure:

- Urban competitiveness
- Poverty reduction
- Housing affordability and delivery
- Sustainable communities
- Performance-oriented governance



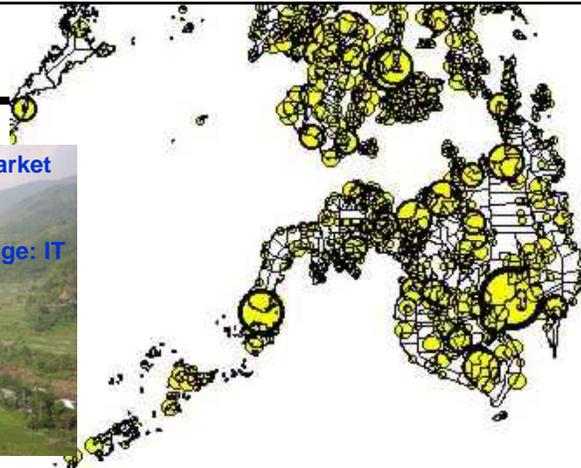
1a Urban Competitiveness

- Increase productivity and efficiency of urban industrial regions
- > Strategic Infrastructure
- Cluster development



1b Urban Competitiveness

- Improve gateway, market and service center
- Competitive advantage: IT and Tourism



2 Poverty Alleviation

- Support for human resource and livelihood programs
- Population management
- Enhancing urban-rural core linkages



3 Housing Affordability & Delivery

Informal sector

- Basic problem: affordability

Job creation, investments, competitiveness, pro-poor economic growth

Formal sector

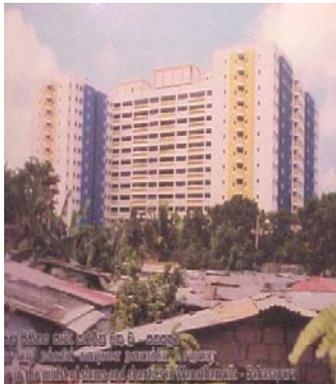
- Socialized and Low Cost Housing: Supported by Pag-IBIG Fund and government financial institutions

Financing, production efficiency

- Commercial housing: Served by the financial system

Secondary mortgage institution

3 Housing Affordability & Delivery



- Increase funding and other resources for proven housing programs
- Streamline housing development transaction processes, reduce transaction costs and protect housing consumers
- Provide incentives to unlock affordable housing
- Link local land use and community development plans with industry and employment generating programs



4 Sustainable Communities



Strategic Recommendations

- Review and revise traditional zoning and encourage sustainable and private sector initiatives
- Use market-based incentives and disincentives
- Encourage sustainable development and support green building practices
- Continue to build capacities of LGUs in development and land use planning
- Integrate disaster risk management and climate change adaptation policies in all levels of planning

5 Performance Oriented Governance



- Provide incentives for LGUs to be less dependent on IRA
- Strengthen LGU capacity building in strategic planning
- Improve vertical coordination and horizontal linkages
- Increase transparency and accountability of LGUs and private sector

THANK YOU