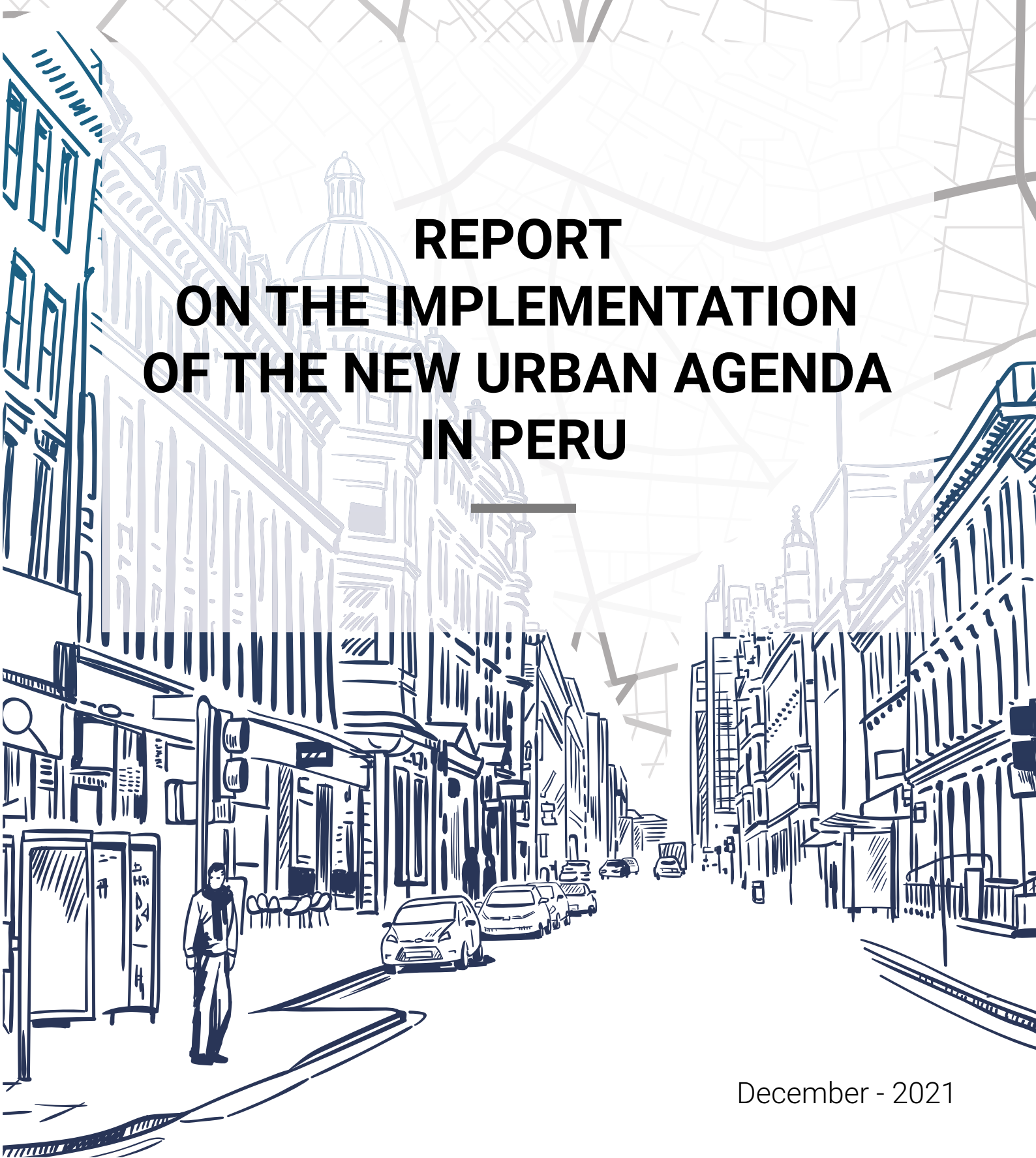




PERÚ

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y Saneamiento

REPORT ON THE IMPLEMENTATION OF THE NEW URBAN AGENDA IN PERU



December - 2021



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Executive Summary

The New Urban Agenda, as stated in its foreword, “represents a common ideal to achieve a better and more sustainable future”. In line with this main objective, the principles established and the commitments made in the Quito Declaration on Sustainable Cities and Human Settlements for All, Peru approved two instruments in July 2021 that will help to continue working on what has been done so far, which started in 2016, after Habitat III. The Housing and Urbanism National Policy (PNVU), approved by Supreme Decree 012-2021-VIVIENDA on July 14th, and Law 31313, the Sustainable Urban Development Law (LDUS), which entered into force on July 26th.

The present National Report on the Implementation of the New Urban Agenda is structured in three parts. The first is on transformative commitments for sustainable urban development. The second consists of effective implementation. The third is on monitoring and review.

The PNVU defines the public problem that needs attention as the “inadequate living conditions of the population”. This was outlined based on the collection of evidence, the analysis of the current situation of Peruvian cities and population centers, and what was gathered in consultation workshops. The three main causes of the public problem identified are: (1) the low impact of urban territorial planning and limited control of its compliance; (2) inefficient and unsustainable production and occupation of land; and (3) limited and inequitable access to adequate housing solutions.

By way of a summary on the main urban challenges at the national level, we find the following. Between 2000 and 2018 the 43 most important Peruvian cities expanded by 47% of their surface area (Espinoza and Fort, 2020). Moreover, 93% of new urban land occupied between 2001 and 2018 corresponds to informal urbanizations, that is, settlements that do not have complete urban habilitation (*ibid*). Simultaneously, from 2007 to 2017, urban population grew only by 15% (INEI, 2017). The difference between the percentages of city growth and population growth indicates that the expansion of cities is affected by causes beyond population growth or migration processes. Moreover, in 2017, Peru had a quantitative deficit of 566,667 households and a qualitative deficit of 997,985 households (INEI, 2017). This represents 6.9% and 12.1% respectively of the total number of households nationwide. It should be noted that the quantitative and qualitative deficit is concentrated in the D and E sectors.

The PNVU establishes the main priorities and strategies that guide and articulate the actions, efforts and resources of the three levels of government, the private sector and civil society in the area of housing and urban planning. It also seeks to respond to the challenges of urban development in Peru, moving from a model of urban development based on the continuous expansion and regularization of cities, to one of consolidation and democratization of cities. All of this with the right to housing and the right to the city as the main axes. This instrument proposes ambitious goals to be achieved progressively until 2030. This new housing and urban policy is part of a sustained process of updating national policies in Peru over the last five years, in areas such as: disaster risk management, culture, competitiveness and productivity, urban transport, sanitation, among others.

The LDUS establishes the principles, guidelines, instruments and norms that regulate land development, urban planning, urban land use and management to achieve sustainable urban development. Sustainable urban development is understood as the optimization of land use in harmony with the common good and the general interest, the implementation of mechanisms that promote disaster risk management and vulnerability reduction, the habilitation and rational occupation of land, as well as equitable and accessible development and the reduction of urban and territorial inequality, and the conservation of cultural patterns, knowledge and lifestyles of traditional communities and indigenous peoples.

Both instruments emphasize the role of local governments in implementing plans and policies that guide the sustainable urban development of cities and population centers. Likewise, both the PNVU and the LDUS develop legal frameworks and technical-normative instruments so that local governments can implement what is established in the plans and policies and manage their territory with a focus on sustainable urban development.

This document, on the implementation of the New Urban Agenda in Peru, includes information gathered by the following entities: Ministry of Housing, Construction and Sanitation, the Presidency of the Council of Ministers, the Ministry of Development and Social Inclusion, the Ministry of Production, the Ministry of Women and Vulnerable Populations, the Ministry of Environment, National Superintendence of State Assets, the National Superintendence of Sanitation Services, the National Institute of Statistics and Informatics, the National Center for Estimation, Prevention and Reduction of Disaster Risk, the Geophysical Institute of Peru and the General Directorate of Captaincy and Coast Guard.

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1

Transformative commitments to
sustainable urban development

1.1 Sustainable urban development for social inclusion and the end of poverty

1.1.1 Social inclusion and poverty elimination

A. Eradicate poverty in all its forms

According to the National Institute of Statistics and Informatics (INEI), by 2020, 43.7% of the urban population in Peru lived in slums, informal settlements or inadequate housing¹. In the same year, 26% of the urban population was living in monetary poverty, according to INEI². This is a manifestation of the conditions of urban poverty in the country, which is a significant challenge to overcome for urban and social policies. Although these indicators have been steadily reduced between 2015 and 2019, as shown in Tables 01 and 02, more significant efforts are still needed to provide adequate living conditions and eradicate poverty in all its forms.

It is also essential to indicate that the increase in poverty between 2019 and 2020 would be associated with the paralysis of most economic activities, the State of National Emergency and the compulsory social isolation due to the COVID-19 health crisis in the country.

Table N° 1. Proportion of the urban population living in slums, informal settlements or inadequate housing

National	2015	2016	2017	2018	2019	2020
	46.6	45.9	45.5	44.2	42.1	43.7

Source: INEI, 2021

Table N° 2. Population living in monetary poverty

Geographical Scope	2015	2016	2017	2018	2019	2020
Total	21.8	20.7	21.7	20.5	20.2	30.1
Area of residence						
Urban	14.5	13.9	15.1	14.4	14.6	26.0
Rural	45.2	43.8	44.4	42.1	40.8	45.7

Source: INEI, 2021

On the other hand, although monetary poverty is higher in rural areas than in urban areas, the impact of the COVID-19 crisis has been considerably higher in cities: the number of people in monetary poverty increased from 14.6% in 2019 to 26.0% in 2020.

1 This indicator represents the urban population whose households have at least one of the following five characteristics: 1. Tenure insecurity 2. Low structural quality and durability of housing. 3. Lack of access to improved water supply sources. 4. Lack of access to improved sanitation services. 5. Overcrowding (more than 3.4 people per room excluding kitchen, passageway, bathroom, and garage).

2 According to INEI, a person is in a situation of monetary poverty if his or her monthly expenditure is less than the cost of a basic food and non-food consumption basket. For the year 2020, this amount will be S/. 360 per month per inhabitant and S/. 1 440 per month for a family of four members.

To tackle monetary poverty, the *Juntos* Program, run by the Ministry of Development and Social Inclusion (MIDIS), makes direct transfers to households living in poverty or extreme poverty. The beneficiaries are identified according to the Household Targeting System (SISFOH), comprising pregnant women, children and adolescents until they complete secondary education or reach the age of 19, whichever comes first, and progressively prioritizes its intervention at the national level. The program promotes access to health and education services in households, with their participation and voluntary commitment, to improve preventive maternal and child health and nutrition and school attendance without dropout. S/100 (approximately USD\$25) is transferred to fulfill the co-responsibilities of all the target members of the household, and the transfer is made every two months to the account of the head of the household. The *Juntos* Program has prioritized areas and groups to incorporate new households, which are aided according to budget availability, within the framework of Ministerial Resolution No. 062-2021-MIDIS.

The *Juntos* Program aims to contribute to the reduction of poverty and generate human capital within households living in extreme poverty, within a framework of joint responsibility between the household and the State, by providing incentives for access to and use of health, nutrition and education services, with a focus on the restitution of fundamental rights, with the organized participation and monitoring of the community's social leaders. The *Juntos* Program seeks to address households with pregnant women, children, and adolescents under 19 years of age living in poverty in their limited access to health, nutrition, and education services.

By October 2021, the percentage of the *Juntos* Program's household care gap with respect to potential households in urban areas is 86.5% (1'308,118 potential urban households not affiliated / 1'512,831 potential urban households). Likewise, as of 2017, the *Juntos* Program had 30.9% of affiliated households in urban areas.³ By 2021, the percentage of affiliated households in urban areas rose to 34.0% (231,984 affiliated urban households / 682,290 affiliated households), distributed according to the following table:

Table N° 3. Households affiliated to the *Juntos* Program by 2021

Sex	Household holders	Urban household holders	%
Female	652,192	224,240	34.4
Male	30,098	7,744	25.7
Total	682,290	231,984	34.0

Source: MIDIS - *Juntos* Program, 2021

B. Addressing inequality in urban areas by promoting equal opportunity and benefit sharing

One of the main problem identified by the PNVU is the limited and inequitable access to adequate housing solutions. This can be seen in secondary problems such as the "lack of public spaces and quality urban facilities", expressed in the concentrated distribution of the different facilities in some areas compared to others, with lacking or limited provision in rural areas. There is also a lack of social protection services to benefit the most vulnerable population.

³ Within the framework of Supreme Decree No. 002-2021-MIDIS of 4 March (which eliminates geographical targeting) and Ministerial Resolution No. 062-2021-MIDIS of 20 April (which establishes the criteria and priority areas for intervention), the *Juntos* Program has been progressively expanding its intervention since the third two-month period of 2021. In this regard, it should be noted that the urban area is not considered exclusively as a prioritization criterion for the Program's intervention, but neither does it exclude it, so that households continue to be served in urban areas.

In this regard, the PNVU establishes Main Objective 2, “To guarantee the sustainability of land occupation dynamics in the country’s cities and population centres”, and Main Objective 4: “To improve external habitability conditions in the country’s cities and population centres”.

The following guidelines are derived from these objectives: guideline 2.3. “Discourage informal and speculative occupation of land in the country’s cities and population centers”; guideline 2.4. “Ensure land production in safe and serviced areas in the country’s cities and population centers”; and guideline 4.2. “Guarantee equitable access to urban infrastructure and services in cities and population centres”.

At the level of PNVU services, there is service 30, “Integral neighbourhood upgrading program coordinated at the three levels of government”.

Guideline 2.3. seeks to strengthen the orderly and planned occupation of the territory. Guideline 2.4. seeks to enable the population currently residing in areas at risk that cannot be mitigated or without access to essential services to resettle in safe and serviced areas and, on the other hand, to strengthen existing programs that respond to the needs of this population. Guideline 4.2. seeks an equitable distribution of services, equipment and mobility infrastructure in cities, promoting that the entire population can have access to them and focus on reducing social and economic inequality. For its part, service 30 seeks to promote and supervise projects for public space, urban equipment, urban infrastructure, among others, to ensure that they have a comprehensive, territorial approach and are located in priority areas according to program criteria and to serve the population in a situation of monetary poverty or social vulnerability.

For its part, Article 4 of LDUS establishes the following principles: “Spatial and territorial equity: Equality of opportunities, access to services and urban conditions for a dignified life, consolidating the equitable distribution of urban benefits and burdens derived from urban planning and urban development, and urban interventions”. Likewise, Article 48 defines the “Declaration of Special Zones of Social Interest” which will be subject to urbanization, renovation or urban regeneration.

Article 48 determines that these zones will be destined to develop and promote Social Interest Housing projects or relocate people who are in a situation of social vulnerability or settled in areas of unmitigable risk that cannot be mitigated.

In this regard, the PNVU proposes two indicators, with their respective targets, to address inequality in urban areas. First, it is proposed that the urban inequality index in cities and population centers, which was 0.95 in 2020, be reduced to 0.70 by 2030. Second, it is proposed that the habitat quality index, which had a value of 0.64 in 2019, be increased to 1 by 2030.

Likewise, the purpose of the Integral Neighborhood Upgrading Program (PMIB) is to guarantee equitable access to urban equipment and infrastructure in the country’s cities and population centers, seeking to address the prevalence of urban localities with scarce resources for the improvement of urban mobility services and the provision of adequate public spaces. Through its eligibility criteria, the PMIB prioritizes projects located in urban areas with the highest poverty rates.

Table N° 4. Integral Neighborhood Upgrading Program Indicators

	Baseline		Achievement obtained	
	Year	Values	Year	Values
Percentage of urban population without access to urban mobility services through roads and sidewalks	2017	52.0 %.	2021	40.0 %.
Number of urban mobility and public space projects approved and implemented	2012	508	2021	4867

Source: MVCS-PMIB, 2021

- C. Increasing the social inclusion of vulnerable groups (women, youth, the elderly, people with disabilities and immigrants).

In order to increase the social inclusion of vulnerable groups, the National Program for the delivery of the non-contributory pension to severely disabled people living in poverty – *CONTIGO* Program, of the MIDIS, is a strategy for the delivery of the non-contributory pension. The strategy used to deliver the pension includes affiliation, monetary transfer to the account and collection management through coordination with Municipal Offices for the Attention of People with Disabilities - OMAPEDs, Regional Offices for the Attention of People with Disabilities - OREDIs, and strategic allies. The objective of the *CONTIGO* Program is to grant a non-contributory pension of S/. 300 (approximately USD 75) every two months. Beneficiaries are people with severe disabilities in a situation of poverty according to the SISFOH and do not receive other pensions from the public or private sector. This program seeks the social inclusion of the person with severe disability, which positively affects their quality of life. The *CONTIGO* Program adopts the social approach and grants the non-contributory pension seeking to raise the quality of life of people with severe disabilities. The coverage of the *CONTIGO* Program at the district level, as of 2017, is 828 districts. By 2021, this indicator increased to 1725 districts.

Table N° 5. Coverage of the *CONTIGO* program

	Baseline		Achievement obtained	
	Year	Value	Year	Value
Number of <i>CONTIGO</i> Program users who receive the non-contributory pension in urban areas.	2017	4,968	2021	38,561
Number of people with disabilities who meet the three requirements to be users of the Programme (Waiting Queue) in the urban area.	2017	3,921	2021	15,980**

Source: MIDIS-Contigo Program, 2021

**Information on the waiting queue of the V-2021 User Register.

The pilot of alternative payment modalities is being carried out to benefit users of the Program who do not have access to the pension due to distance or inability to travel. These modalities are fixed payment points and home payments in the geographic areas selected by the *CONTIGO* Program.

D. Ensure access to public spaces including streets, sidewalks and bicycle paths.

After decades of prioritizing the design of roads based solely on the efficiency of vehicle movement, today, cities are witnessing the benefits of designing safe and human streets, which seek to meet the needs of the various users who use and coexist in them. It is urgent to redefine what a successful street means, as it must satisfy the function of moving vehicles and multidimensional aspects such as public health, road safety, quality of life, ecology, economy, and social equity.

Local roads occupy about 30% of a city's space and more than half of its total supply of available public space. Also, local roads have traditionally been used as mere transit spaces for pedestrians and vehicles, the latter occupying a dominant position in their use and functionality. However, nowadays, the best practices worldwide aim to diversify the functions and services these spaces offer, providing functions of stay, passive recreation, active recreation, ecological functions, and social meeting functions, among others.

For these reasons, the Ministry of Housing, Construction and Sanitation (MVCS), as part of its leading role in the promotion and development of mobility infrastructure in urban areas and in order to guide its work, makes available to local authorities, officials, managers, civil servants, technicians and specialists, the "Guide for the Design and Implementation of Investments in Local Roads: Design Chapter", which presents a catalogue (toolbox) of design typologies of illustrated prototypes in local roads. In 2021, 43 local governments were trained on the guide.

Likewise, the MVCS, in compliance with the provisions of Article 8 of Supreme Decree No. 008-2021-PCM, has the mandate to prepare guidelines to lead the actions developed by local governments, in order to facilitate the use of public spaces located in their jurisdiction, with the aim of promoting, conditioning and contributing to the improvement of the conditions of physical and mental health of people, prioritizing pedestrian and non-motorized movement.

The main objective of the design chapter of the guide is to develop capacities in authorities, officials, managers, public servants, technicians and specialists, associated with the design of local roads; that contribute to local economic development, to greater social integration and to generate healthy and sustainable urban environments. It provides technical guidelines on the design of local roads for the generation of healthy, road-safe, multimodal, inclusive, accessible and environmentally friendly infrastructures that can be adapted to different uses and urban contexts to provide better urban mobility services. The guide is an agile normative instrument that seeks to lay the foundations for the updating of the National Building Regulations, which, due to its complexity, the process of elaboration and approval takes approximately 6 months.

1.1.2 Access to adequate housing

A. Ensuring access to adequate and affordable housing

According to the National Census, in 2017 Peru had a quantitative deficit of 566,667 households and a qualitative deficit of 997,985 households (INEI, 2017). This represents 6.9% and 12.1% respectively of the total number of households nationwide⁴. According to Espinoza and Fort (2020)⁵, around 128,000 homes are produced in Peru's cities each year⁶. From that total, only just

4 The quantitative housing deficit corresponds to the number of dwellings that need to be built so that each one can house a single household (INEI, 2009). The qualitative housing deficit considers deficiencies in the quality of housing, including materiality, living space and basic services, therefore, this calculation identifies the housing that needs to be improved (INEI, 2009).

5 Espinoza, Á. & Fort, R. (2020). *Hacia una nueva Política de Vivienda en el Perú*. Grupo de Análisis para el Desarrollo.

6 The calculations are based on census data 2007, 2017; and use different sources of information: Espinoza and Fort (2020b), CAPECO (2019), Fondo Mi Vivienda (2020), SBS (2020).

over 43,000 homes are formally produced, while 85,000 homes are produced by the informal market. However, this figure is not enough to cover the potential demand for housing in the coming years. According to Espinoza and Fort (2020), it would be necessary to build 65,000 additional houses per year to cover the deficit produced annually due to the creation of new households. The quantitative deficit points to an urgent need for public sector intervention. It should be noted that the housing qualitative and quantitative deficit is concentrated mainly in socioeconomic sectors D and E.

In this regard, the PNVU identifies as a public problem concerning “internal habitability”, a growing deficit in the supply of housing and, on the other hand, inadequate housing conditions, especially in the country’s poorest sectors. In this regard, the PNVU proposes as Main objective 3: To increase access to adequate housing in the country’s cities and population centres, prioritizing the population living in poverty or social vulnerability⁷. This objective is developed in three (03) guidelines: L3.1. Expand existing alternatives for access to adequate housing, prioritizing the population in a situation of poverty or social vulnerability, L3.2. Improve the quality of housing in cities and populated centers of the country, prioritizing the population in a situation of poverty or social vulnerability and L.3.3. Ensure the provision of adequate housing to the local reality in cities and populated centers of the country. The MVCS is responsible for this objective, in co-responsibility with the *Fondo MiVivienda*, the National Superintendence of State Assets, Regional Governments and Local Governments.

The PNVU establishes the goal of reducing the quantitative housing deficit to 0.5% of households by 2029. It also proposes to reduce the percentage of households with a qualitative housing deficit to 3.3% by 2030. In terms of urban housing, the PNVU establishes the following services to guarantee access to adequate and affordable housing:

1. Housing subsidy program in urban areas prioritizing the population in poverty and/or social vulnerability.
2. Promotion of affordable mortgage loans as a priority for the population living in poverty and/or social vulnerability.
3. Promotion of rental housing prioritizing the population in a situation of poverty and/or social vulnerability.
4. Quality Certification Program of Technical Entities for Social Interest Housing
5. Assistance in the implementation of strategic projects of Social Interest Housing.
6. Improvement of urban and rural housing prioritizing the population in poverty or social vulnerability.
7. Capacity building for assisted construction and progressive housing construction.
8. Strengthening the approval process of social housing projects through urban reviewers.
9. Promotion of research and innovation in housing design, construction and production at the national level.

This robust set of services seeks to diversify the housing options that Peruvian families can

7 The PNVU defines the population living in poverty as: “those whose income is below the basic family basket, which has two components: on the one hand, the food component, which is the value of a basic food basket based on the population’s consumption patterns. And on the other, the non-food component, consisting of the value of the basket of goods and services required by a person to meet his or her needs in terms of clothing, footwear, housing rental, fuel, furniture, household goods, health care, transport, communications, leisure, education, culture and others. Likewise, it defines population in a situation of social vulnerability as: “that made up of persons or group of persons who, because of their condition (nature or set of characteristics inherent to the human person or group of persons) or the situation (set of circumstances or characteristics that surround and determine the state of the person at a given time) in which they find themselves or because of the conjunction of both, are limited or prevented in the exercise of their rights and therefore exposed to any risk, family unprotection or discrimination; such as children and adolescents, older persons, persons with disabilities, displaced persons and migrants, among other population groups.

access, prioritizing the population living in poverty or social vulnerability.

Likewise, in order to contribute to meeting the demand for urban land for social housing, complementary infrastructure services and urban equipment, the Urban Land Generation Program (PGSU) aims to plan, program, execute, monitor, supervise and evaluate activities and projects in pursuit of urban land for social housing, complementary infrastructure services and urban equipment. Specifically, the PGSU is in charge of: a) Urbanizing State-owned land with urban aptitude. b) Recovering deteriorated or underutilized spaces and land. c) Promoting investments through public-private partnerships or other permitted ones. All for the development of social housing and complimentary services.

Table N° 6. PGSU Indicators

	Baseline		Achievement obtained	
	Year	Value	Year	Value
Percentage of shortfall of hectares for housing in urban areas in competition	2018	0.2%	2021	2.6%
Accumulated sum of the number of hectares of urban land	2018	11	2021	116

Source: MVCS-PGSU, 2021

B. Ensuring access to sustainable housing finance options

Despite the efforts of the Peruvian State, the high percentage of informality in the national economy, which exceeds 70%, does not allow all families to access a mortgage loan. This requires that subsidies must be high and that, with limited resources, the number of families served by the programs decreases.

On the other hand, lacking adequate urban planning and management in many cities, there is uncontrolled housing production in areas disconnected from city-centers, thus punishing the most vulnerable population with greater economic distances and contributing to the increase in urban sprawl. In addition, the State assumes higher investment costs to provide these expansion areas with essential services.

The population's needs are diverse and characterized by self-build housing, informality and occupation in risk areas. Therefore, it is necessary to diversify housing programs, allowing for multiple services that, in addition to ensuring access, allow for improvement and densification where it is safe to do so.

Currently, the MVCS grants subsidies for the financing of housing for families with a housing deficit as a part of the implementation of its housing policy. These subsidies are channelled and administered through the public company *Fondo MIVIVIENDA S.A.* (FMV). The subsidies consist of the *Bono Familiar Habitacional* (BFH) aimed at complementing savings and mortgage financing for low-income families within the framework of the *Techo Propio* Program and the *Bono del Buen Pagador* applied to the *Nuevo Crédito MIVIVIENDA* (NCMV), a mortgage financing product offered by the FMV.

The latter allows access to a house through a mortgage loan, which may be accompanied by the allocation of a non-refundable bond. The *Techo Propio* Program has a BFH, which is part of the sectoral policy of the MVCS and is granted only once to the beneficiaries, with public utility criteria, with no restitution charge on their part, and which constitutes an incentive and complement to

their savings and their construction efforts; exclusively for acquisition, construction on their own site or improvement of social interest housing.

The FMV is a public financial company attached to the MVCS and established within the private regime. Therefore, it is supervised by the Superintendence of Banking, Insurance and AFP and the Superintendence of the Securities Market.

The FMV promotes access to housing, mainly for lower-income families, through the articulation between the State, the Real Estate and Financial Sectors, granting mortgage financing and subsidies through the formal credit system.

The subsidy granted within the framework of the *Techo Propio* Program may have the following application modalities.

- a. Modality of Acquisition of New Housing (AVN) developed by real estate developers.
- b. Own Site Construction (CSP) executed by Technical Entities (TE) previously registered and authorized by the FMV.
- c. Home Improvement Modality (MV) executed by TEs.

Within this framework, the program seeks to serve low-income and vulnerable families through access to credit and subsidies, which will enable them to access adequate housing. Both the programs and the participating entities work in a coordinated manner so that the benefits can reach more Peruvian families. To this end, the FMV manages the chain of care, from enrollment, registration, verification of information, qualification of applications, control of resources and projects.

Recently, FMV has been working on a new housing subsidy scheme that focuses on the needs of citizens and facilitates access to credit through financial institutions. In addition, FMV seeks to promote the implementation of projects in consolidated urban centers with access to services, giving back the right to the city to all.

Additionally, the MVCS has issued specific regulations for promoting private investment and sustainable finance options for social housing projects: the Special Regulations on Urban and Building Development approved by Supreme Decree N°010-2018-VIVIENDA, amended by Supreme Decree N°012-2019-VIVIENDA and Supreme Decree N°002-2020-VIVIENDA. These regulations seek to promote urban and building parameters in accordance with the concept of development of a compact and orderly city, in order to allow access to decent housing for the population, especially those with limited economic resources, and thus improve the economic competitiveness of cities.

The Special Regulation on Urban Development and Building is a technical regulation of the national application and mandatory compliance, which establishes basic provisions for urban development and building projects for Social Interest Housing (VIS). VIS is defined as a housing solution subsidized by the State and aimed at reducing the housing deficit, whose maximum values and requirements are established within the framework of the *Techo Propio* Program, FMV, as well as any other product promoted by the MVCS. The special regulation also establishes urban and building parameters of mandatory compliance.

- C. Establishing slum upgrading programmes

Inadequate or non-existent urban mobility services restrict adequate accessibility of the resident population to their urban environment. The PMIB aims to improve urban mobility services for the resident population in urban neighborhoods through urban road infrastructure. The objectives of the PMIB are as follows. First, to contribute to improving the technical quality of urban road infrastructure investment projects by adopting appropriate designs that allow better social integration, are safe, accessible and generate better built environments in harmony with the environment. Second, to provide urban neighborhoods, with priority on vulnerable populations, with roads and sidewalks infrastructure that adequately improve accessibility to housing, contributing to a better quality of life.

Table N° 7. *PMIB Indicators*

	Baseline		Achievement obtained	
	Year	Value	Year	Value
Number of workshops provided to local governments, at the national level, to improve the technical quality of urban mobility and public space projects.	2018	7	2021	35
Number of urban mobility and public space projects approved and implemented	2012	508	2021	4867

Source: MVCS-PMIB, 2021

The PMIB collects data that is shared with local governments so that they can take it into account for future interventions.

1.1.3 Access to basic services

A. Provide access to safe drinking water, sanitation and waste or solid waste disposal

The National Sanitation Policy⁸ has identified the following aspects as the causes of the gaps in coverage in access to and quality of sanitation services: 1) Insufficient coverage and quality of services; 2) Deficiency in the management of investments; 3) Weak management of providers; 4) Absence of standards for the formulation of sanitation projects; 5) Inadequate articulation of actors, and 6) Low valuation of sanitation services. Likewise, the National Sanitation Policy indicates that the main objective of the Government of Peru in the sanitation sector is the universalization of these services sustainably before the year 2030.

By 2020, 94.8% of people in urban areas had public water supply, while 89.2% had public sewage disposal.

Table N° 8. *Proportion of the population with access to water from the public network*

8 According to Legislative Decree No. 1280, which approves the Framework Law for the Management and Provision of Sanitation Services, the systems and processes that comprise sanitation services in Peru are composed of: Drinking Water Service, Sanitary Sewerage Service, Wastewater Treatment Service for final disposal or reuse, and Excreta Sanitary Disposal Service.

Geographical Scope	2015	2016	2017	2018	2019	2020
National	88.2	89.2	89.4	90.7	90.8	91.2
Area of residence						
Urban	93.9	94.5	94.4	95.3	94.9	94.8
Rural	69.5	71.2	72.2	74.4	75.6	77.6

Source: INEI, 2021

Table N° 9. Proportion of the population with public sewage system for excreta disposal

Geographical Scope	2015	2016	2017	2018	2019	2020
National	71.9	73.7	74.5	76.8	77.2	76.8
Area of residence						
Urban	87.3	88.3	88.9	90.2	90.4	89.2
Rural	21.5	24.6	24.3	29.0	28.3	30.2

Source: INEI, 2021

To address this problem, the National Urban Sanitation Program (PNSU) aims to provide access to quality and sustainable sanitation services to urban populations over 2,000 inhabitants. The PNSU executes programs, investment projects, products and activities that contribute to implementing the decentralized investment policy through the participation of Regional Governments, Local Governments and Service Providers that develop the sector through the Program.

Within the framework of the National Sanitation Plan 2017-2021 and the Multiannual Sectoral Strategic Plan PESEM 2016-2021, the PNSU, with its organizational units and support teams that make it up, have been executing the political action of investments aimed at closing gaps and development of the Sector, in water and sanitation in urban areas of the country.

Likewise, the National Superintendence of Sanitation Services (SUNASS) has established in its Institutional Strategic Objective 01 (OEI.01) to strengthen the provision of sanitation services for the user. This objective involves having impartial oversight, a regulatory framework differentiated by type and size of provider, determined areas of provision and sustainable tariffs. In this sense, what is achieved is to have an increasingly efficient regulation for the benefit of providers and end-users. In the urban sphere, the main problems regarding the provision of sanitation services are related to 1) the gap in coverage and quality of sanitation services, 2) economic and financial solvency, 3) sustainability of drinking water and sewerage systems, 4) productive efficiency, 5) business management, and 6) equity in access to sanitation services.

Table N° 10. Indicators of the National Superintendence of Sanitation Services

	Baseline		Achievement obtained ⁹	
	Year	Value	Year	Value
Number of Provider Companies (EPS) with Tariff Study in force.	2018	35	2020	40

Source: SUNASS, 2021

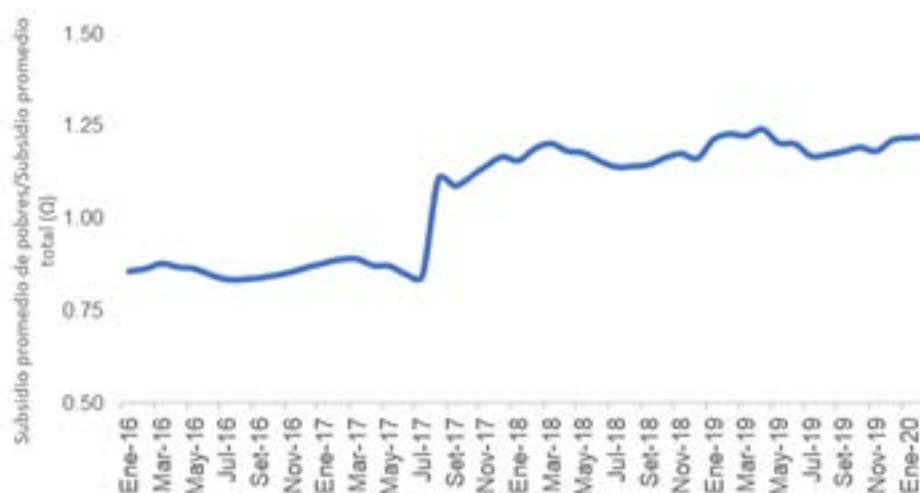
Also, SUNASS has promoted the implementation of targeted cross-subsidies (SCF) since 2017, incorporated into the tariff structure of 20 out of 50 EPS nationwide. This strategy ensures

⁹ It is important to note that during 2020 there were no new tariff study approvals as exceptional reviews were being implemented in the context of the pandemic.

that services are accessible to individuals and families of different economic conditions without exclusions due to the inability to pay. In Peru, the SCF has benefited an estimated population of 3.4 million people representing 19.7% of the total population with domestic units nationwide (according to the Statistical Bulletin - SUNASS in Figures: July-September 2021).

In the case of Lima, the following graph shows that there has been progress in the targeting of subsidies. In other words, more and more subsidies are going to more users who need them.

Figure N° 1. Evolution of performance measurement in targeting



Source: IDB - SUNASS

B. Ensure access to a safe and efficient public transport system.

According to the National Urban Transport Policy (PNTU), the current public transport situation has its origins in the early 1990s, when the country began a stage of liberalization, with the enactment of Legislative Decrees 640 and 651. These decrees established the radical deregulation of public transport, freedom of routes and permits, free competition in fares, and free access to urban and interurban transport service routes. They also allowed any natural or legal person in any vehicle (except trucks and two-wheeled vehicles) to provide public transport services.

Likewise, the PNTU indicates that the orientation of local authorities in the management of urban transport in the last decades has been oriented only to manage the transport service from an administrative perspective and has been developed to prioritize the construction of infrastructure. This led to the current situation, where urban transport conditions restrict or affect the people's movement and negatively affect the environment. Among the most relevant problems the PNTU points out: "Selective access to quality services, to the detriment of populations living in marginal areas, high levels of congestion in cities that result in excessive travel times and higher vehicle emissions that deteriorate air quality, inefficient occupation of public spaces with infrastructure that privileges the use of the automobile, routes that overlap and are served by precarious or informal business organizations, which lead to high levels of insecurity for the user, weak governance of local entities and inefficient coordination of national agencies in transport management, lack of spaces for user participation, poorly maintained infrastructure for general use, the propensity for traffic accidents, and deterioration of environmental quality in cities."

Within the framework of these problems, the PNTU defines as a public problem that "people and goods present limitations for movement in the urban transport system". The PNTU also identifies the primary and secondary causes of the "deficiencies in urban public transport" as: deficiencies and distortions in the provision of urban public transport services caused by the strong

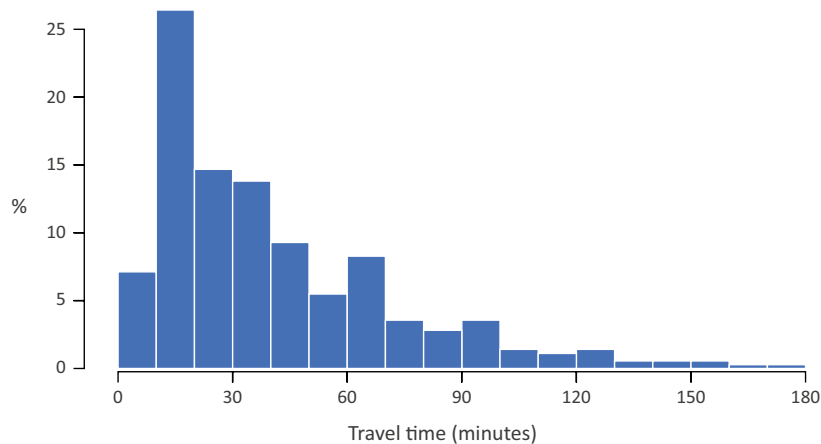
presence of informality, the use of obsolete and inappropriate vehicles, deficient planning and authorization of routes, poor compliance with regulations, weaknesses in oversight, inadequate governance of urban transport in the different cities, deficiencies in the structuring and provision of infrastructure that restrict the provision of services, and low convergence with urban development policies”.

For example, concerning travel time in Lima (using all modes), 19.3% of trips take less than 30 minutes and 25.8% take between 30 minutes and an hour; however, 50.3% of transport trips take more than an hour. Likewise, travel time is considerably longer for a bus (47.2 minutes) or combi (40.4 minutes) users than for private car users (31.6 minutes). However, the percentage of private car users is considerably lower (between 10 to 15%) than that of public transport users¹⁰.

Travel time is related to the size and dispersion of the city¹¹. In the case of Lima, while the average travel time in the city’s central areas is 20 to 30 minutes, in the districts to the north and east of the city, such as Ancón and Cieneguilla, travel time is 45 to 50 minutes. Likewise, Lima’s Urban Transport Master Plan indicates that, without significant improvements in new transport systems, the average travel time in the city would increase from 44.9 minutes to 64.8 minutes by 2025.

One characteristic to consider is that the impact of excessive travel times affects women more. According to the “Lima Cómo Vamos 2017 Survey - VIII Perception Report on quality of life in Lima and Callao”, women use public transport more. 78.3% of women responded that they use public transport to move around the city, go to work or school. In comparison, 70.8% of men use public transport for these purposes. Likewise, the survey shows that men are the ones who use their car the most, 12.9%. In comparison, 5.6% of women indicated that they use this means of transportation.

Figure N° 2. Distribution of travel times in the city of Lima



Source: National Urban Transport Policy, 2019

In the city of Piura, 35.7% of users have a travel time between 30 minutes and more than 2 hours. While in the city of Arequipa, 62.5% commuters have an average travel time in public transport between 30 minutes and more than one hour.

Concerning this problem, the PNTU establishes in its objective OP1: To have efficient public urban transport systems for the movement of people. Likewise, its OP4: To satisfy the urban

10 According to the survey of urban transport in Lima by the Japan International Cooperation Agency - JICA.

11 In the case of Lima, the city has an area of 2,819 Km².

transport needs of the population, following urban development. In this regard, PNTU's guidelines recognizes the importance of harmonizing the city's urban transport system with land use planning and mobility policies. The PNTU is aligned with the proposals of the PNLU: both are aligned in ensuring access to mobility infrastructure and meeting urban transport needs. The Transport Policy emphasizes the point of view of the infrastructure system itself.

1.2 Sustainable and inclusive urban prosperity and opportunity for all

1.2.1 Inclusive urban economy

A. Supporting small and medium-sized businesses

Within the COVID-19 sanitary emergency framework, the National Program for Technological Development and Innovation has proposed the Business Emergency Program, MiPymes Reactivated contest. The objective of this program is to co-finance projects that contribute to the reactivation of micro and small businesses (MYPES) through the transfer of knowledge applied to production processes, reorientation or productive conversion. It seeks to address the gaps, problems and limitations caused in PYMES, among other relevant aspects, arising from the economic situation due to the health emergency.

The program aims to benefit 1,000 companies with Non-Reimbursable Resources by 2023. It is also projected that, by the same year, 800 companies will have implemented actions to improve production processes within the framework of the contest.

1.2.2 Sustainable prosperity for all

A. Develop technical and entrepreneurial skills to thrive in a modern urban economy

According to INEI, Peru's economy fell 11.1% during 2020, the most significant contraction in the last three decades. The mandatory confinements to contain the spread of the coronavirus, in force from March to June last year, knocked down the GDP, representing losses in business sales for S/. 110 423 000 being the manufacturing, services and commerce sectors the most affected.

Likewise, according to the Ministry of Health (MINSA), 85.5% of those who died from COVID-19 were people with obesity or vulnerable conditions (hypertension, diabetes, heart disease and others) related to a sedentary lifestyle and an unhealthy diet. On the other hand, between 20% and 30% of the world's population has symptoms of mental disorders. According to MINSA and the Pan American Health Organization, 7 out of 10 Peruvians are suffering from some kind of problem or symptomatology related to mental health diseases, the most common disorders being depression and anxiety. Both situations have increased with the confinement as a result of the pandemic.

Open public spaces, subject to ventilation and constantly circulating air currents, have better air quality conditions than enclosed spaces and can be configured in a way that respects the physical distance established in sanitary protocols compared to enclosed spaces. However, as a measure for the first economic reactivation, the government promoted the use of enclosed spaces (shopping malls, cinemas, gyms, markets, etc.) and stigmatized open public spaces (beaches, squares, parks, etc.). As a consequence, the number of COVID-19 positive cases increased.

The strategy Open and Healthy Public Spaces is a national strategy for urban design and

development of biosafe public spaces in the context of the pandemic caused by COVID-19. The urban design national strategy, contains guidelines¹² and criteria for open spaces biosafe use, through pilots, to generate an offer of open, healthy and quality public spaces. These promote citizen participation by strengthening the active civic capacity to cope with the health crisis (resilience) and improving the physical and mental health of the population through a methodology of multi-sectoral work that enables the development of economic activities. In conclusion, this proposal seeks to reactivate the economy and promote physical activity and mental health care by activating public open spaces with a biosafety approach.

Initially, previous experiences or interventions that local governments had carried out in the context of the Pandemic at the national and global levels were identified. In this way, it was possible to prioritize which ones were adapted to the existing realities in the country. Then, the interventions found and designed were grouped according to the physical place where the intervention took place, resulting in intervention typologies.

In order for the proposal to have a wider scope, an easy-to-read visual medium was sought that does not require any technical knowledge to understand it. Thus, it was adopted to use illustrations to explain the intervention accompanied by a technical diagram for specialists who require more detailed information.

With this first document, the socialization of the proposal began with different urban experts, local governments and civil society, who enriched the final document. Once the document was published, a methodology for national dissemination was prepared. Individual training sessions are held with municipalities and unions explaining the document's contents. Then, they are asked to identify possible areas to intervene with pilots, which they will have to present in the following meeting. Afterwards, they present the mapping of pilot projects, which are discussed with the MVCS's technical team to consolidate a comprehensive proposal. Finally, it is suggested that the interventions be monitored in order to be able to compare their impact.

Local governments that quickly implemented the proposal used affidavits, while other governments issued a Mayoral Decree that legally framed the interventions. It is clear that, in the current context, the need to ensure people's health care is as essential as the need to create the conditions to reactivate the economy in order to make it possible to recover family incomes, stop the bankruptcy of businesses and facilitate the resumption of economic and social activities that are essential for everyone.

By 2020, COVID-19 resulted in the closure of at least 100,000 restaurants out of the 200,000 restaurants operating before the pandemic, which employed more than 1 million people nationwide. For example, Metropolitan Lima is home to 50% of the country's informal urban settlements, severely affected by the health crisis. In response, citizens have reactivated more than 1,100 collective kitchens as the primary measure of food security and social protection for their communities. According to the Front of the Municipal Council database against Hunger of Metropolitan Lima and the Metropolitan Municipality of Lima (MML), these establishments serve between 1,000 and 3,000 rations a day on average. This makes them spaces that demand many people in reduced and inadequate spatial conditions.

12 Guide 1: Guide of gastronomic and cultural terraces. <https://www.gob.pe/institucion/vivienda/noticias/325470-ministerio-de-vivienda-aprueba-guia-para-que-restaurantes-y-establecimientos-culturales-hagan-uso-de-espacios-publicos>.

Guide 2: Open Space Guide covid19. <https://www.gob.pe/institucion/vivienda/noticias/342038-ministerio-de-vivienda-aprueba-guia-para-que-municipalidades-acondicionen-espacios-publicos-abiertos>

Guide 3: Active Pathways Guide. <https://www.gob.pe/institucion/vivienda/noticias/482360-ministerio-de-vivienda-aprueba-guia-de-vias-activas-para-promover-actividades-deportivas-y-recreativas-en-la-via-publica>

Guide 4: Open Markets Guide. <https://www.gob.pe/pl/institucion/vivienda/noticias/492919-ministerio-de-vivienda-aprueba-guia-para-que-los-mercados-puedan-usar-espacios-publicos-abiertos>

In addition, food markets and commercial conglomerates have a relevant role for the country due to their function as suppliers of necessities and the concentration of specialized commerce. However, according to the Proposal for the identification of priority areas for the prevention and control of the spread of COVID-19 in the city of Lima, carried out by GRADE's Urbanization and Sustainable Cities team, these are potential places for the spread of COVID-19, since 79% of people over 60 years of age in Lima live with family members. In addition, it is estimated that 93% of people who buy their food in markets do so in establishments that are less than 800 meters away from their homes.

Thus, the relevance of the proposal is based on establishing measures to generate an offer of healthy and quality public open spaces that promote citizen participation by strengthening civic capacity to cope with the health-economic crisis (resilience) and improving the physical-mental health of the population, while ensuring the revival of economic activities of various kinds.

Table N° 11. Indicators of the "Open and healthy public spaces" strategy

	Baseline		Achievement obtained	
	Year	Value	Year	Value
Local governments trained on the Guidelines	Start 2021	75	End 2021	134
Training on the Guidelines	Start 2021	100	End 2021	304
Local governments that have implemented pilots of the Guidelines	Start 2021	10	End 2021	35
Number of pilots implemented	Start 2021	50	End 2021	304
Number of kilometers of active and bio secure roads	Start 2021	6	End 2021	2.65

Source: MVCS-DGADT, 2021

Taking the crisis as an opportunity to transform reality has been possible as a tool to change the population's perception regarding the use of public spaces and by motivating urban regeneration of strategic places of intervention. Three main contributions comprise the proposal:

First, a fast, democratic and effective systematization of information as an articulated and structured response. The approach of the series of guides for the conditioning, reactivation and bio-safe use of public spaces is complemented with the support and continuous monitoring of each local government, the dissemination and socialization of its contents, and the articulation of private actors for the financing and implementation of pilots. This is the first time that this type of systematization has been applied at the national level in Latin America.

Second, the generation of a didactic and facilitating tool. The quick socialization and visual reading of the generated product have allowed it to be easily communicated through strategic actors' illustrated guides and technical presentations. The virtual training has had an extensive reach due to the constant and coordinated follow-up through digital media and specific field visits, making possible the participation of 104 local governments and 23 institutional and private actors.

Finally, accompanying the process as a form of real impact. The monitoring of temporary interventions addresses the situation of the pandemic but also lays the groundwork for change and occupation of public spaces in the medium and long term. This proposal makes it possible to demonstrate the added value of public space to benefit its inhabitants. Currently, 304 pilots have been implemented, including enabled public spaces and bio-safe gastronomic terraces.

1.3 Environmentally sustainable and resilient urban development

1.3.1 Sustainable management and use of natural resources

A. Strengthening the sustainable management of natural resources in urban areas

Climate change impacts the availability, quality and quantity of water for the provision of sanitation services. In this sense, the sanitation sector must know about the planning and implementation of interventions that help improve the resilience of the service and the causes through the management of attributable greenhouse gas emissions.

In this regard, the MVCS has a strengthening program for the comprehensive management and planning of climate change in sanitation service providers through the General Office of Environmental Affairs. This program aims to strengthen knowledge in the comprehensive management of climate change applicable to Sanitation Service Providers (EPS)¹³.

This project began in 2021, and it is projected that 34% of the EPS will be trained in integrated climate change management. Likewise, by the same year, it is projected that 40% of the Climate Change Mitigation and Adaptation Plans under development will be carried out in areas prioritized in the tentative sectoral programming.

B. Promote resource conservation and waste reduction, reuse and recycling.

The MVCS has a strategy for the reuse of municipal wastewater in the irrigation of urban green areas as part of progressive environmental adaptation of EPS. The objective is to promote the development of green areas to improve the urban population's environmental conditions and quality of life through the reuse of municipal wastewater, previously treated; under the circular economy approaches, climate change and protection of public health.

The General Office of Environmental Affairs (DGAA), with the support of international technical cooperation (GIZ), has developed a proposal of quality values for wastewater reuse, which is currently being processed for approval. The main challenge is establishing the quality parameters of treated municipal wastewater for reuse in the irrigation of green public spaces and progressively increasing their surface in cities.

As of 2019, there were 352 EPS in the Single Registry for the Progressive Adequacy Process (RUPAP). By 2021, this number increased to 820 EPS in the RUPAP. Of this total, 70 EPS use their treated wastewater to irrigate urban municipal green areas.

Through strengthening workshops during 2019-2021, the EPS have been sensitized to develop wastewater treatment projects with a circular economy approach to improving green areas.

C. Implement environmentally sound management of water resources and urban coastal areas.

To date, about 10% of the country's coastline has a determination of the Highest Tide Line (LAM). This situation causes the National Superintendence of State Assets (SBN) to deny applications and requests for administration and disposal of State-owned properties due to the

¹³ The sanitation service providers (EPS) are entities that provide drinking water, sanitary sewerage, wastewater treatment for final disposal and excreta disposal services in urban areas. Currently, there are 50 EPS distributed nationwide.

impossibility of determining whether the requested properties are partially or totally overlapping with the Restricted Domain Zone (ZDR). Likewise, the various registry offices of the National Superintendence of Public Registries (SUNARP) require the LAM to define whether or not a property is located in the Protected Beach Zone (ZPP), which is made up of the Beach Zone (ZP) and the ZDR. On the other hand, the lack of determination of the LAM and ZDR on the coast does not allow for adequate supervision and delimitation of competencies between the Peruvian Navy (MGP), SBN, local and regional governments. This has led to unauthorized or incompatible uses and occupations within the ZPP. It should be noted that many of these occupations border with various urban areas located on the coast of the country.

The determination of the LAM in the departments of Tumbes and Piura (completed in 2021) and the departments of Lambayeque and La Libertad (in execution) is being carried out through an interinstitutional agreement between MGP and SBN. Likewise, the SBN, through the Sub-Directorate for the Administration of State Patrimony (SDAPE), is currently executing the “Determination of the Restricted Domain Zone (ZDR)” on the coast of the Department of Tumbes. The main objective is the determination of the LAM and the determination of the ZDR in all the country’s coasts.

Good practices and learnt lessons worth mentioning are the following: Inter-institutional cooperation work between the MGP and the SBN for the determination of the LAM in the coastlines of the departments of Tumbes and Piura (completed) and in the departments of Lambayeque and La Libertad (in progress). Joint work between the MGP, the SBN and local governments so that the population occupying spaces within the ZPP feels respected for their property rights. Elaboration of a technical and legal diagnosis of the entire ZPP area to identify the property rights and occupations that exist as an indispensable requirement for the issuance of the approved resolutions of the ZDR. Intensive use of ortho-rectified aerial photographs (orthophotos) obtained by drones to determine with an accuracy of less than 10 cm the occupations, constructions, geographical elements that break the continuity of the beach, among other valuable elements for the determination of the ZDR in the coast.

On the other hand, the General Directorate of the Coast Guard and Coast Guard (DICAPI) executes an annual beach cleaning plan. The plan’s objective is to encourage the conservation and sustainable use of the aquatic environment to prevent, mitigate and protect pollution, biodiversity and coastal marine ecosystems. The problem it seeks to address is inadequate solid waste management in coastal marine aquatic ecosystems. In 2020, 31 beach clean-up activities were carried out, in which 67,817 tons of garbage were collected. In 2021, 99 activities were carried out, in which 157,953 tons of garbage were collected.

1.3.2 Resilience, mitigation and adaptation of cities and human settlements

A. Minimizing urban sprawl and resulting biodiversity loss

The PNVU identifies the inefficient and unsustainable production and occupation of land as a direct cause of the inadequate living conditions of the population. This cause is linked to the concentration of population and centralities in cities, the inefficient and unsustainable production and occupation of land, the inequity in the distribution of burdens and benefits, the informal occupation of land and risk zones, and the high costs for the provision and operation of essential services. In this regard, the PNVU proposes as Main Objective 2: “To guarantee the sustainability of land occupation dynamics in the country’s cities and population centers”. Sustainability here refers to environmentally, socially and economically sustainable generation and occupation of new urban land. In turn, this sustainability seeks to reduce inequalities, increase urban equity, conserve ecosystem services and marine-coastal zones.

In this sense, to minimize urban sprawl, the PNVU proposes guideline 2.2: “Strengthen land-use optimization measures in the country’s cities and population centers” and guideline 2.3: “Discourage informal and speculative land occupation in the country’s cities and population centers”.

Specific services are framed to promote urban densification, urban regeneration and urban renewal projects for the generation of social housing. Also, other services are proposed for the production and management of land in safe areas with essential services for promoting social housing. Likewise, the PNVU proposes strengthening urban supervision and control in local governments and civil society. Finally, the PNVU proposes a program for the execution, capacity building, and support of resettlement projects of the population living in risk areas. One purpose of these services is to reduce urban sprawl and, therefore, this will also reduce the loss of biodiversity and preserve ecosystem services that would otherwise be negatively affected by uncontrolled urbanization.

B. Develop systems to reduce the impact of natural and man-made (anthropogenic) disasters

The National Policy for Disaster Risk Management, approved by DS. 038-2021-PCM, is aligned with the Sustainable Development Goals and seeks to reduce territorial vulnerability caused by the increasing complexity of societies and cities. The policy has as one of its main objectives "To improve the conditions of occupation and use considering disaster risk in the territory", which includes various services such as public services programs for education, health, transport and sanitation; improvement and conditioning of buildings for housing purposes; programs for the protection and management of watersheds; and technical assistance to incorporate disaster risk management in productive and economic activities in areas of high and very high exposure to danger.

The multisectoral nature of this policy means that the aforementioned services are provided by entities such as the Ministry of Education, Ministry of Health, Ministry of Transport and Communications, Ministry of Housing, Construction and Sanitation, Ministry of Agrarian Development and Irrigation, National Center of Estimation, Prevention and Reduction of Disaster Risk - CENEPRED, and regional and local governments. Likewise, it is worth mentioning that the National Plan for Disaster Risk Management 2022-2030 is being updated jointly with the National Institute of Civil Defense - INDECI and CENEPRED. In this regard, the Vice-Ministry of Territorial Governance - of the Presidency of the Council of Ministers PCM has the role of conducting and supervising the implementation of public policies. In this line, the Functional Unit for Territorial Organization and Disaster Risk Management - UF-OTGRD has the task of complying with the implementation of the National Disaster Risk Management Policy and Plan in force.

CENEPRED also carries out a capacity building program in prospective and corrective disaster risk management for officials and technical teams responsible for implementing disaster risk management (DRM) in public entities of the three levels of government and organized civil society.

The objective of this program is to strengthen capacities in prospective and corrective disaster risk management for authorities, officials and technical teams responsible for the implementation and execution of DRM in public entities of the three levels of government, as well as organized civil society in order to improve decision-making in the event of a natural or human-induced event, which will reduce the vulnerability of the population and their livelihoods.

This program seeks to address the problem of increased vulnerability and decreased resilience of the population, especially the population with characteristics of increased vulnerability (people with disabilities and older adults), for it seeks to achieve greater resilience that allows them to assimilate, absorb, adapt and recover from the impact of a hazard.

The development of the service has the following components:

- Development of technical-regulatory instruments
- Education and training: It considers the realization of Basic and Specialized Courses in Disaster Risk Management for public entities of the three levels of government, as well as the organized civil society in order to contribute to the development of

a culture of prevention to protect the life of the population, the patrimony of the people and the State.

- Technical assistance: CENEPRED provides technical assistance to the three levels of government, mainly for the elaboration and implementation of Disaster Risk Prevention and Reduction Plans - PPRRD, for the Declaration of Areas of Very High Non-Mitigable Risk, for the elaboration of Population Resettlement Plans and to mainstream and institutionalize DRM in the institutional management instruments at the three levels of government, including technical assistance.
- Monitoring, follow-up and evaluation of the implementation of disaster risk assessment, prevention and reduction processes.

Table N° 12. Indicators of the disaster risk management capacity development program

	Baseline		Achievement obtained	
	Year	Value	Year	Value
Percentage of Risk Studies in the national territory published in SIGRID	2016	3%	2021	17%
Number of participants from prioritized public entities certified in basic courses on Prospective and Corrective Disaster Risk Management.	2016	742	2021	6,500
Number of participants from prioritized public entities certified in specialized courses on Prospective and Corrective Disaster Risk Management.	2016	365	2021	2,500
Percentage of prioritized public entities of the three levels of government with technical assistance in Prospective and Corrective Disaster Risk Management.	2016	12%	2021	19%

Source: CENEPRED, 2021

Mechanisms have been incorporated into the 2021 and 2022 Budget Law for the financing of activities aimed at reducing disaster risk and for the development of studies and research for disaster risk prevention.

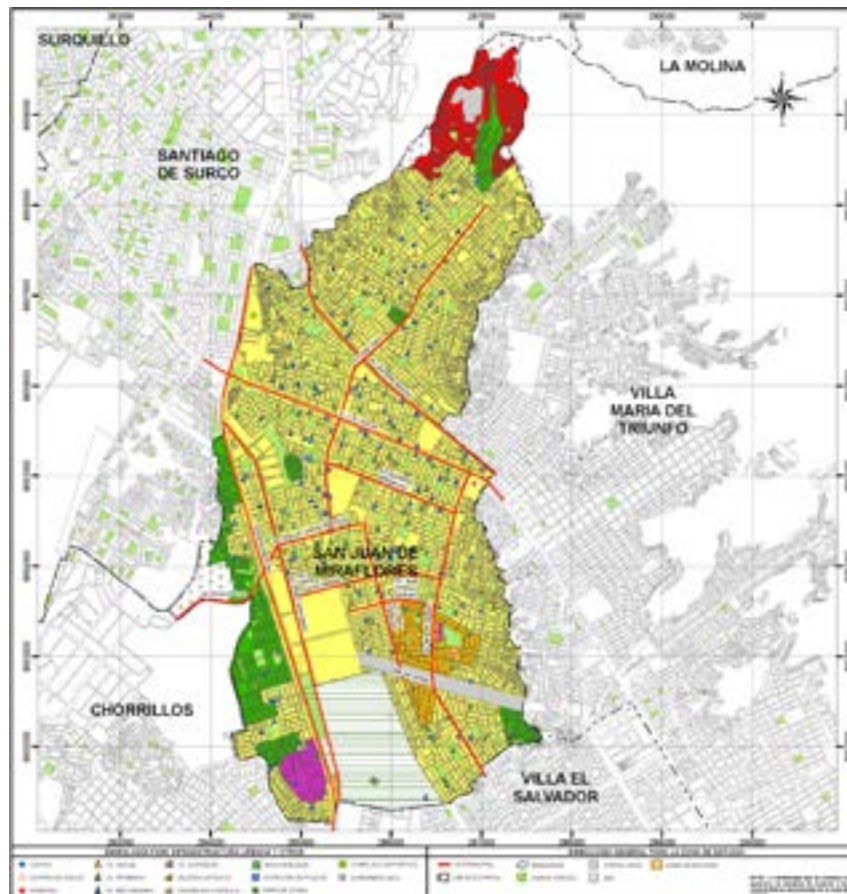
On the other hand, the Geophysical Institute of Peru and the INDECI have the PERUVIAN SEISMIC ALERT SYSTEM (SASPe), a service that provides early warning information on the danger of earthquakes for the populations of the Peruvian coast. It is developed through an investment project executed between the Geophysical Institute of Peru and the INDECI. Its objective is to provide an earthquake early warning service for the populations of the Peruvian coast through the dissemination of an earthquake warning notice prior to the perception of the generated tremor, thus providing a window of opportunity for people to act in order to safeguard their lives. Scientific evidence points to the high probability of the occurrence of seismic events of very high magnitude that would seriously affect populations. Therefore, the aim is to achieve the possibility of having an advance warning, which, although short, would effectively reduce the number of victims. By the year 2021, 60% of the seismic monitoring stations necessary for the development of component 2 of the Peruvian Seismic Warning System have been implemented.

Additionally, a problem identified by the MVCS is that 30% of the national population, as well as the country's most critical infrastructure and equipment, are concentrated in the metropolitan area of Lima and Callao; in the event of a significant earthquake, housing, infrastructure and urban equipment would be affected, adding to the problem of damage to the life and health of the population. Having seismic micro-zoning information allows for knowing seismic risks, and

having damage scenarios for disaster risk management (hazard assessment, vulnerability analysis and disaster risk estimation). Its use is essential in the management of urban, developable and non-developable land (regulation of land use and occupation); and to guide the management of local investments (programming and prioritization of investments and securing land), to promote sustainable urban development, among many actions and interventions that need to be carried out.

The PNC of the MVCS conducts seismic micro-zoning studies in the Metropolitan Area of Lima and Callao to address this issue. The information generated makes it possible to know the behavior of the soil in the face of seismic movements and relate it to built infrastructure (vulnerability) to establish damage to housing and urban infrastructure. By 2021, 94% of the 52 target districts will have been covered. The Seismic micro-zoning Studies were delivered to each district municipality and are being used in planning and land use actions. The studies are available on the MVCS website¹⁴. During implementation, the participation of technical institutions and local governments was promoted.

Figure N° 3. Micro-zoning study for the district of San Juan de Miraflores, Lima.



Source: MVCS-PNC, 2019

C. Building urban resilience through quality infrastructure and spatial planning

The MVCS establishes the regulatory framework and national policies for urban planning and land development through the General Office of Housing and Urban Policy and Regulation

¹⁴ The studies are available at: <https://www.gob.pe/institucion/programa-nuestras-ciudades/informes-publicaciones/375282-estudios-de-microzonificacion>

(DGPRVU). In this regard, since the issuance of the Regulations on Land Development and Urban Development in 2003, the territory's analysis of risks has been considered part of the contents of territorial and urban plans. Likewise, the Regulation on Territorial Development and Sustainable Urban Development, approved at the end of 2016, incorporates risk as a mandatory variable of analysis in planning, establishing a risk analysis process, and its importance in determining the classification of land and the zoning of population centers.

In 2017, the Coastal El Niño phenomenon occurred, causing havoc in different cities in northern Peru. Therefore, within the framework of the Comprehensive Plan for Reconstruction with Change, the MVCS promoted, encouraged, and set as a goal the elaboration of sixty-eight (68) plans, to update and provide technical, regulatory instruments to the cities affected by the Coastal El Niño phenomenon, making the necessary rehabilitation and reconstruction actions feasible for them. The Urban Plans proposed for these cities placed particular emphasis on disaster risk management.

In this context, and considering the importance not only of disaster risk management in urban and territorial planning, but also of various variables that allow cities and population centres to be resilient, fair, competitive, inclusive, accessible and generators of opportunities, the PNVU, established the following as part of its Main Objectives:

- OP1: Guarantee the sustainable growth and development of the country's cities and population centers through urban and territorial planning.
- OP2: To guarantee the sustainability of the dynamics of land occupation in the cities and population centers of the country.

The PNVU identifies as the main problem the inadequate living conditions of the population, from which there are two direct causes related to OP1 and OP2: the low impact of urban and territorial planning and limited control of its compliance, and inefficient land production and occupation. In this sense, the PNVU tries to reverse this situation with the different guidelines and services derived from it.

In this sense, it establishes as guideline 1.2 of OP1: "Strengthen implementation mechanisms on territorial urban planning and management issues in local governments".

It also establishes as guideline 2.1 of OP2: "Strengthen the system of organization and integration of the country's population centers and cities", and as part of its services it establishes an "Updated system of classification and characterization of cities and population centers".

OP1 of the PNVU seeks to promote the creation or consolidation of entities dedicated to urban and territorial planning and management in the country's metropolitan areas to prevent it from being carried out in a fragmented manner. This will also allow the decentralization of training and supervision processes for local governments in the metropolitan area in terms of urban planning and management, following the applicable plans and policies. Furthermore, it will help in the articulation between the metropolitan level and the different levels of government, academia, society and the private sector, by implementing the tools that allow for active and effective citizen participation and supervision, including professional associations and members of civil society.

Likewise, OP2's service consists of continuously reviewing and updating the classification and characterization of the country's cities, towns, and population centers based on their territorial and demographic characteristics, among others. This classification is established through the system of cities and population centers to determine and assign the type of planning instrument that corresponds to each city or population center. In the same way, it can include the identification of corridors, basins or other characteristics of the territory that require coordination between more than one municipal jurisdiction.

Table N° 13. Indicators of urban resilience through planning

	Baseline		Achievement obtained	
	Year	Value	Year	Value
Percentage of provincial local governments with Territorial Development Plans	2019	46.9%	2021	50%
Number of plans approved under the Reconstruction with Change framework	2017	0 plans	2021	49 plans

Source: MVCS-DGPRVU-DOICP, 2021



2

**Effective implementation or
enforcement**

2.1 Building the urban governance structure: establishing a supportive framework

- A. Decentralize to enable subnational and local governments to assume their assigned responsibilities

The Vice-Ministry of Territorial Governance has a Secretariat for Decentralization with two sub-secretariats in charge of regional and local articulation and strengthening decentralization.

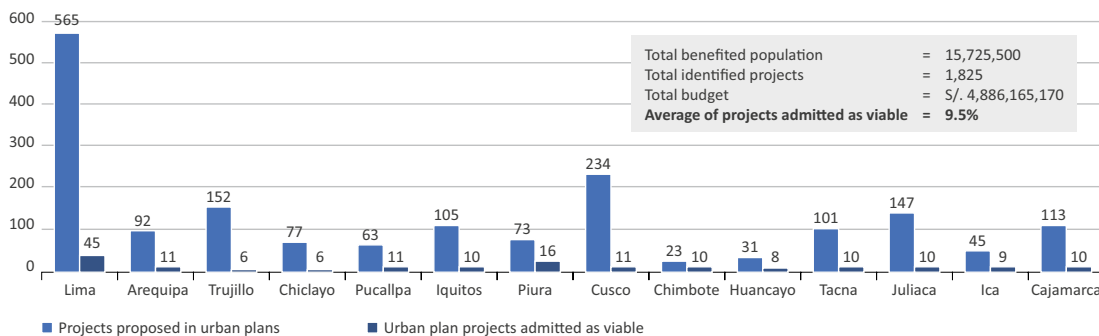
One of the main objectives of the National Policy for Disaster Risk Management is to “Improve the articulated implementation of disaster risk management in the territory”. This objective seeks to achieve improvements in the implementation of DRM at the three levels of government in an articulated and coordinated manner with the members of the National Disaster Risk Management System and, likewise, to promote the development of their capacities so that they can strengthen the follow-up, monitoring, supervision, control and evaluation of DRM.

- B. Linking urban policy with financing mechanisms and budgets

Until mid-2021, investments in Peru were not articulated with the planning instruments, and there is no mandatory prioritization of them. Therefore, at each change of authority, the priority of public investment changes according to the authority’s criteria in office. Urban planning should result in the implementation of the projects proposed in them. However, the prioritized investments are not aligned with the Urban Development Plans. For example, the percentage of investment projects linked to these plans in fourteen (14) cities with a population of over 100,000 inhabitants was 9.5% in 2016¹⁵.

LDUS, aims to change this situation by establishing land management instruments that local governments can use in order to guide a better use and optimization of land use and land value, among which are the urban financing instruments, which are intended to finance the sustainable urban development of cities and population centers.

Figure N° 4. Projects contained in urban plans (as of March 2016).



Source: CNCF-MEF, 2016

15 Figures reported by the National Council for Competitiveness and Formalization (CNCF).

In this context, LDUS has also established an articulation between urban and territorial planning with the Concerted Development Plans and other strategic planning instruments within the National System of Strategic Planning (SINAPLAN) framework. The LDUS also states that the multiannual investment programming must consider the adequate provision of services and the provision of the necessary infrastructure, applying in all cases a territorial approach for which it is mandatory to take into account the diagnosis and proposals of the Territorial and Urban Development Plans of its jurisdiction.

Finally, it should be specified that from the Regulation of Territorial Conditioning and Urban Development of 2003 to the Regulation of Territorial Conditioning and Sustainable Urban Development, approved by Supreme Decree N°022-2016-VIVIENDA, the development of an Investment Program has been considered as part of the minimum content of the Urban and Territorial Plans. This last rule defines it as an economic and financial management instrument that allows promoting public and private investments to achieve the objectives defined in the urban and territorial plans. In addition, the Investment Program of the urban and territorial plans should be progressively incorporated in the different strategic investment and participatory budget plans of local governments.

The objective of these regulations is that urban financing instruments are intended to finance the sustainable urban development of cities and population centers with part or all the increased commercial value of the land resulting from urban development actions and interventions made.

Likewise, the incorporation of the Investment Programs as part of the minimum content of the Urban and Territorial Plans aims to ensure that cities and population centers can prioritize a set of programs and projects that allow them to achieve the vision and objectives outlined in the plans. In this sense, the Investment Programs of the Plans develop the investment amounts of the prioritized projects and the source of financing, the responsible entities, among others, all linked to the project idea format of the National System of Multiannual Programming and Investment Management.

- C. Develop legal and policy frameworks to improve the capacity of governments to implement urban policies

Both the PNVU and the LDUS emphasize the role of local governments in implementing policies that guide the sustainable urban development of cities and population centers. Likewise, both the PNVU and the LDUS develop legal frameworks and technical-normative instruments so that local governments can implement policies that guide the sustainable urban development of cities and population centers.

- D. Build the capacity of local and subnational governments to implement multilevel metropolitan governance.

The PNVU identifies that urban fragmentation and spatial disarticulation, understood as processes through which an urbanized territory is divided into multiple units, losing coherence in the functioning between the parts, generates the deterioration of urban identity and therefore of the sense of belonging of the population that inhabits it. Likewise, it is identified that the processes of urban and territorial planning and management in metropolitan areas are currently carried out in a fragmented manner. Moreover, the management of investments in urban equipment and public spaces is atomized and fragmented, where the preeminence of small investment projects over large-scale ones prevents taking advantage of economies of scale and reducing transaction costs in the management of investments.

To address this problem, the PNVU proposes in its service 02 the strengthening of capacities for urban and territorial planning and management of metropolitan areas through decentralized specialized entities. This service seeks to promote the creation and/or consolidation of entities dedicated to urban and territorial planning and management in the country's metropolitan areas to prevent the management of these areas from being carried out in a fragmented manner. This will also allow the decentralization of training and supervision processes for local governments in the metropolitan area in terms of urban planning and management, following the plans and policies of the MVCS. It will also help in the articulation between the metropolitan level and the different levels of government, academia, society and the private sector, by implementing tools that allow for active and effective citizen participation and supervision, including professional associations and members of civil society.

These entities, appropriate to the scale and resources of the corresponding local governments, should promote the construction of new urban knowledge based on the systematization of the different experiences in planning and management at the national level, forming a network of metropolitan planning entities (or institutes). The articulation of these entities promote the methodological, case study and conceptual exchange necessary for the improvement of the quality of urban planning in the national territory. The Provincial Governments located in a metropolis will be the service providers. Regarding achievements so far, the percentage of metropolitan areas that have a specialized urban and territorial planning entity in operation has increased from 22% in 2016 to 33% in 2021¹⁶. The PNVU proposes that this percentage rises to 60% by 2030.

E. Implement age and gender-sensitive participatory approaches to urban policy and planning.

Effective Citizen Participation is incorporated into the PNVU and the LDUS as a strategy for the formulation and co-production of territorial and urban planning instruments regulated. This seeks to address the limited citizen participation, which directly affects the low impact of urban and territorial planning and management instruments. Due to the lack of indicators and information that directly and precisely measure the social legitimacy of urban and territorial planning and management instruments, other measures will be used that suggest that, in general terms, there is a sustained and systematic lack of citizen participation. During the COVID-19 pandemic, within the manuals for formulating urban planning and territorial conditioning instruments, criteria were established for the promotion and realization of citizen participation in the pandemic context.

Effective Citizen Participation aims to generate opportunities that allow citizens to enjoy the benefits derived from urban development and the social progress of cities and population centers. In this regard, by 2019, 9% of cities had a structure for direct participation of civil society in urban planning and management and are functioning regularly and democratically. It is expected that by the end of 2021, this value will reach 10%. The PNVU has set a goal for this indicator to reach 15% by 2030. Finally, the PNVU has also set a goal that, by 2030, 5% of households should report having participated in some urban and territorial planning or management process.

The General Office for the Integral Inclusion of Gender Approach also has the Guidelines for Gender Approach Inclusion in Public Management, approved by Supreme Decree N 015-2021-MIMP, which could be linked to that end. This instrument establishes Guideline 2, which aims at "Incorporating the approach in the national system of multiannual programming and investment management"; to that extent, it provides for the incorporation of the gender approach in the infrastructure gap diagnoses (7.2.1.), in addition, that in terms of reference, work plans and contracts for project execution, job opportunities for women and men must be specified without discrimination (7.2.3.).

¹⁶ The number of metropolitan areas defined by the system of cities and population centers is taken as a reference.

F. Achieving women's full participation in all fields and at all levels of decisionmaking

There is currently a significant gap in women's participation at different levels of decision-making. In terms of political representation at the national level, of the 130 congressional seats, women will hold only 49 in the period 2021-2026. However, the trend since 2006 has been towards a parity congress, but significant improvements and greater participation of women are still needed. On the other hand, at the local government level, the gap is much wider. Out of a total of 1772 representatives elected to preside over local governments in the period 2019-2022, only 90 are women mayors. Finally, out of a total of 10654 representatives elected to municipal councils in the same period, only 3186 are women councillors. Again, although these numbers have increased considerably since 2007-2010, the country is still far from reaching parity in our local representatives. This has a direct impact on decision-making in the country's cities and population centers, as local governments are the main actors in urban planning and management processes.

Table N° 14. Seats held by men and women in national parliaments by congressional term

	2006 / 2011	2011 / 2016	2016 / 2020	2020 / 2021	2021 / 2026
National	120	130	130	130	130
Man	85	102	93	96	81
Woman	35	28	37	34	49

Source: INEI, 2021

Table N° 15. Elected mayors by term of office

	2007 / 2010	2011 / 2014	2015 / 2018	2019 / 2022	2021 / 2026
National	1800	1787	1793	1862	130
Woman	49	68	50	90	81
Man	1751	1719	1743	1772	49

Source: INEI, 2021

As a strategy for achieving the full participation of all women in all areas and at all levels of decision-making, the MIMP has approved guidelines for mainstreaming the gender perspective in public administration. The purpose of the guidelines is "to establish general provisions for the various entities of the public administration at the three levels of government for the appropriate incorporation of the gender perspective in the design, implementation, monitoring and evaluation of policies, programmes, strategies, projects, plans and services".

2.2 Planning and management of urban spatial development

A. Implement integrated and balanced territorial development policies.

With regard to the implementation of territorial development policies, Subsecretariat for Territorial Development has “Regional Development Agencies” through which forums for consultation are held with the various actors in the territory to address specific issues.

B. Integrating housing into urban development plans

The problem addressed is the limited and inequitable access to adequate housing solutions, caused by a dissociation between the Housing Policy and an almost non-existent Land Policy, which has resulted in a growing qualitative housing deficit, despite the efforts over two decades to strengthen a program of financial housing subsidies, which worked on the gap in the quantitative housing deficit, but not in the qualitative deficit.

In this regard, the housing component has been integrated into urban development plans since 2016, with the approval of the Regulation of Territorial Conditioning and Sustainable Urban Development, which has provided as part of the contents of the Urban Development Plans the projection of the demand for new housing units to determine the developable areas or densification programs according to the existing conditions and characteristics.

Also, Inclusive Zoning Programs for urban planning were included in this regulatory framework. The purpose is to create new housing opportunities, through which density or height bonuses are offered as an incentive in exchange for real estate developers to include a percentage of social interest housing within the real estate project, which allowed to stimulate the real estate market and promote social integration, mitigating the effects of social and spatial segregation in our cities. This instrument is subject to the identification in urban development plans of urban areas suitable for incorporating these real estate projects to consider the land’s support capacity and accessibility technically.

These proposals have been reinforced as of 2021, with the approval of the PNVU and the LDUS. In the case of the PNVU, Main Objective 3 is aimed at increasing access to adequate housing in the country’s cities and population centers, prioritizing the population living in poverty or social vulnerability.

Likewise, the LDUS establishes mechanisms that reduce the quantitative housing deficit. For example, by promoting the determination in urban development plans of Special Zones of Social Interest (ZEIS) in which 60% of the land must be allocated to social housing projects.

The objective of these regulatory frameworks is to increase access to adequate housing, ensuring the rational occupation of land through its forecasting and projection in urban development plans. Inclusive zoning also aims to create new housing units, promote socially mixed coexistence, boost the real estate market, reduce socio-spatial segregation, and reduce the quantitative housing deficit by determining percentages of urban land in urban development plans.

C. Include culture as a priority component of urban planning

At present, many buildings of the historic centers or those considered by the Ministry of Culture (MINCUL) as Immovable Cultural Heritage of the Nation, especially the mansions of the historical centers are in a state of abandonment and degradation, which produces a risk not only for the people who live there but also for passers-by who use the public roads. In this sense, LDUS provides an alternative for maintaining these areas through the urban financing instrument called

Additional Transferable Building Rights (DAET). Likewise, regeneration or urban renewal programs and projects are proposed to recover these areas through urban planning instruments.

DAET consists of the transfer of the additional building right of an urban property located in a generating zone to another property located in a receiving zone, which can be owned by the same proprietor or third parties without the loss of the right of ownership of the urban soil and subsoil where the issuing property is located. Among the objectives of the DAET is to protect and conserve the monumental areas and historical centers.

The LDUS above also states that when territorial and urban development plans are formulated, they must involve effective citizen participation. When carried out in areas where indigenous peoples live, the plan formulation must take into account cultural and geographical criteria and the linguistic diversity of the peoples, ensuring the participation of interpreters and translators duly registered in the National Registry of Interpreters and Translators of Indigenous or Native Languages of the MINCUL.

In turn, the minimum content of urban planning instruments considers the analysis of cultural components of the city or town centre. If appropriate, this could lead to the formulation of a Specific Plan called the Historic Centre Master Plan, which guides the management, land use, actions, interventions, control, programmes and projects, public and private interventions in the territorial scope of a Historical Centre.

Urban planning instruments, including Specific Plans, carry out an integral analysis of the city and/or population center, diagnosing, among other things, its cultural component, which not only implies an analysis of the properties with historical value but also an analysis of the city's culture, customs, composition, etc. This allows concrete proposals for the development and maintenance of cultural identity, respecting the lifestyles of the communities.

Likewise, the Specific Plans make a diagnosis and proposals with the aim, as mentioned above, of guiding the management, land use, actions, interventions, control, programmes and projects, public and private interventions in the territorial scope of a Historical Centre, thus facilitating a special integral urbanistic treatment.

As an example of best practices, the MINCUL, with the support of the MVCS, developed the pilot project *Altura para la Cultura*, promoting the conservation of cultural heritage through the application of DAET.

- D. Implement planned urban extensions and infill, urban renewal and regeneration of urban areas

Precarious housing conditions, generating a high risk of physical safety for the population living in them, in overcrowding conditions, and lacking water and sewage services are identified as social problems. Likewise, there is a problem due to the deterioration and loss of monumental buildings with historical value, and their improper use, subdivision, and collapse of services compromising the structures. As legal problems, the informal ownership of property and land abandonment by owners are identified. Institutional problems include limitations to local government intervention and a lack of interest in private investment. As an urban and structural problem, the ruinous state of the properties at risk of collapse, the deterioration of urban environments and large unused spaces are identified.

In this regard, the Urban Renewal Project was created in 2010 within the framework of Law 29415, Law for the Legal Physical Rehabilitation of Slum Areas and its Regulations approved by Supreme Decree N°011-2010-VIVIENDA. The interventions of this urban renewal program began with the declaration of properties in slum conditions by the MINCUL and located in urban centers throughout the country. The intervention considers the areas of protection and special treatment

(historical centers and monumental zones) delimited according to Municipal Ordinance issued by each Local Government.

This regulation aims to transfer and strengthen capacities and knowledge on the importance of city planning and a holistic view, which allows generating through urban renewal the implementation of housing projects to promote densified compact and sustainable cities. It also seeks to strengthen the institutional organization of the various public and private actors involved in the management of urban renewal. It aims to achieve three things. Optimise urban land use with densification through interventions to improve conditions and intensify the use of an existing urban area to accommodate the population and economic activities. Promote urban financing mechanisms by recovering the increase in land value resulting from urban development actions and interventions. Plan the spatial integration of the city of its areas of influence and implement infrastructure for the interconnection of multimodal transport in the framework of sustainable urban mobility, contributing to accessibility and competitiveness of the real estate market due to the interest of private investment in urban areas renewal projects.

- E. Improve capacity for urban planning and design and the training of urban planners, at all levels of government

The limited capacities of local governments for the implementation of urban planning and management instruments are due to the complexity of governance in conurbations, the scarce capacity for their own financing, the difficulties for budget execution and the lack of trained human capital. At the same time, local governments have difficulties in monitoring compliance with urban and territorial planning and management instruments, which exacerbates the problem.

It has been identified that municipal officials lack the capacity to promote and implement urban planning, city management, and disaster risk management in the country. For this reason, training activities are being carried out at the national level. As part of the strengthening strategies adopted by the MVCS, through the DGPRVU, capacity-building workshops are being held with the participation of local and regional governments, business associations, academia and organized civil society. In this context, during 2021, a total of twenty-three (23) capacity building events were held, with the participation of twenty-three (23) regions, one hundred and thirty-seven (137) local governments and three hundred and ninety (390) professionals.

Likewise, the PNC of the MVCS seeks to strengthen the institutional capacities of regional and local governments for a prospective and corrective development of disaster risk management in urban areas. The implementation of Technical Assistance and support through Virtual Seminars and Workshops contributes to developing the capacities of municipal authorities, officials and technicians to intervene in Prospective and Corrective Management in cities in order to promote a safe and sustainable city. It strengthens the capacities of civil servants in matters of: Urban planning, Disaster Risk Management, Investment Projects (grey and natural infrastructure) leading to risk reduction, Use of technological tools for territorial management: Satellite Images, Geographic Information Systems, Use of technical and regulatory instruments: Delimitation of River Margins, Disaster Risk Assessment, Population Resettlement, Urban Cadastre, Legal aspects for a safe occupation in cities.

In 2021, the PNC has trained officials from 248 municipalities, representing 13% of the total of 1874 municipalities, in urban planning and disaster risk management. Through the Disaster Risk Management Unit (UGERDES), the PNC, through the development of the Macro-regional Workshop Seminars "Safe Occupation in Urban Environments", conducted training for 248 municipalities, where 831 officials participated. With the participation of Offices, Directorates and Programs within the MVCS and invited entities, it was possible to strengthen the institutional capacities of regional and local governments for prospective and corrective development of disaster risk management in urban areas. Officials from 248 municipalities in 10 regions participated: Lima, Ica, Arequipa, Cusco, Puno, Loreto, San Martín, Ucayali, Madre De Dios and Huánuco. As part of the Technical Assistance,

in the Seminar-Workshops, cases and examples of intervention in disaster risk management in municipal areas of the Coast, Highlands and Amazon were presented.

Likewise, the PNVU establishes service 05: Capacity building program for urban planning and management professionals. This service aims to train and certify professionals in areas related to urban planning - architects, economists, anthropologists, sociologists, lawyers, engineers, social psychologists, among others - in urban planning and management, so that they can integrate technical teams, to serve areas with less supply of professionals, prioritizing areas of poverty and social vulnerability.

In 2020, 20% of local governments had certified civil servants in specialized urban and territorial planning and management courses. The PNVU proposes as a goal that this percentage should rise to 40% by 2030. In addition, a new urban and territorial planning methodology is being developed in 2021, within the framework of LDUS and its regulations. In this regard, the PNVU proposes that, by 2030, 60% of urban and territorial plans should have the intervention of officials trained in the new urban and territorial planning methodology.

F. Strengthening the role of intermediate towns and small villages

The concentration of services and congestion in the country's metropolises or major cities and the deficit of services in rural population centres contribute to a lack of spatial, social, economic and administrative integration of metropolises and major cities with rural population centres.

In this regard, the Regulation on Land Development and Sustainable Urban Development (2016) includes the National System of Towns and Villages. Subsequently, in 2021, the LDUS includes the System of Cities and Populated Centers as an update of the one regulated in 2016. Likewise, the PNVU establishes as a service the updated System of classification and characterization of cities and population centers, which consists of continuously reviewing and updating the classification and characterization of cities, towns and population centers of the country based on their territorial and demographic characteristics, among others. The System of cities and population centers aims to strengthen the spatial, social, economic and administrative integration of the national territory, by identifying the dynamic population centers and their urban and territorial planning units, guiding public and private investment for the development of cities and population centers, and their areas of influence.

With regard to strengthening the role of urban areas, the Secretariat for Demarcation and Territorial Organization has a vice-ministerial resolution on the "Typology of Districts" and the "Classification of Districts". Work is also under way on the formulation of the National Land Management Policy, which refers to the system of cities and the role that intermediate cities should play as urban spaces that are linked to smaller population settlements. This formulation process is being carried out jointly with the sectors directly involved, such as the MVCS, MIDAGRI and MINAM.

2.3 Means of implementation or application

2.3.1 Mobilization of financial resources

- A. Develop financing frameworks to implement the New Urban Agenda at all levels of government

The accelerated growth of cities (metropolises and larger cities) due to internal migratory waves and other factors, such as globalization, has generated new urban needs and with it the difficulty of local governments to satisfy them due to the decrease in their financial resources. Likewise, the low-income levels of an important sector of the urban population do not generate conditions to increase the participation of the private sector in real estate development or the provision of services in urban areas. The insufficient collection of property taxes due to outdated urban cadastres and their calculation based on tariff values make it difficult to finance urban development. At the national level, in 2020, only 5.4% of municipal revenues collected come from property taxes (Ministry of Finance and Economy - MEF, 2021). Finally, both the reduction of public spending on housing and urban services and the reduction of investments in urban infrastructure have affected the efficiency of urban management in our cities, making it necessary to use urban financing instruments to support public finances, thus resorting to the urban optimization of land management and building potential.

In 2016, with the approval of the new Regulations for Land Development and Sustainable Urban Development, urban financing instruments were included for the first time, such as DAET, Inclusive Zoning Programs and the Sustainable Construction Height Bonus. Likewise, this year, with the approval of the LDUS more urban financing mechanisms have been incorporated, among which the following stand out: participation in the increase of land value that would allow Provincial Municipalities to obtain a percentage of the increase in value resulting from land classification (incorporation of developable land as urban land and incorporation of rural land as developable land) or land qualification (assignment of zoning or updating of land use zoning to one of greater profitability) execution of public investment projects of urban equipment, creation or improvement of public spaces, works linked to the improvement of the Cultural Heritage of the Nation and infrastructure works of essential services, and allocate the proceeds to public utility purposes.

In 2017, the MVCS participated in the *Altura para la Cultura* Pilot Project, based on the DAET. Three Peruvian cities incorporated the possibility of protecting their monumental areas in their urban regulations. The selected cities were: Trujillo, Arequipa and Maynas. This experience was replicated by the Metropolitan Municipality of Lima.

It should be noted that the national standard was based on the first experience of the District of Miraflores on the DAET. In the case of the Sustainable Construction Height Bonus, it has been an experience gathered by the District Municipality of San Borja, being this an example of application of the instruments of urban financing oriented to the mitigation and adaptation of climate change. The Municipality of San Borja was followed in Lima by the Municipalities of San Isidro, Miraflores, Santiago de Surco and the Provincial Municipality of Arequipa and the Provincial Municipality of Cusco. These local experiences showed us that Pilot Projects should be worked on to improve regulations to implement urban financing instruments. The lesson learned is that local urban planning regulations must adapt urban financing instruments to their urban realities and must comply with the general guidelines established in the national regulations in order to be successful.

2.3.2 Capacity building

- A. Expand opportunities for city-to-city cooperation and foster exchanges of urban solutions and mutual learning.

Peru aims to promote the sustainable development of cities and bring them in line with the environmental and climate goals of the 2030 Agenda and other international commitments such as the Nationally Determined Contributions (NDCs). To achieve this, urban administrations face the challenge of professionalizing their management of public services, which is generally underperforming and often highly sectoral, to make it more inclusive and cross-sectoral. The comprehensive management of Peruvian municipal governments is not sufficient for the delivery of citizen-oriented and climate-friendly services, thus constituting a fundamental development constraint to achieving Peru's climate goals and the goals of the 2030 Agenda.

To address this problem, the Decentralization Secretariat of the Presidency of the Council of Ministers has the strategy "Climate-friendly public services in selected cities" (SDL). The objective is to strengthen the integrated municipal management of climate-friendly public services in selected intermediate cities.

To this end, it is planned that by 2024, two cities will have institutionalized a comprehensive, citizen-oriented and gender-sensitive public service management model. Likewise, by the same year, the aim is to reduce 10,000 tons of CO₂ equivalent through the action plans of two cities, based on the projections of the reduction potentials of the model measures in the transport/mobility and solid waste management sectors.

- B. Implement capacity development as an effective and multifaceted approach to formulating, implementing, managing and evaluating urban development policies.

To address the limited capacities of local governments for the implementation of urban development policies, the MVCS develops a strategic action that provides training and technical assistance to regional and local governments in urban development for the development of urban plans following the current regulatory framework, as well as for the formulation of public investment projects in infrastructure and urban equipment. Training and technical assistance activities also seek the inclusion of accessibility criteria within the framework of the technical standards A.120 and GH.0.20 of the National Building Regulations and disaster risk management. The objective is to strengthen the integral capacities of Local and Regional Governments in urban development, planning and accessibility.

By 2020, the percentage of local and regional governments technically assisted in sustainable and accessible territorial urban development and management was 48.3%. Similarly, in the same year, the percentage of local and regional governments technically assisted in tariffs was 3.95%¹⁷.

As part of the strengthening strategies adopted by the MVCS, through the DGPRVU, capacity-building workshops are being held with the participation of local and regional governments, business associations, academia and organized civil society.

In this context, during 2021, a total of twenty-three (23) capacity building events were held, in which twenty-three (23) regions, one hundred and thirty-seven (137) local governments and three hundred and ninety (390) professionals participated.

¹⁷ This percentage does not take into account the accumulated value.

- C. Enhancing cooperation and knowledge sharing on science, technology and innovation for the benefit of sustainable urban development

The MVCS has identified a lack of systematization and interoperability of the information generated in the urban and territorial planning processes, as well as the low impact of urban-territorial planning and limited control of its compliance, this in reference to the lack of urban and territorial planning instruments implemented.

In this regard, since 2016, the Regulation of Territorial Development and Sustainable Urban Development established the National Urban Observatory (OUN) as a management tool and indicated the obligation to incorporate urban plans into it. The PNVU also provides to implement the first service regarding the “geospatial information platform on the processes of planning and urban and territorial management”, from this service the OUN is derived, which among its components has three tools that develop and apply the exchange of knowledge, technology and innovation from the digital transformation of some traditional urban development process.

The OUN, as established in the LDUS, is the instrument that allows the generation, collection, selection, management, analysis and application of qualitative and quantitative urban information, as well as geospatial information for the monitoring of the variable urban conditions of the cities; seeking that the information generated by this instrument contributes to the actions of the MVCS in terms of technical assistance, capacity building, research and monitoring of plans and proposals carried out by the Local Governments and/or Private Entities. The components of the OUN are the following:

1. The Information System for Urban and Territorial Planning - GEOPLAN, is a web tool that allows to interact with the referenced Cartographic and Geographic Information, available from each of the Urban Territorial Plans developed by the Local Governments with the assistance of the Ministry of Housing, Construction and Sanitation, as well as the one produced by the different technical and scientific institutions of the State that are complemented with the urban and territorial planning. For the development of GEOPLAN, open access software such as Geoserver, Apache, Postgresql, Postgis, Tomcat, Openlayers, Geoext, etc. has been used.
2. The Citizen Participation Platform is a web tool that makes available to citizens instances of participation and active and effective communication that supports the actions of local governments, promoting citizen control in the processes of management and urban and territorial planning, an important feature of Citizen Participation through this platform is that it will be constituted and exercised by representatives of each institution of civil society.
3. The System of Monitoring of Procedures and Issued Licenses - SIMPLE, this platform has the purpose of ordering, streamlining and recording the approval procedures of preliminary projects in consultation and urban habilitation projects and / or building that perform professionals, architects and engineers, accredited as Urban Reviewers by this Ministry.

In 2017, 8% of regions actively updated information on the Platform. It is estimated that this percentage will increase to 72% by 2021.

2.3.3 Information technology and innovation

- A. Develop user-friendly, participatory digital and data platforms through citizen-centric digital governance tools

In order to provide free access to the data elaborated in the different censuses, surveys and national series, INEI has developed multiple digital platforms that allow citizens, which are listed below:

Table N° 16. INEI digital platforms

INEI CONSULTATION SYSTEMS	https://www.inei.gob.pe/sistemas-consulta/
Digital Platform	Access Address
Integrated Crime and Citizen Security Statistics System (DATACRIM)	http://datacrim.inei.gob.pe/
Micro Regional Data System VRAEM	https://sdmr.inei.gob.pe/
Regional Information System for Decision-making	https://systems.inei.gob.pe/SIRTOD/
National Series	http://webapp.inei.gob.pe:8080/sirtod-series/

Source: INEI, 2021

The National Information System of State Assets (SINABIP) *LIBRE* application¹⁸ allows the transparent publication of information on the properties of State entities registered in the SINABIP. The objective of the application is to promote the publicity and transparency of the information of the State properties, allowing the National Superintendence of State Properties - SBN to have a tool for the defence and control of the security of the State properties in order to achieve an efficient, decentralized and transparent management of them. It allows access to citizens in general so that they can validate before a possible illegal transfer of ownership (fraudulent sales) that land traffickers intend to carry out on State property. It allows officials of other entities to consult the properties they own or those under their administration integrated and centralised. From its implementation in June 2020 until the end of 2021, it has had more than 29 thousand consultations. The application allows publicizing the information of the properties of the State entities in a transparent manner, constantly updated. It was developed in the pandemic scenario, helping for citizen consultation virtually.

- B. Implementing digital tools, including geospatial information systems to improve urban and territorial planning, land administration and access to urban services

The SBN has identified that a diversity of citizens needed to know the existence of available State land in a certain area for urban development, land use and the only way to know was to submit their request for information through official letters, letters in paper format and in person at the offices of the SBN, with the consequent delay in the attention. Faced with this inconvenience, the geographic viewer is developed under a web approach and a Geographic Information System architecture, so that this information is published online and allows citizens to search and analyze the area of interest, from anywhere and at any time of day and according to the location or potential of each property.

18 <https://catastro.sbn.gob.pe/scl/>

The application State Property Portfolio¹⁹ transparently allows publishing the information of the available properties of the State in urban or rural areas for the diversity of urban planning projects, land administration, and the construction of infrastructures that allow access to basic services at territorial level. The objective of the application is to publicize available land for public and private investment projects that contribute to the development of urban infrastructure, for the construction of housing, industries or the construction of infrastructure or institutional offices to provide services to citizens. Since its launch on March 10, 2020, and until the end of 2021, the application has had more than 12 thousand consultations. It is an application that allows publicizing the information of the available properties of the State under the administration of the SBN; it is a good practice that reduces the time of attention to zero, which makes the information effective in the time needed by the investor or any citizen, eliminating the old procedure to obtain this information. It was also developed in the pandemic scenario.

- C. Build capacity at all levels of government to effectively monitor the implementation of urban development policies

The PNvu has identified that the low impact of urban territorial planning and limited control of its compliance is due to the limited capacity of local governments to implement urban and territorial planning instruments, which in turn are inefficient. Likewise, the inefficient and unsustainable production and occupation of land is a process that occurs aggressively and permanently in the national territory. Another frequent problem is urban occupation in risk zones.

In this regard, the PNvu provides that the MVCS shall implement tools and mechanisms for capacity-building and technical assistance in urban-territorial planning and management at the different levels of government. Specifically, it provides the framework for implementing three services, with a 2030 horizon, concerning this line of action. Service 02 refers to capacity building for urban and territorial planning and management of metropolitan areas through decentralized specialized entities. Service 05 establishes a capacity-building program for urban planning and management professionals. Service 06 refers to capacity building for local governments within the new urban and territorial planning methodology framework.

In preparing the plans in the framework of the Reconstruction with Change - RCC, the capacity building component is incorporated to the Local Governments where the 68 urban and territorial plans programmed will be carried out. Likewise, during the year 2021, 286 officials, managers or professionals received workshops and capacity building courses, representing 112 local governments in 21 regions of the country.

- D. Strengthen all levels of government and civil society in data collection, disaggregation and analysis

In order to provide free access to the data elaborated in the different censuses, surveys and national series, INEI has developed multiple digital platforms that allow citizens, which are listed below:

¹⁹ <https://catastro.sbn.gob.pe/portafolio/>

Table N° 17. INEI consultation platforms

INEI CONSULTATION SYSTEMS		https://www.inei.gob.pe/sistemas-consulta/
Digital Platform	Access Address	
Database Query System at Block level - REDATAM	https://censos2017.inei.gob.pe/pubinei/index.asp	
Economic Information System	http://iinei.inei.gob.pe/iinei/siemweb/publico/	
Water Supply Consultation System for Public Water Supply at the Block Level	https://agua.inei.gob.pe/menu/	
Database Query System - REDATAM	http://censos2017.inei.gob.pe/redatam/	

Source: INEI, 2021

The background of the page is a solid red color with a white grid pattern. The grid lines are of varying thickness and orientation, creating a complex, abstract pattern that resembles a stylized map or a network of connections.

3

Monitoring and review

National Policies are monitored and reviewed following the provisions of the “Guide for the follow-up and evaluation of National Policies and Plans of SINAPLAN”, approved by Resolution of the Presidency of the Directive Council N°000015-2021-CEPLAN. In this regard, the Peruvian State has a National Strategic Planning Center - CEPLAN. National policies constitute policy decisions through which a set of objectives and actions are prioritized to solve a specific public problem of national and sectoral or multisectoral scope in a period of time.

The PNVU²⁰ seeks to guide and articulate the actions, efforts and resources of the three levels of the Peruvian State in housing and urbanism, in response to the public problem: “inadequate conditions of habitability of the population.” In this sense, the PNVU sets the prioritized objectives and actions to address the public problem and, in doing so, achieve its goals in terms of housing and urbanism which are aligned with what the New Urban Agenda proposes.

The PNVU, establishes 72 indicators for results, product, follow-up and coverage to guarantee the implementation of the four main objectives, 12 guidelines and 33 services. These indicators cover the different aspects of urban development and, in general, will make it possible to measure the evolution of the living conditions of the population, which is directly linked to urban inequality in Peru’s population centers and cities.

MVCS is the entity responsible for annual monitoring of the progress of the PNVU. The PNVU states for the completion of the construction of the missing indicators, in coordination with the National Institute of Statistics and Informatics, within one year of the approval of the policy, to add the related questions to the Municipalities National Registry and the National Household Survey. In this way, it is expected that it will be possible to start monitoring all PNVU indicators by 2023.

Finally, the PNVU establishes that the recommendations of the implementation and outcome evaluation reports should be considered by the entities responsible for providing services. This is established to implement the necessary improvements and provide feedback to the strategic planning cycle.

The identification of policies related to PNVU is intended to achieve coherence in strategic planning. Thus, the PNVU is aligned and coordinated with national priorities and other national policies, to achieve results more effectively. In this way, duplication of efforts, waste of resources and neglect of priority areas to achieve better results in people and their environment can be prevented and avoided.

The following two documents were used for vertical alignment: State Policies of National Agreement and the Strategic Plan for National Development (PEDN). The PNVU is aligned with the State Policies of National Agreement with the following axes: (I) Democracy and the Rule of Law, (II) Equity and Social Justice, (III) Competitiveness of the country and (IV) Efficient, transparent and decentralized state. The PEDN is a long-term plan that contains national development policies and is based on the forecasts of the main macroeconomic variables that define a trend scenario and is based on the State policies of National Agreement.

²⁰ Available at <https://www.gob.pe/institucion/vivienda/normas-legales/2022465-012-2021-vivienda>

The horizontal level of alignment seeks to articulate the guidelines of the PNVU with the guidelines of other current national policies. At the horizontal level, the PNVU is aligned with the following policies:

1. National Policy for Disaster Risk Management by 2050
2. National Sanitation Policy.
3. National Urban Transport Policy 2019.
4. National Accessibility Plan 2018-2023.
5. National Gender Equality Policy.
6. National Multisectoral Policy for Older Adults by 2030
7. National Migration Policy 2017-2025.
8. National Multisectoral Policy on Disability for Development by 2030
9. National Competitiveness and Productivity Policy 2019-2030.
10. National Policy for the Modernization of Public Management by 2021.
11. National Multisectoral Policy for Girls, Boys and Adolescents by 2030
12. National Environmental Policy (Supreme Decree No. 012-2009-MINAM)
13. National Multisectoral Health Policy by 2030
14. National Forest and Wildlife Policy

The horizontal and vertical articulation of the PNVU with other National Policies means that each Ministry and Public Entity of the State, as per their functions established in the Organic Law of the Executive Power, will exercise their functions in response to their programmatic areas of action for the achievement of its objectives and goals. In this sense, the articulation of the National Policies will contribute to the fulfillment of what is established in the New Urban Agenda.



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