



Department of Human Settlements and Urban Development

MANDATE

The Department of Human Settlements and Urban Development (DHSUD) is the primary government entity responsible for the management of housing, human settlement and urban development. It is the sole and main planning and policy-making, regulatory, program coordination and performance monitoring entity for all housing, human settlement and urban development concerns, primarily focusing on the access to and affordability of basic human needs.

VISION

A strong institution and catalyst for the provision of adequate and affordable housing, inclusive human settlements and well-planned communities for every Filipino family

MISSION

To improve the lives of the Filipino people as the primary government agency in the management of housing, human settlements and urban development.



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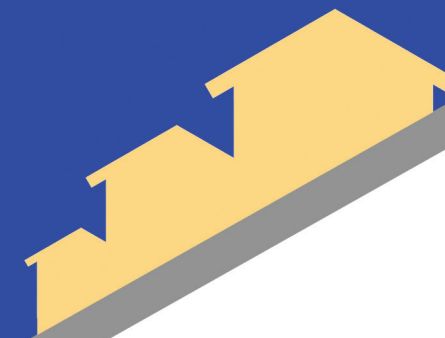
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National Housing and Urban Development Sector Plan 2040

Technical Report

*Better, greener, smarter human settlements and
urban systems in a more inclusive Philippines*



FOREWORD

Providing sustainable housing in well-planned communities for every Filipino family is the Department of Human Settlements and Urban Development's two-fold responsibility of providing homes while creating effective and progressive cities and communities that foster sustained economic growth.

This National Housing and Urban Development Sector Plan aims to link all key stakeholders in working towards the success and betterment of the housing and urban development sector. This 20-year road map is the first in history and is without precedent.

Let us leverage on this Plan and use its strategies and innovative solutions as a springboard towards the attainment of our common vision of achieving a *Better, Greener, Smarter Human Settlements and Urban Systems in a More Inclusive Philippines*.

Maraming salamat at Mabuhay!



EDUARDO D. DEL ROSARIO

Secretary

Department of Human Settlements and Urban Development

1	INTRODUCTION	1
1.1	WHAT IS THE HOUSING AND URBAN DEVELOPMENT SECTOR PLAN?	1
1.1.1	APPROACH AND PROCESS	1
1.1.2	SCOPE AND LIMITATIONS	2
1.2	LEGISLATIVE AND POLICY FRAMEWORK FOR HUMAN SETTLEMENTS AND URBAN DEVELOPMENT	3
1.2.1	NEW URBAN AGENDA	4
1.2.2	NATIONAL URBAN DEVELOPMENT AND HOUSING FRAMEWORK	5
1.2.3	NATIONAL INFORMAL SETTLEMENT UPGRADING STRATEGY (NISUS)	6
1.2.4	PHILIPPINE DEVELOPMENT PLAN	7
1.2.5	SYNERGY BETWEEN THE NHSUDP AND RELATED PLANS	10
1.3	DEPARTMENT MANDATE	11
2	PLANNING CONTEXT	12
2.1	SUMMARY OF ISSUES AND OPPORTUNITIES IN THE HUMAN SETTLEMENT AND URBAN DEVELOPMENT SECTOR	12
2.2	GAPS IN THE OPERATIONALIZATION OF STRATEGIES AND PROGRAMS	24
2.2.1	OBJECTIVES AND INDICATORS	24
2.2.2	TRANSFORMING STRATEGIES INTO PAPs AND TARGETS	24
2.2.3	MONITORING AND EVALUATION	25
2.2.4	COORDINATION	25
3	THE PLAN	26
3.1	SECTOR VISION AND PATHWAY OF CHANGE	26
3.2	BANNER PROGRAMS	29
3.2.1	CREATING SPACES	29
3.2.2	TRANSFORMING SPACES INTO COMMUNITIES	36
3.2.3	MAKING COMMUNITIES ACCESSIBLE AND AFFORDABLE	40
3.2.4	EMPOWERING COMMUNITIES	43
3.3	URBAN PLANNING AND DESIGN	46
3.3.1	OUTCOMES, OBJECTIVES AND STRATEGIES FOR URBAN PLANNING AND DESIGN	46
3.3.2	PROGRAMS AND PROJECTS	47
3.4	SHELTER	66
3.4.1	OUTCOMES, OBJECTIVES AND STRATEGIES FOR SHELTER	66
3.4.2	PROGRAMS AND PROJECTS	67
3.5	URBAN ECONOMY AND FINANCE	89
3.5.1	OUTCOMES, OBJECTIVES AND STRATEGIES FOR URBAN ECONOMY AND FINANCE	89
3.5.2	PROGRAMS AND PROJECTS	89
3.6	URBAN INFRASTRUCTURE	103
3.6.1	THEMATIC OUTCOMES, OBJECTIVES AND STRATEGIES FOR URBAN INFRASTRUCTURE	103
3.6.2	PROGRAMS AND PROJECTS	104
3.7	URBAN GOVERNANCE	121
3.7.1	THEMATIC OUTCOMES, OBJECTIVES AND STRATEGIES FOR URBAN GOVERNANCE	121
3.7.2	PROGRAMS AND PROJECTS	122
4	GUIDE FOR IMPLEMENTATION	135
4.1	VERTICAL AND HORIZONTAL INTEGRATION	135
4.1.1	INTERNAL ACTION PLANS	135
4.1.2	INTER-AGENCY COLLABORATION	135
4.1.3	LOCAL GOVERNMENT UNITS	135
4.1.4	INPUTS TO THE NATIONAL GOALS AND INTERNATIONAL COMMITMENTS	135
4.2	MONITORING AND EVALUATION	135

1 Introduction

The Housing and Urban Development Sector Plan (NHUDSP) comes at a time when development thinking is being challenged, rightfully, by persistent and complex issues of urbanization. Inequality, environmental pressure, and compounded community risks are only some of the many concerns requiring coherent and often creative responses from government and its partners across the urban landscape.

The NHUDSP aims to serve as a platform for such innovative programs and projects to be conceived, executed, and supported. It assumes the leadership of the Department of Human Settlements and Urban Development in this regard, while calling for collaboration and collective action towards the shared goal of sustainable urban development and human settlements.

1.1 What is the Housing and Urban Development Sector Plan?

The NHUDSP encompasses work under the mandate of the Department of Human Settlements and Urban Development (DHSUD), and also cognizant of initiatives undertaken by other government agencies and organizations involved in sustainable urban development and housing. It endeavors to achieve the vision under *AmBisyon 2040*, as well as related policies specific to the sector.

The NHUDSP aims to address long-standing as well as emerging issues in urban development and housing. At the center of concern are informal settler families, households at risk to climate change and disasters, and similarly vulnerable communities. They will benefit not only from the full implementation of existing programs and projects but a rational, harmonized design of actions over time.

The NHUDSP also serves to consolidate, organize, and institutionalize innovations in urban development and housing. While these initiatives have been recommended in policy documents and introduced through pilot projects, the Plan will help normalize them as part of regular programming, allowing them to gain traction and acceptance in communities.

1.1.1 Approach and Process

The NHUDSP is borne of a multipronged and phased approach that draws from policy work as well as good practice cases and technical inputs from a wide spectrum of stakeholders.

Review of Relevant Documents

Policies. The Philippine New Urban Agenda or Habitat III Report (PNUA), National Urban Development and Housing Framework (NUDHF), and the National Informal Settlements Upgrading Strategy (NISUS) contain action points and strategies that serve as takeoff point for the plan. A review of these documents identified strategies for translation into programs, projects and activities (PAPs) under the NHUDSP. The review also identified requirements for the operationalization of these strategies.

Plans and Programs. Existing plans and programs of the Department's bureaus, services, and attached agencies have been reviewed, with the aim of consolidating, organizing and rationalizing the PAPs that these documents contain. The review also identified potential gaps vis-à-vis documented targets.

Studies. A review of available thematic studies and feasibility studies were provided an understanding of the practicability of proposed programs and projects. Additionally, the DHSUD looked into studies and plans prepared by other government agencies. The National Spatial Strategy of the National Economic and Development Authority (NEDA) for instance, provides valuable insight into settlement structure and the spatial distribution of socioeconomic development, key to formulating relevant and responsive programs and plans for urban development and housing. Integrating this along with other plans will ensure consistency in desired outcomes and planned actions. Other plans reviewed included the Pag-IBIG Guidelines for Housing Programs, Housing Industry Roadmap by the Subdivision and Housing Developers Association, Implementing Guidelines for Community Mortgage Program by the Social Housing

Finance Corporation, and the Implementing Rules and Regulations for Vertical Housing, among others.

Review of International Practice

Not discounting previous and existing urban policies, the NHUDSP is the first sector plan by the DHSUD and is without precedent. A look at global practices was therefore useful to enrich the process. Research looked into the structure, key components, and innovations of national-level urban development and housing sector plans. These were paired with case studies and innovations already documented in the NUDHF and other recent studies conducted in the sector.

Consultations and Workshops

The NHSUDP aimed to cast as wide a net as possible in gathering insights from stakeholders. Apart from the Technical Working Group, the Plan also invited inputs from Key Shelter Agencies, DHSUD regional offices, and National Government Agencies like NEDA, Department of Interior and Local Government (DILG), Department of Environment and Natural Resources (DENR), Department of Transportation (DOTr), Department of Public Works and Highways (DPWH), Bases Conversion and Development Authority (BCDA), Department of Finance (DOF), and Department of Budget Management (DBM). Also present and active in consultations were the United Nations-Human Settlements Programme (UN-Habitat), housing developers, real estate associations, private sector groups, professional organizations, academe, non-government organizations, and advocacy groups. Consultations were conducted at every phase of the planning process.

Policy Integration

The DHSUD recognizes the work being done and planned by relevant agencies and sectors. Taking these into account harmonizes actions, and avoids redundancies and overlaps. The NHUDSP gathered as much information as possible about programs that concern urban development and housing, whether in full or partially. Through dialogue and consultation, it identified potential programs, projects, and activities that can be undertaken by other agencies, complementing the PAPs to be implemented by the Department itself.

Drafting of the Plan

The NHUDSP has been routed, scrutinized, and vetted internally by the Planning Service, other Bureaus and Services of DHSUD, as well as KSAs and other stakeholders. This allows the Department and its partners to take full ownership of Plan's content.

1.1.2 Scope and Limitations

The NHUDSP is premised on the fact that various assessments have already been conducted for the sector. These assessments, along with their strategies and the results of the review and consultations, will serve as a foundation for the plan's programs and projects.

Technical Inputs

The NHUDSP relies on the most recent available knowledge, and is informed significantly by existing references such as frameworks and plans. These include the PNUA, NUDHF, NISUS, PDP, assessments from the Department's Bureaus, Services and KSAs, studies done by other government agencies, the private sector, and other relevant organizations.

Potential housing and urban development innovations discussed during consultations were validated against policy documents and recommendations. Should further studies be necessary, these are included in the plan as projects for implementation. In the same vein, existing geospatial information used for analyses in reference documents were used for the NHUDSP, with updating as necessary. The NHUDSP assumes that such thematic and analytical maps are still relevant as bases for programs and projects.

The NHUDSP does not include project briefs, detailed budgets, or an investment plan. These will be introduced in a subsequent phases of implementation.

Sectoral Dimension

The NHUDSP encompasses the whole of the urban development and housing sector. It is further organized into subsectors or thematic areas, consistent with the priorities identified in previous policy documents like the PNUA and NUDHF. This ensures a comprehensive and coherent view of housing and urban development.

Spatial Dimension

Spatial structuring is based on what is currently utilized or proposed, such as cities and municipalities, ecosystems and watersheds, and the hierarchy or network of settlements illustrated in the PDP and National Spatial Strategy (NSS). The plan nevertheless suggests actions for emerging spatial configurations like metropolitan areas, groupings of adjacent LGUs, and bioregions, among others. The plan also identifies the spatial distribution of PAPs, particularly the banner programs.

Timeframe

The NHUDSP reflects targets and deliverables for the short-term (2021-2022), medium-term (2022-2028) and long-term term (2028-2040) periods.

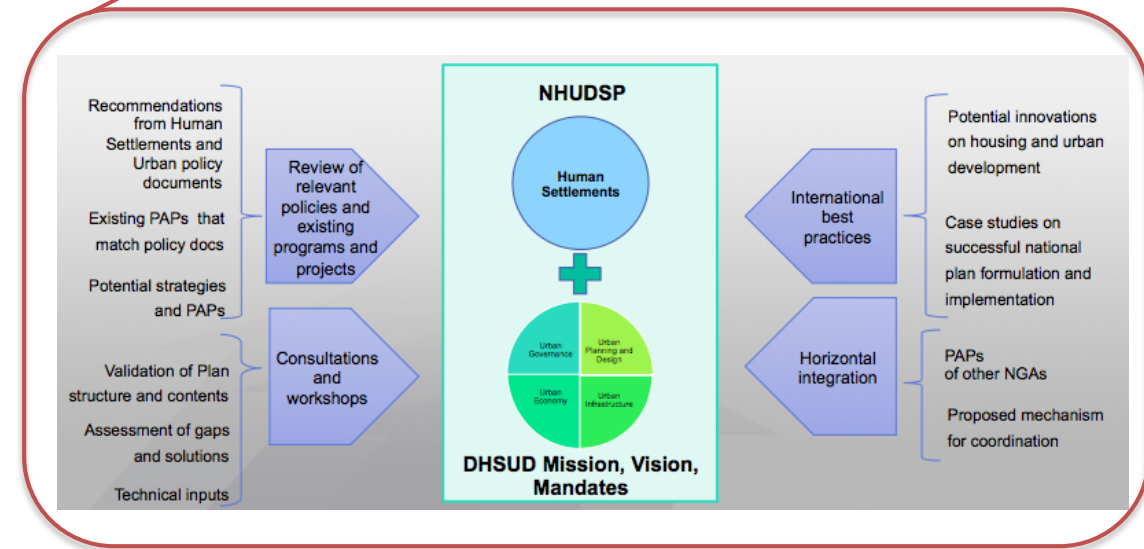
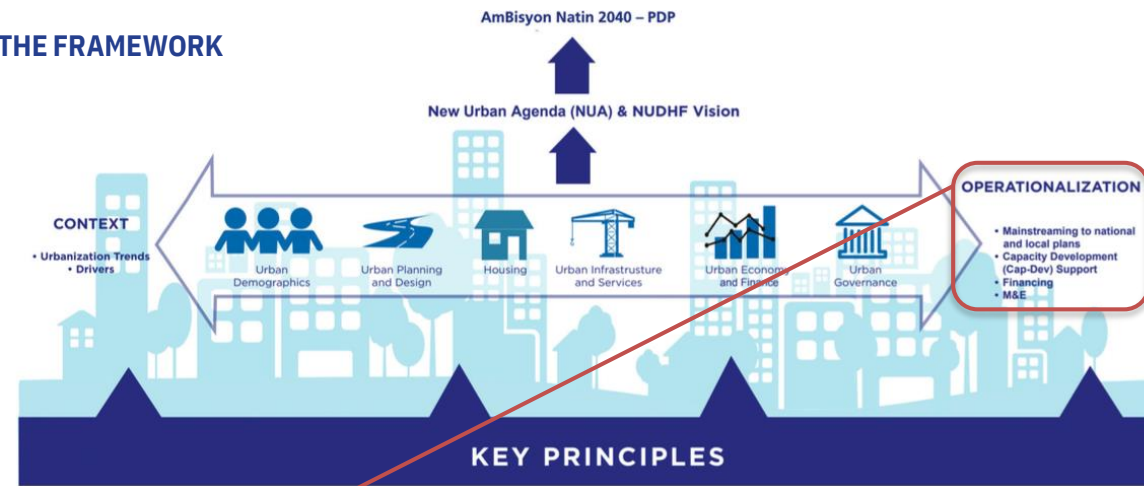
1.2 Legislative and Policy Framework for Human Settlements and Urban Development

As mentioned, the NHUDSP is grounded primarily on the broader principles and concepts laid down by existing anchor policies and frameworks such as the PDP, PNUA, NISUS, and the NUDHF. The Plan falls within the Operationalization end of the NUDHF spectrum, which covers mainstreaming in national plans, capacity development, and related components.

The NHUDSP addresses issues and opportunities identified in the anchor policies and in related studies and assessments. Actions are directed to the achievement of the unified vision of these policy anchors, and towards the higher national vision in the PDP, known as *AmBisyon Natin 2040*. This will ensure the seamless and rational flow of plans and activities, and consistency in policy and programming for the sector.

The NHUDSP transforms the strategies under the priority areas of the NUDHF and PNUA, focusing primarily with what is achievable under the DHSUD mandate. It also underscores the department's key role in urban governance, and its mission as a national agency. Nonetheless, the Plan endeavors to integrate programs and projects of other government organizations, specifically those that will help achieve the sector vision.

THE FRAMEWORK



1.2.1 New Urban Agenda

As part of the Third United Nations Conference on Housing and Sustainable Urban Development, or Habitat III held in Quito, Ecuador in 2016, the Philippines formulated its *Philippine New Urban Agenda (PNUA)* also known as the *Habitat III Report*. PNUA carries principles on housing and sustainable urban development set forth at the international level, and places the global New Urban Agenda in local context.

The PNUA lays down broad directions for the sector in six priority areas, namely *Urban Demography, Land and Urban Planning, Urban Environment, Urban Governance, Urban Economy, Housing and Basic Services*. It lists several agenda points for each, based on an extensive, multi-sectoral, and participatory assessment of the urban development and housing situation in the Philippines. Below are key points of the agenda:

Agenda 1. Urban Demography: Capturing the youth dividend, a more spatially balanced and interconnected development, and safeguards for the vulnerable and disadvantaged

Agenda 2. Land and Urban Planning: Effective regional planning and development, planning for climate change adaptation and disaster risk reduction, and improving access to urban land

Agenda 3. Urban Environment: Climate change and disaster resiliency, urban environmental infrastructure improvements, and developing green cities;

Agenda 4. Urban Governance: Stronger sector leadership, effective multilevel governance, improved local urban governance capacity, and participatory and transparency mechanisms;

Agenda 5. Urban Economy: Diversified local and housing finance, sustainable local economic development, and urban economy mainstreaming in development planning;

Agenda 6. Housing and Basic Services: Scaling up low- income and pro-poor housing; affordable, reliable and resilient basic services; and shifting to an inclusive, low-carbon urban transport system.

1.2.2 National Urban Development and Housing Framework

Shortly after the approval and adoption of the PNUA, the government updated its national urban policy known as the National Urban Development and Housing Framework (NUDHF). The NUDHF carried the goals and agenda points stated in the PNUA, elaborating on these and transforming them into sector strategies and policy recommendations.

On its fourth iteration since 1993, the current NUDHF is anchored on the Sustainable Development Goals, which set the course for a global effort to “end all forms of poverty, fight inequalities, and tackle climate change, while ensuring that no one is left behind.” It also rests heavily on the global New Urban Agenda, introduced through Habitat III, and on which the PNUA is also hinged. The NUDHF also takes from the 2001-2030 National Framework for Physical Planning (NFPP), which espouses growth with social equity, and the PDP, which focuses on strengthening the social fabric; reducing inequality in economic development; increasing potential growth; enabling a supportive economic environment; and foundations for inclusive and sustainable development. These policies and agreements set the tone for the NUDHF, and ensure the alignment of urban-related strategies both to the country’s overall development framework and trends in the global community. The NUDHF carried forward the goal set in the PNUA: *Better, Greener, Smarter Urban Systems in a More Inclusive Philippines*. Like the PNUA, the NUDHF supports *AmBisyon 2040*.

The NUDHF is founded on several *key principles* that guide sustainable urban development and housing, and will guide all actors as they implement common and differentiated strategies at various levels of urban development work:

1. Urbanization as catalyst for inclusive growth;
2. Climate change resilience as a base for spatial and sectoral development;
3. Spatially and sectorally integrated settlements within coherent and efficient urban systems and forms;
4. Urban spaces as platforms for social and economic opportunity, cultural expression, and innovation;
5. People’s participation and empowerment as foundation of urban governance, facilitating sustainable resource use, planning, management, and finance;
6. Sustainable urban environment as a core development condition

To ensure proper alignment of policy and implementation, the NUDHF principles are made consistent with the PNUA’s action areas.

Philippine New Urban Agenda	National Urban Development and Housing Framework Principles
1. Urban Demography: Capturing the youth dividend, a more spatially balanced and interconnected development, and safeguards for the vulnerable and disadvantaged.	<ul style="list-style-type: none"> Urbanization as a catalyst for inclusive growth. Urban areas as accessible platforms for social and economic opportunity, cultural expression and innovation. Spatially and thematically integrated settlements within coherent and efficient urban systems and forms across scales.
2. Land and Urban Planning: Effective regional planning and development, planning for climate change adaptation and disaster risk reduction (DRR), and improving access to urban land.	<ul style="list-style-type: none"> Spatially and thematically integrated settlements within coherent and efficient urban systems and forms across scales. Resilience as a base for spatial structuring and sectoral development.
3. Urban Environment: Climate and disaster resilience, urban environmental infrastructure improvements, and developing green cities.	<ul style="list-style-type: none"> Resilience as a base for spatial structuring and sectoral development.
4. Urban Governance: Stronger sector leadership, effective multilevel governance, improved local governance capacity, and participatory and transparency mechanisms.	<ul style="list-style-type: none"> People's participation and empowerment as foundation of urban governance, facilitating sustainable resource use, planning management and finance.
5. Urban Economy: Diversified local and housing finance, sustainable local economic development, and urban economy mainstreaming in development planning.	<ul style="list-style-type: none"> Urbanization as a catalyst for inclusive growth. Urban areas as accessible platforms for social and economic opportunity, cultural expression and innovation.
6. Housing and Basic Services. Scaling up low-income and pro-poor housing, affordable, reliable and resilient basic services, and shifting to an inclusive, low-carbon urban transport system.	<ul style="list-style-type: none"> Resilience as a base for spatial structuring and sectoral development. Spatially and thematically integrated settlements within coherent and efficient urban systems and forms across scales.

1.2.3 National Informal Settlement Upgrading Strategy (NISUS)

Crafted in 2014, NISUS aimed to provide at least one million ISFs with “a life of more dignity” by 2025. This entailed the delivery of quality housing, improved infrastructure and social services, and greater access to jobs, transport, capital and livelihood to an average of 100,000 ISFs annually for 10 years.

The NISUS identified several priority actions to guide future land development. Such development must be achieved considering climate change adaptation and disaster risks, and in the context of wider city development. The priority action areas are:

- Adopt informal settlements upgrading with secure tenure within an urban renewal framework as a national program—where each city develops and implements an urban renewal approach incorporating informal settlements upgrading and income and employment generation programs.
- Design and direct subsidies to those in need according to household incomes—adopt capital subsidies for both IFS upgrading and new affordable housing programs to lower loan to value ratios, and eliminate interest rate subsidies as government IFS housing finance moves towards the market.
- Adopt negotiable rights-based instruments as alternatives to titles to accelerate secure tenure and facilitate access to housing finance for ISFs.

- Reinforce the role of local governments as the lead and agencies for urban renewal and IFS housing through building capacity to undertake city-wide strategic planning, urban renewal, CCA/DRRM, informal settlements upgrading, estate management and PPPs; and the design and implementation of a competitive system of funding for local government's access to finance for urban renewal and ISF housing based on performance.
- Build capacity of civil society—NGOs, community-based organizations, homeowners associations, cooperatives, microfinance institutions, etc—to engage in ISF housing, including microfinance and estate management, and to work with local governments to enforce laws and against illegal land occupation and construction.
- Enhance sector leadership by strengthening capacity of DHSUD (then HUDCC), DILG and KSAs to plan, design and implement strategic urban development and ISF housing.

As with the PNUA and NUDHF, many of the strategies and actions can be applied and detailed in the NHUDSP.

1.2.4 Philippine Development Plan

The Philippine Development Plan 2017-2022 likewise identified issues within the housing and urban development sector, with corresponding strategies to address them. As part of its assessment, the PDP notes that “beyond outputs, the social impact of the National Shelter Program (NSP) has not been sufficiently monitored and evaluated.” The PDP asserts that the NSP is anchored primarily on a housing finance approach that is demand-driven, project-based, and profit-oriented. This means that performance is monitored in terms of output rather than outcomes or social impact, for instance a decrease in number of low-income families living in unacceptable housing.

The PDP outlines several key strategies for the sector:

- *Develop integrated neighborhoods and sustainable communities particularly for low-income households.* The government will implement the National Spatial Strategy (NSS), which seeks to address the challenges of agglomeration economies, connectivity, and vulnerability. Under the NSS, the growth and development of urban centers and human settlements will proceed in a rational and sustainable manner, with the convergence of efforts of various sectors.
- *Intensify implementation of alternatives and innovative solutions in addressing the housing needs of the lower income classes and vulnerable sector.* Solutions such as public rental housing, mixed income and mixed use housing development, housing microfinance initiatives, incremental housing programs, and housing cooperatives will be used to enhance housing affordability. The NISUS is the entry point to integrate these proposed solutions. Housing finance reforms shall also be instituted to meet the needs of starting families.
- *Strengthen decentralization of housing and urban development interventions.* As prescribed by the Local Government Code (LGC), LGUs are at the forefront of housing and urban development, with the support of the national government. The decentralization of housing and urban development efforts will be reinforced, especially on local shelter planning, comprehensive land use planning with a ridge-to-reef approach, land acquisition and development, addressing informality, implementation of Regional Resettlement Action Plan (RRAP), and pursuit of the New Urban Agenda and Sustainable Development Goals.
- *Adopt viable land acquisition approaches and fast track the inventory of lands for socialized housing development.* The upscaling of land acquisition approaches aside from land ownership (such as usufruct, long-term lease, lease variants and land-banking, among others) will be pursued to address the perennial problem of identifying

suitable land, particularly in urban areas. This will also address affordability issues and hasten land disposition for socialized housing.

- *Mainstream program convergence budgeting in housing and resettlement, and innovative housing finance modalities.* A programmatic and convergent approach to planning and budgeting for housing and resettlement interventions will be institutionalized in the national budget process.
- *Strengthen partnerships with stakeholders.* As a cross-cutting strategy, the sector will continue to strengthen its multi-stakeholder partnerships through a participatory approach. This is to ensure that local shelter plans are linked with the National Resettlement Plan (NRP).
- *Adopt a community-driven development approach in shelter provision towards safe and secure communities.* A gender-responsive and community-driven approach will be promoted to involve the beneficiaries in the entire development process.
- *Strengthen housing as a platform to reduce poverty and improve social outcomes.* Housing programs will be linked with other social development programs. It will help maximize the “multiplier effect” of the provision of housing units as a means to reduce poverty, generate jobs and employment, and spur downstream economic activities.

NEDA recently updated its sector report to discuss policy developments in the sector as well as emerging issues such as the COVID-19 pandemic. The PDP sees the sector as contributing to the “strengthening (of) the foundations for inclusive and sustainable development by building safe, resilient, and sustainable communities.” It recognizes the important considerations for disaster management and health, alternative housing solutions that promote inclusivity for low-income families, and a human settlements approach.

It likewise brings to fore the need to implement public health standards in housing and urban development-related activities. It mentioned Department Order No. 2020-005, which provides guidelines and mandatory minimum requirements for developers and other entities in the commencement or resumption of their real estate business, development and construction operations and activities in areas covered by the community quarantine due to the COVID-19.

The PDP includes as a strategy the scaling up of the high-density housing program, to maximize land especially in highly urbanized communities. It also recommends the adoption of land banking and other land acquisition approaches, to support in-city resettlement as a government priority. Usufruct or long-term use of land will be expanded to enhance affordability of socialized and low-cost housing programs as a result of lower land development cost.

National Spatial Strategy

As the PDP pursues the realization of inclusive development, it utilizes the National Spatial Strategy (NSS), describing economic, social, institutional, and environmental conditions that reflect this intent, particularly “the geographic development challenges and opportunities in population and economic growth.” The NSS provides the spatial setting for policies on urban development, infrastructure development, disaster mitigation, and environmental resource protection and conservation. It also “recommends sustainable human settlements, efficient production, and effective service delivery systems.”

The key principles of spatial development under the NSS are:

- Integration of leading and lagging areas and urban-rural linkages through transportation networks
- Improvement of access to social services
- Identification of locations of major infrastructure to maximize their benefits
- Improvement of local, national, and international connectivity
- Promotion of sustainable development and resiliency

The NSS asserts that economic structure, including production and consumption, is evidenced by the spatial distribution of population. It may be said that population and economic activity

greatly determine the urban form of cities and municipalities. The NSS “recognizes the role of cities as engines of economic growth and venues of growth and poverty reduction, and of infrastructure to provide efficient connective networks of sustainable urban and rural communities.” The NSS aims to direct growth away from the National Capital Region (NCR), decongesting it as key centers outside are developed and can benefit from agglomeration. It also seeks to link leading regions with slow-growing ones, creating a nuanced network of settlements that can produce benefits for all. The NSS has several components or sub-strategies:

Regional Agglomeration

- Builds on the efficiencies and maximize the benefits of scale and agglomeration economies, and on the fast growth of regional centers
- Efficient management of regional centers, including spreading benefits of agglomeration economies to outlying areas or regions through their large markets, labor force, and innovation opportunities (hub-and-spokes model).
- Regional development support through physical and social infrastructure, other social and economic services, and efficient urban management.

The NSS identifies a three-tiered settlements network based on population, service catchments, and economic activities:

a. Metropolitan Centers

These are the economic centers of the country’s three main island groups. They have distinct functions in innovation and advanced services, culture and tourism, education and research, transportation and trade (e.g., primary international gateway), manufacturing, and technology development.

There are three metropolitan centers in the country: NCR, Metro Cebu, and Metro Davao. NCR is the metropolitan center of Luzon and the Philippines, and is envisioned to remain as the seat of the national government. Metro Cebu is the country’s second largest urban center with extensive domestic and international links. Its central location makes it a natural hub for economic, commercial, and logistics activities in the Visayas. Metro Davao is a major international gateway and Mindanao’s premier commercial hub; center for education, health, and services; and tourist attraction.

By 2025, Metro CDO will become the 4th metropolitan center based on its projected population growth and functional role as a major gateway and trans-shipment hub in Northern Mindanao. It will also remain as a key educational center in Northern Mindanao.

b. Regional Centers

They are regional markets and service centers for several provinces. They have markets that are large enough to support a range of services and investments. Regional centers have the most direct linkages to metropolitan centers. They are regional administrative centers, international gateways, and tourism hubs.

c. Sub-regional Centers

These large settlements serve as market catchments of regional centers. They also connect to and serve as service centers of smaller provincial and local centers. As they grow, these sub-regional centers tend to merge with adjacent regional centers to form even larger metropolitan areas as those formed by the NCR, CALABARZON, and Central Luzon.

Connectivity

- Aims to improve linkages among settlements and key production areas by “connecting rural areas to growth centers”. Doing so increases access to jobs and services and direct growth in areas with greatest economic potentials through efficient transport networks.
- Seeks to “equalize opportunities across space” through physical connectivity and investments in human capital, especially in conflict-affected areas and other areas with

limited opportunity. This includes peace and development, education, health, and other social services

- Links lagging regions with leading ones, supposedly avoiding diseconomies and inefficiencies that a “uniform dispersal of development” can bring. Facilitating this kind of interaction among regions can create more opportunities for production and employment and help in reducing poverty.
- Needs to properly manage growth in cities through appropriate infrastructure, affordable housing, and service systems, to address congestion, inadequate social services, and vulnerability.
- Requires strong transportation and telecommunication linkages for the efficient integration of access to production and settlement areas.

Reduction of Vulnerability

- Vulnerability reduction as an integral part of development
- Involves instituting prevention and mitigation measures to avoid or reduce the impact of climate change and disasters on the community. In spatial terms, these may include redundancy routes to provide access to areas affected by hazards
- Strengthens capability for impact analysis, including geophysical conditions and urban development factors contributing to risk
- Reduces the risks on the communities exposed to the threats of climate change impact and disasters.

The NHUDSP looks at the NSS closely in the light of the proposed PAPs. The NSS strategies of regional agglomeration, connectivity, and reduction of vulnerability are aligned with the principles and strategies in the PNUA and NUDHF, and further informs the NHUDSP. For instance, the NSS’s focus on regional agglomeration brings to fore emerging sector strategies like formalizing metropolitan governance. Connectivity is a critical component of many sector strategies. Vulnerability reduction and climate action underscore all the strategies of the latest NUDHF, and consequently the Sector Plan. The strategies for the three island groups also serve as reference for the NHUDSP, identifying spatially the proposed PAPs.

1.2.5 Synergy between the NHSUDP and Related Plans

Synergies are evident among the various policies and studies that have been done for the sector. Most of them have similar drivers of urbanization and urban development, such as population, climate change, and economy. It is also important that programming for the sector is linked with spatial development, and the context provided by anchor policies and strategies are useful in this regard. Metropolitan planning, ecosystems planning, regional planning, and planning across the rural-urban continuum are common themes that will be operationalized in the NHUDSP.

Sustainable urban development and housing are also highly dependent on urban services, making plans and strategies for the infrastructure sector critical in planning integrated settlements development. The NHUDSP will determine conditions and requirements for sustainable settlements, and consequently the requirements for infrastructure.

Indeed, all the reviewed policies and plans emphasize integrated settlements planning, and the need to view housing in the context of larger development. This requires collaboration with other national government agencies, and linking with their plans not only for infrastructure but also social welfare, employment, environmental management, public health, and climate resilience, among others.

Rapidly evolving concerns in all aspects of urban development also call for housing that is flexible and resilient, necessitating an expansion and improvement of housing options, and the constant development of innovative housing solutions.

Finally, the NHUDSP pushes for an improvement in the governance of spatial structures, institutional arrangements, and internal capacities. This requires harmonization with agencies like the DILG and NEDA, as well as subnational agencies tasked with implementing plans and programs.

1.3 Department Mandate

The Department of Human Settlements and Urban Development is the primary national government entity responsible for the management of housing, human settlements and urban development. It is the sole and main planning and policy-making, regulatory, program coordination, and performance monitoring entity for all housing, human settlement and urban development concerns, primarily focusing on the access to and the affordability of basic human needs.

As a newly formed department, it has the unique and substantial task of formulating the first Sector Plan for human settlements and urban development. The plan will set the tone and direction for succeeding programs and activities by the Department as well as other urban development and housing actors.

2 Planning Context

2.1 Summary of Issues and Opportunities in the Human Settlement and Urban Development Sector

Urban Population and Urban Growth

Over the years, the Philippines has made real progress in slowing its population growth rate, from 2.36% in 1995 to 2000 to 2.04% in 2000 to 2007. The Philippine population growth rate of 1.72%, however, is still one of the fastest in the world. It is higher than the regional growth rates in Asia (0.98%), Oceania (1.45%), Latin America and the Caribbean (1.05%), North America (0.45%), and Europe (0.06%). Only African countries are growing faster than the Philippines, at 2.53%. This continued growth has also led to an increase in population density, from 308 persons in 2010 to 338 persons per sq. km in 2015.¹

With 2.3 billion people living in cities, Asia has the highest number of urban dwellers worldwide; the region is 50.1 per cent urbanized and accounts for 54 per cent of the world's urban population. The process of urbanization in Asia, especially South-East Asia, is strongly linked to economic transition and greater integration into the global economy, as many cities have become the recipients of foreign direct investment, mainly in the form of the outsourcing of manufacturing of consumer goods by parent companies in developed countries. Urbanization in South-East Asia is leading to an economic transformation across the region as workers increasingly gravitate to the service sector. Indeed, the economic hubs of Asia are almost entirely urban-based as its cities thrive with investments, infrastructure, innovation and competitiveness.²

Region, subregion, country or area	Urban Population at Mid-Year by Country, 2015-2030 (thousands)				Average Annual Rate of Change of the Urban Population by Country, 2015-2030 (per cent)			Percentage of Population at Mid-Year Residing in Urban Country and Area, 2015-2030				Average Annual Rate of Change of the Percentage Urban by Country, 2015-2030 (per cent)		
	2015	2020	2025	2030	2015-2020	2020-2025	2025-2030	2015	2020	2025	2030	2015-2020	2020-2025	2025-2030
South-Eastern Asia	299,412	334,419	369,699	404,497	2.21	2.01	1.80	47.2	50.0	52.8	55.6	1.16	1.09	1.03
Brunei Darussalam	320	348	374	397	1.66	1.44	1.21	76.7	78.3	79.7	81.1	0.41	0.37	0.34
Cambodia	3,443	4,050	4,721	5,458	3.25	3.06	2.90	22.2	24.2	26.5	29.0	1.76	1.80	1.82
Indonesia	137,635	154,189	170,361	185,755	2.27	1.99	1.73	53.3	56.6	59.8	62.8	1.21	1.09	0.98
Lao People's Democratic Republic	2,206	2,600	3,019	3,452	3.28	2.99	2.68	33.1	36.3	39.6	42.9	1.84	1.73	1.61
Malaysia	22,801	25,362	27,845	30,109	2.13	1.87	1.56	74.2	77.2	79.7	81.8	0.78	0.64	0.52
Myanmar	15,647	17,068	18,722	20,615	1.74	1.85	1.93	29.9	31.1	32.8	35.0	0.84	1.07	1.26
Philippines	47,078	52,009	57,606	63,844	1.99	2.04	2.06	46.3	47.4	49.0	50.9	0.48	0.64	0.79
Singapore	5,535	5,935	6,157	6,342	1.39	0.74	0.59	100.0	100.0	100.0	100.0	0.0	0.0	0.0
Thailand	32,746	35,698	38,344	40,676	1.73	1.43	1.18	47.7	51.4	55.0	58.4	1.51	1.35	1.20
Timor-Leste	366	433	511	600	3.35	3.31	3.23	29.5	31.3	33.2	35.2	1.20	1.18	1.16
Viet Nam	31,635	36,727	42,039	47,248	2.98	2.70	2.34	33.8	37.3	40.9	44.5	1.99	1.83	1.66

Of the 18 administrative regions in the Philippines, Region IV-A (CALABARZON) has the biggest population at 14.41 million, followed by the National Capital Region (NCR), with 12.88 million persons, and Region III (Central Luzon), with 11.22 million persons. The combined population of these three contiguous regions account for 38.1% of the Philippine population in 2015.

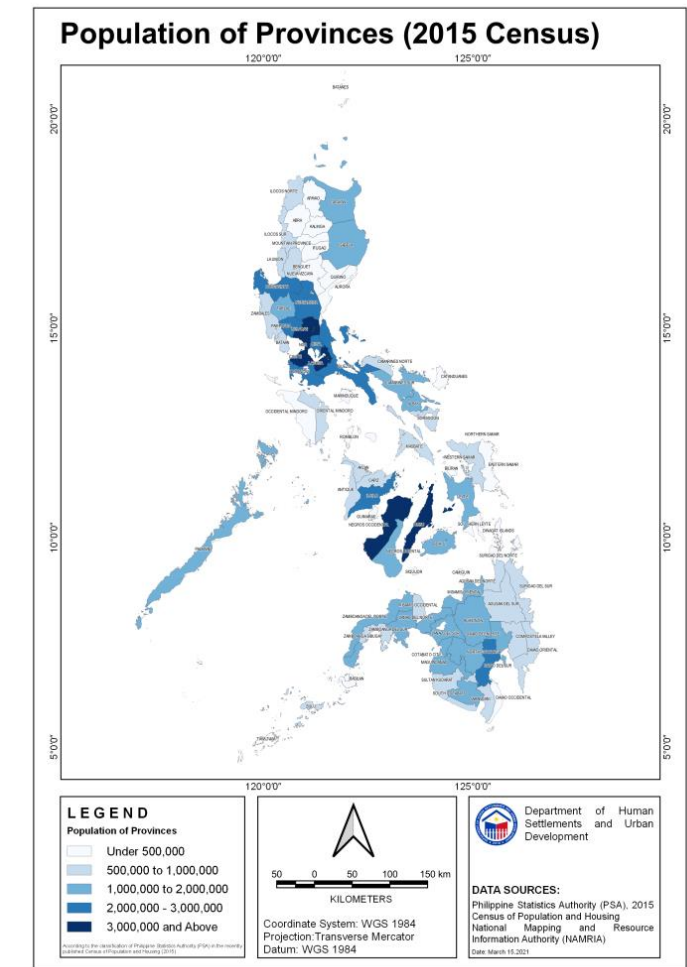
Metro Manila, which is classified as 100% urban, maintains its urban primacy. Meanwhile, 16 of the 20 most populous cities in the Philippines can be classified as small cities of 500,000 to one million residents. Much of the urban growth has happened in the last 10 years have occurred in these areas, signaling the emergence of secondary cities.

¹ PSA, 2015

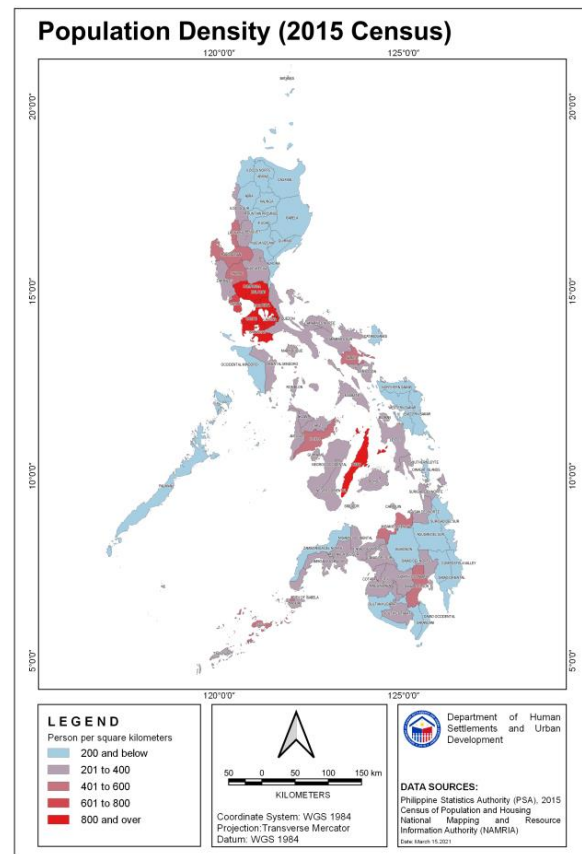
² World Cities Report, 2020

Urban areas in the Philippines have been growing faster than the rural areas since 2007. From 2007 to 2010, the population in urban areas grew at an average of 3.59% per year, while that of the rural areas declined at -0.33%. From 2010 to 2015, both urban and rural areas grew in population size, with urban areas increasing slightly faster at 1.82%, compared to the rural areas at 1.77%. As of 2015, the Philippine urbanization level (measured as the proportion of the population living in urban areas) was at 51.2 percent or 51.73 million persons. 2020 estimates show 70 percent of the country's population living in urban areas.³

This growing urban population is due mainly to migration into centers of employment and economic growth. Cities and urban areas account for 75% to 80% of the country's gross domestic product (GDP) since 2000. Metro Manila alone contributes nearly a third of total GDP. The services sector makes up over half of GDP. Services, trade, and communications are the fastest-growing subsectors in the urban areas, making them more attractive and desirable to the youth sector.

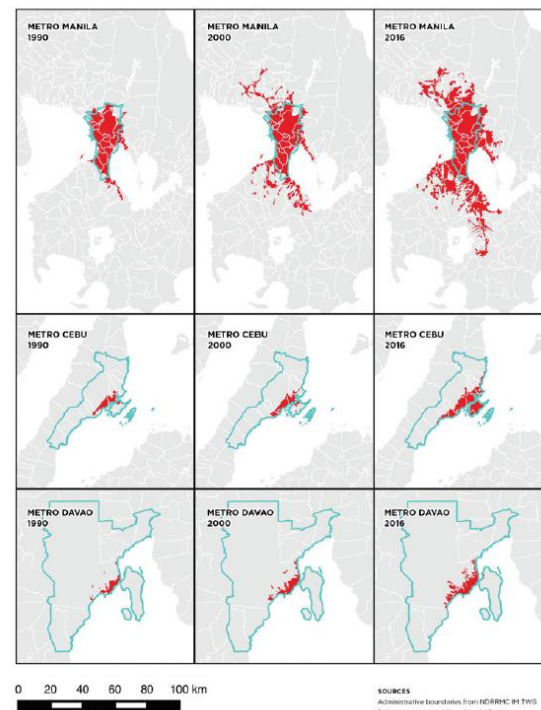


³ UN Economic and Social Commission for Asia and the Pacific



By 2045, the country's 111 million population is projected to balloon to 142 million, even as the average annual growth rate is set to decrease to 0.65 percent in 2040-2045. Majority will be comprised of the working age population at 76.5 percent. The percentage of children under five years of age is estimated to decrease, from 11.6% in 2010 to 6.7% in 2045, a 42% reduction in 35 years. The same goes for children aged 0 to 14 years, the proportion of which will be one in five persons or 30 million in 2045. The older age group (65 years old and above), on the other hand, will increase from 4.3 percent (2010) to 11.4 percent in 2045.

Change in Built-up Areas 1990, 2000, and 2016
 ■ built-up area
 ■ metropolitan area
 — city and municipal boundaries in white lines



The growth and changes in population have and will continue to impact the way our cities and municipalities develop. Most Philippine cities and urban areas began along coastal areas—colonial settlements of a finite size for efficient governance. Post-colonial infrastructure and suburban settlement caused many of these old, inner cities to fall into urban decay. This can be observed in Metro Manila, with the rise of the suburbs of Makati, Quezon City, and Mandaluyong in the 1960s, and northern Quezon City, Caloocan, Pasig, Parañaque, Las Piñas, and Alabang in the 1980s. This practice prevails today, wherein extensive peri-urban development is evident in many cities as a result of rapid urbanization. This uncontrolled expansion, or urban sprawl, is now also being experienced by smaller cities, as seen in the rapid conversion of agricultural land into residential developments. Conversion threatens to permanently reduce biocapacity, and the development itself creates demand, causing further depletion of biocapacity.

Directions for National Sector Planning

Programs and projects should address the impact of population growth and human activity on ecosystems, and aim to manage the former and develop the latter in a sustainable way. It is also important to take advantage of spatial trends such as increasing agglomeration and concentration, and incorporate them in planning to ensure that socioeconomic benefits are felt

not only at the center or urban activity, but spread throughout the network of settlements and across the urban-rural continuum

Climate, Disaster and Public Health Risks

Reduced biocapacity is compounded by the effects of climate change and related disasters. The Philippines, especially its urban areas, are increasingly vulnerable to the impacts of climate change. Aside from its effects on communities and the economy, climate change will exacerbate the degradation of the natural resource base due to overuse in resource-dependent communities and urban settlements. Such is the case for Metro Manila, which sits on a floodplain of Marikina, Napindan and Pasig rivers, exposing its inhabitants to typhoons, floods and earthquakes.

In many urban areas, permanent structures have been built on the river easements, and settlements have spread in floodplains, mangrove areas, waterways, and geologically unstable areas such as sandbars and river islets. The lack of drainage systems, coupled with paving over of waterways for urban development, constricts the flow of storm water, leading to floods.

The World Bank estimated that around 10,000 people were killed due to Typhoons Yolanda, Ondoy, Pepeng, and Sendong. Climate-related disaster is a “fundamental threat” to the country, affecting the poor more than any other group. They push those who are previously not poor into poverty.

According to NEDA data, the Philippines incurred over PHP 388 billion worth of damage due to disasters between 2011 to 2018. Meanwhile, the World Bank estimated that the country suffered at least USD 18.6 billion or PHP 799 billion in economic damage and other losses due to climate-related disasters over the period from 2009 to 2014. The country's economy is susceptible to climate change impacts; 85% of the country's GDP is sourced from areas exposed to climate change risks. Any increase in temperature, along with changes in precipitation patterns and hydrological regimes, will heighten the country's existing vulnerabilities and cut short economic growth if no action is done.

Climate change-induced economic losses are particularly high in urban and peri-urban areas. This is largely because of the increasing fragility of urban ecosystems and the low adaptive capacity of communities. As the growth in urban population continues and urban densities increase, so will the climate and disaster risks and vulnerabilities to high-risk urban communities and vulnerable groups, especially among informal settlers and urban poor.

Amid these existing risks and vulnerabilities, the Philippines faces another threat. Since 2020 the country has suffered from the far-reaching effects of COVID-19, which as of January 2021 has claimed the lives of 11,231 Filipinos and 2.33 million persons worldwide. The pandemic has amplified existing development issues, and challenged not only the country's health institutions, but also economy, housing, transportation, and other elements of the urban ecosystem.

Community quarantine, imposed to counter the spread of the COVID 19 virus, amplified the need to improve the quality of living conditions most especially of vulnerable households living in highly dense communities. The emerging health and safety concerns as the country transitions to the new normal is expected to slow down housing production as well as relocation and resettlement activities given the disruption in production and delivery of construction materials, limitations in the conduct of social preparation activities and greater opposition from receiving LGUs due to fear of infection and social services requirement, among others.

It also places greater demand to shift to digitalized government transactions on human settlements development and the need to improve housing affordability with considerations on the increased unemployment and loss of income and livelihood as well as increased production cost due to the imposition of construction health protocols, housing redesign that considers public health goals and increased construction supplies and materials.

Directions for National Sector Planning

The cross-sectoral impacts of climate change and natural disasters continue to be felt across the country, and now compounded by the effects of the current pandemic. Plans and programs should be able to guide communities on the track to resilience, with solutions that increase adaptive capacity, and encourage sustainable economic recovery.

Urban Planning and Design

Planning for Risk. The pandemic, the increasing risks brought by climate change and natural hazards, and other urban issues necessitate a constant rethinking of the ways in which cities and municipalities are planned and developed. The Philippines has taken strides in terms of considering climate change and disaster risk in development planning, with these considerations already integrated in local spatial and sectoral planning guidelines. Nevertheless, the implementation of climate-resilient plans is still generally weak, owing largely to capacity gaps of planners and implementers.

This is more evident when it comes to urban resilience. Seemingly, there is little buy-in and knowledge of the urban systems among the LGUs and local planners. Many LGUs lack the technical capacity for analyzing hazard and risk information and translating these into land use plans and urban designs. There is a growing need for LGUs to view urban planning and design under the lens of resilience. There is also a need to regularly update planning principles, approaches, processes, and tools to promote resilient urban development.

Spatial Equity and Urban Land Efficiency. Part of resilience-focused urban planning and design is the aim to guarantee that the interests of the most vulnerable⁴ are addressed. Giving them full access to urban land and ensuring that urban spaces provide opportunity for everyone to develop their capacities is key if urban planning is to be relevant moving forward. Several approaches are currently being introduced and explored, including compact city development, mixed use, inclusive mobility, and efficient densities. However they are not yet fully operationalized due to inadequate knowledge, tools, policies, and institutional coordination, as well as a lack of focus urban systems as an integrative platform for urban development. And while private developments, gated or master planned communities, display forward-looking design principles such as high density and mixed land uses, they remain disconnected from the larger urban fabric.

This inadequacy and exclusivity have decreased the ability of urban planning to transform urban activity into positive outcomes for the larger population, and has instead resulted in problems such as urban sprawl, land speculation, social segregation, congestion, informality, increasing GHG emissions, encroachment, decreasing public space, and high cost of urban infrastructure and services, among other issues. Presently, urban households with limited or no access to basic services, security of tenure, and affordable housing, have reached 3.6 million.

Planning for Public Space. Creating and developing public spaces is often de-prioritized in spatial development thrusts and strategies, since these land uses are perceived to be negative investments that do not produce monetary revenue. The prevalence of gated communities is also increasingly fragmenting urban public space. There is an urgent need to increase and uphold the value of open spaces, especially in light of the pandemic, which highlighted the importance of open spaces in preventing the spread of disease and promoting public health.

Urban Sprawl. Rapid, Fragmentation of urban space often comes with overall lack of urban planning and management, leading to unmanaged urban growth has resulted in urban areas characterized by inefficient densities. Equally concerning is the staggering population growth and urbanization of peri-urban areas, while lacking adequate urban infrastructure and services. Such expansions sometimes encroach on agricultural lands and environmentally sensitive areas such as river basins, watersheds, coastlines or disaster-prone areas. And without proper consideration of transport links, infrastructure, and social integration, the result is urban sprawl, segregation, and connectivity issues. The loss of prime agricultural lands is a related consequence, pushing food production areas farther away and increasing food prices.

⁴ youth, women, children, older persons, LGBTQ+, the poor, the landless, slum dwellers, migrant workers, persons with disabilities, indigenous peoples, and minority groups

Government is challenged to uphold principles set out in existing CLUP and CDP guidelines, and to capacitate implementers to manage and regulate urban expansion to achieve inclusivity and sustainability.

Urban Connectivity and Mobility. Urban expansion is inevitably tied to transportation and urban connectivity. How spaces are linked can influence how areas develop, just as much as urban growth and movement dictate how cities and areas within them are connected.

But while the CLUP and CDP provide guidance for planning transportation and connectivity the scope is often limited to often limited to roads and, when applicable, sea and airport facilities. Also, while planning approaches that promote connectivity such as compact development, densification and mixed-use have already been introduced through zoning guidelines, implementation has proven difficult. Accessibility is often still de-prioritized or disregarded, resulting in congestion in the urban core areas. Non-motorized transport infrastructure such as sidewalks are, if not lacking, often encroached upon by vehicles, vendors, illegal construction, or other obstruction. LGUs meanwhile have limited capacity for transport planning, management, and urban design, which could transform connectivity and mobility strategies into built form.

Comprehensive urban transport plans that feature an integrated land use and transport approach are also perceived to be too complicated and costly to be undertaken by most LGUs. These have been conducted only for highly urbanized cities like those in Metro Manila, Metro Cebu, Iloilo City, and Metro Davao.

Institutional capacity. Challenges of urbanization place immense pressure on LGUs, which often lack the institutional and technical capacity. The enactment of the Local Government Code in 1991 expanded the role of LGUs to include local development planning and provision of urban services. However, broadening the scope of responsibility did not automatically translate to the financial and technical resources needed to perform such responsibilities.

Long-term urban development visions are also compromised because of unpredictable political cycles that affect continuity of plans and programs. This leads to planning approaches that are shortsighted, reactive, and parochial. LGUs also suffer from the lack of integration and coordination among institutions involved in urban development and management.

Directions for National Sector Planning:

Initiatives for this thematic area should be able to address present and projected climate risks as well as risks to public health, in clear terms through technical guidance and tools. Innovations in urban planning and urban design also need to be reflected in urban policy and guidelines, especially for practical applications by LGUs and other end users. These include the creation and management of public spaces, compact developments, metropolitan development, and urban connectivity and inclusive mobility, among other primary concerns. In all aspects, capacity development and institutional coordination are key to program success as well as continuity of plans and designs beyond administrative terms.

Shelter

The impact of urban planning and design is none more pronounced than at the center of urban development: housing.

Housing Supply and Demand. Urban population growth in the Philippines outpaces housing service delivery. To date, more than 40 percent of urban families live in informal settlements, which suffer from poor quality housing, insecure tenure, inadequate infrastructure, and high risk to public health. There are an estimated 1.4 million ISFs nationwide, 544,000 of which are in the National Capital Region.⁵

⁵ As of 2018, The United Nations Population Division reports 46.5% of the population live in urban areas. In the same year, the PSA reports 3.6 million of this urban population were living in informal settlements.

Moreover, limited access to land have resulted and dysfunctional land markets have resulted in poorly located low-income housing areas often too far from employment and livelihood opportunities, or in the spread of informal settlements in public lands or unoccupied but otherwise high-risk areas. Access to affordable, well-located, and suitable urban land has also been severely constrained by unclear and inconsistent land use policies, weak land administration infrastructure, highly politicized land and tax system, an inadequate agrarian land reform program, and a deficient housing development program.

From 2011 to 2015, the Department through its Key Shelter Agencies have provided directed housing assistance to 883,222 households. This translates to a yearly average of 196,271 households assisted per year, constituting less than 20% of the estimated average annual housing need of 926,077. This is compounded by the limited ability of low income and urban poor to pay for housing. The physical and administrative difficulties encountered by the urban poor in accessing credit for housing and livelihood opportunities often constrain them from achieving their housing goals. Where microfinance is available, it is often uncollateralized, short-term, and carries significantly higher interest rates.

Overall, the need for housing units is estimated to reach over 6 million by 2022. This figure increases to a projected 22 million by 2040. Addressing this deficit requires innovative housing strategies, given the growing urban population and dwindling urban land. But while the government and private sectors have piloted such innovative housing projects, they have not fully been integrated, institutionalized and programmed to achieve the scale required to gain traction and narrow the housing demand.

Land Tenure. The need for innovative approaches extends to securing tenure for households across all sectors of the population. This is presently hampered by a land titling system that has resulted in a massive amount of untenured, unclaimed, unimproved and/or disputed land. They also set the stage for the tangle of legal disputes that continue to beset the nation today, and the prevalence of informal settlements. Formulation of official state policy on ISFs only began after the 1987 Constitution. In 1992, the Urban Development Housing Act (UDHA) was passed, reinforced in 1994 by R.A. 7835 or the Comprehensive and Integrated Shelter Financing Act. R.A. 7835, at the national level, put the onus of dealing with informal settlers mainly on the NHA and DHSUD.

Vulnerability to Climate Change and Disaster Impacts. ISFs are some of the most vulnerable urban populations, due to the impact of climate change and disasters. They are often located on relatively inexpensive but hazardous lands, such as flood plains, steep slopes and garbage dumps, or are close to electricity transmission lines that are prone to flooding, landslides, and other disasters. They are also often along *esteros*, rivers, creeks, and coastal areas, which are more exposed to climate change impacts. Their economic status and reduced access to basic services also make them more sensitive: they are likely to suffer greater losses than those in higher income classes. Insecure tenure, coupled with socio-spatial exclusion, reduces their capacity to engage with formal methods of receiving information and financial assistance to cope with disasters.

Access to Resources for Government Housing. Addressing the 6.5 million housing need is made more difficult by the inadequate national budget allocation. The total housing need of 6 million up to 2030 requires a total budget of P2.7 trillion or an annual budget of PhP180 billion149 per annum. If the housing sector were allocated 5% of total annual budget similar to other countries, that translates to PhP135 billion, adequate to cover for the 100,000 units under National Informal Settlement Upgrading Strategy and an additional of 300,000 units annually for qualified housing beneficiaries. However in 2021, the budget allocation for housing was only P4.98 billion, down 36% from the P7.82 billion budget in 2020. This is not sufficient to cover the annual budget requirement for ISFs alone, estimated at PhP45 billion for the 100,000 ISF units as committed in the National Informal Settlement Upgrading Strategy.

2020-2021 Housing Sector Budget

(in billions, Php)

	2020 GAA	2021 Proposed Budget	2021 NEP	2021 GAA
DHSUD	0.624	1.658	0.415	0.465
NHA	4.562	63.7	2	3.456
SHFC	1.396	9.13	0.369	0.369
NHMFC	1	1	1	0.5
HSAC	0.24	0.702	0.191	0.191
Total	7.82	76.19	3.98	4.98

Beyond this, ISFs, low-income and poor households are also unable to shoulder the cost of housing, or access the formal housing system, given the lack of income and availability of financing options.

Settlement Integration. The lack of income often results in a lopsided urban form: many urban areas exhibit a clear divide between high-end enclaves and the informal settlements at the fringes. Housing development becomes more uneven with the prevalence of offsite resettlement for informal settlers, many of whom remain socially and economically embedded in their places of origin. While government now promotes in-city resettlement, existing offsite resettlement continues to strain families' meager resources. It also creates tension within the urban fabric, stretching the limits of transportation and social infrastructure.

Such housing projects continue to be plagued by challenges not only in poor-quality housing but water supply, sanitation, waste management, energy, and transportation. Such necessary urban infrastructure and services are still not fully embedded in housing due to cost and underinvestment, and lesser priority given to connectivity and integration. On a broader scale, housing is not often recognized or regarded as part of wider urban system, leading to the failure of many housing initiatives, and to the detriment of the socioeconomic development of communities in these settlements.

Institutional Limitations. Implementation of key strategies and reforms is constrained by fragmented institutional arrangements in the sector. Some key strategies are not adequately reflected in local plans, and implementers have insufficient technical capacity to do so.

Finally, the housing sector has often been criticized for focusing mainly on numbers, namely for housing production, rather than the social impact of providing housing for vulnerable communities. This has had an impact on determining the actual benefit that vulnerable communities gain from housing programs.

Directions for National Sector Planning

Access to land and housing remains the most critical aspect of shelter. There is a need to expand the methods by which poor families and ISFs can gain security of tenure in livable, integrated settlements. Along with this is the need to ensure safety and resilience to disasters, climate change impacts and health risks. This entails not only building resilient homes but also increasing adaptive capacity of households, including livelihood. A critical factor to all these is the need to increase in the Department's budget to reflect the government's priority for human settlements.

Urban Economy and Finance

Sustainability entails equitable use of resources and distribution of goods, enabling every household to provide for its immediate and future needs. This entails inclusive participation in economic activities that contribute to income and provide access to the system. However, realities in urban areas have and continue to challenge this ideal.

The National Capital Region contributes 37.5% of the country's GDP. Moreover, urbanization of adjacent cities like Antipolo, Lucena, Angeles and Olongapo have led to the creation of a larger urban agglomeration that, together with the National Capital Region, now accounts for

63% of the GDP. The other 27% are produced by urban centers in the Visayas and Mindanao, while the remaining 10% comes from the combined share of the Ilocos, Cagayan Valley, Cordilleras, and Mimaropa regions. But, while evidently urban areas have helped propel the economy, they are not always able to absorb the pressures of urbanization.

Many cities are confronted by the inability to absorb the pressures of urbanization, and are unable to provide adequate urban infrastructure, housing, and urban services. They are incapable of translating economic gains into efficient expenditures for the benefit of growing urban populations.

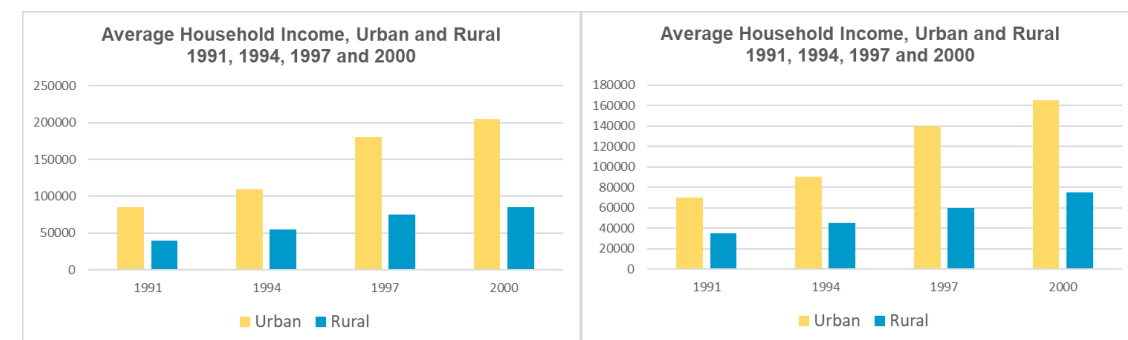
Urban-based Economic Activities. Urban-based sectors dominated the economy, with the service sector contributing 54% average share to GDP, and 33% for the industry sector. The service sector also comprised more than half the average share in employment for the period of 2003 to 2013. It also absorbed the excess labor from agriculture, in the absence of a strong secondary sector. However, most of those employed in the service sector are in low paying or low-skilled jobs, such as small retail trade and public transportation. There has been no significant increase in productivity in the sector.

The agriculture sector also exhibited very low productivity with its scanty share of 13% to GDP, despite comprising 34% of the country's employment.

On the other hand, 1,456 establishments were engaged in Business Process Outsourcing activities in 2012, employing 455,643 persons. 83% of the jobs were in call centers (voice). The rest were in data processing and computer programming activities, information technology and computer service activities among others. Total compensation from Business Process Outsourcing activities amounted to PhP161.9 billion, equivalent to an average annual compensation of PhP355,521.

Income and Expenditure. The difference between urban and rural income and expenditure is wide, with urban households earning and spending more than twice than those in the rural areas. In 2000, urban households earned PhP 204,977 compared with PhP 85,373 by rural households. Urban households spent PhP 164,794, compared with only PhP 72,953 by rural households.

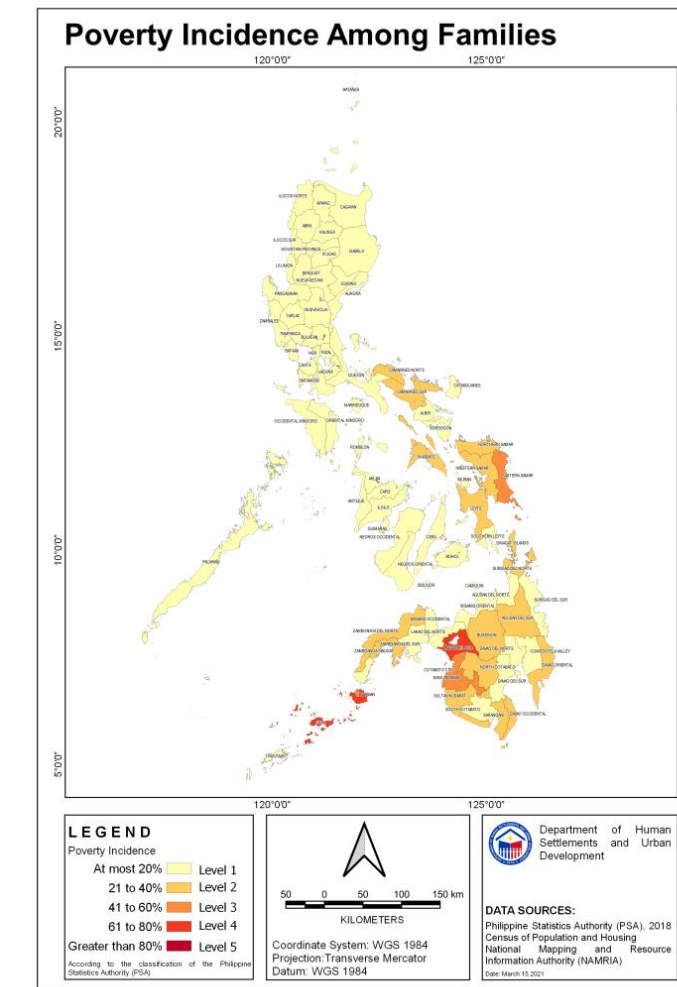
The disparity shows the need to accelerate rural-urban integration, as well as investments in local economies.



Urban Poverty. Poverty incidence in the Philippines was at 19.8% in 2020. Decreasing poverty incidence in urban areas was evident, indicating improved performance of the urban system. However, a large segment of the urban population sits just above the poverty line and is extremely vulnerable to slipping back into poverty because of loss of employment, illness, natural disasters, and other factors. This was made clearer during the COVID-19 pandemic, when efforts to reduce poverty were gravely compromised as mostly urban-based businesses closed during prolonged quarantine periods, leading to loss of employment. Individuals and families stricken with the viral disease suffered from high medical expenses that severely diminished household incomes, and restrictions in movement across urban areas led to loss of economic opportunity and increasing poverty.

Unemployment in the Philippines remains to be the highest in the Association of Southeast Asian Nations (ASEAN) region, at 6.3% in 2015. It is highest in the highly urbanized regions—particularly Metro Manila and the two regions extending it to the north and to the south. The combined unemployment and underemployment account for the persistence of poverty.

Moreover, the poorest sectors in cities comprise a large segment of informal settler families (ISFs). While the more urbanized regions and provinces such as Metro Manila, Bulacan, Pampanga, Cavite, Laguna, and Rizal have much lower poverty incidences—ranging from 3.1 to 7.6% compared to 34.1 to 46.9% in the predominantly rural regions of Mindanao—the multiplicity of vulnerabilities and deprivation affecting millions of ISFs in these cities makes them more vulnerable. The absolute number of poor families in the highly urbanized cities of the Philippines will likely continue to increase in the future. Hence, the locus of poverty will generally move to the cities, a process that has been called the “urbanization of poverty”.



Local Finance. LGUs are largely dependent on tax revenues to meet their financial requirements. From 2005 to 2013, 88% of the total income of LGUs came from Internal Revenue Allotment. Only 7% of their total income came from operating and miscellaneous revenues.

LGUs have also yet to fully benefit from public-private partnerships, particularly in the provision of local infrastructure. As of May 2016, 12 projects worth a total of PhP 197.74 billion have been awarded to private entities for implementation, but only two projects were executed through public-private partnerships by LGUs: the Tanauan City Public Market Redevelopment Project by the city government of Tanauan; and the Baggao Water Supply Project by the municipal government of Baggao, Cagayan. In addition, 39 various projects are still in the pipeline.

Apart from weak capacity in PPPs, local taxation, majority of LGUs need support in budgeting, especially grassroots

participatory budgeting, to ensure that the development needs of cities and municipalities are based on consultation with the basic sector and other civil society organizations, and as identified in their respective local poverty reduction action plans. These and other strategies can help mobilize resources to provide adequate, reliable, and affordable basic infrastructure and services to their constituent communities.

Directions for National Sector Planning

A strong and robust urban economy is crucial to the development of integrated, inclusive, and sustainable settlements. To this end, the Plan should include projects that support inclusive economic growth. To make sure economic gains benefit marginalized communities, LGUs must also be empowered to access and take advantage of a wider range of revenue sources, and use these to build public infrastructure and support facilities. Cities and municipalities should be able to serve as platforms for constituents to engage in diverse local economic activities.

Infrastructure

The lack of budget and weak governance on top increasing urbanization have further strained already inadequate infrastructure and service delivery.

Water, Sanitation, Hygiene. Even now, there is limited access to a household water service connection, especially in rural areas and disadvantaged communities. Only 36% of the country's river systems are classified as sources of public water supply. 58% of groundwater sampled is contaminated with coliform and needs treatment, all the more evident in the 31% of illness caused by waterborne sources. Many areas experience water supply shortage during the dry season, with urban water coverage decreasing from 95% in 1990 to 87% in 2004.

Energy. The Philippines aims for a 70% reduction in greenhouse gas emissions by 2030, and this reduction will need to come from energy, transport, waste, forestry and industry sectors. While the country has diverse renewable and sustainable energy, resources from hydropower, geothermal, biomass, solar, wind, and ocean but these remain underutilized.

Drainage. Although new developments such as townships, subdivisions, and planned unit developments invest heavily on drainage infrastructure, these are not enough to augment the needs of sprawling settlements, as well as the effects of climate change, including stronger and increased rainfall.

Service coverage expansions in the past 30 years have been overtaken by rapid urbanization and population growth, with increased deterioration and degradation of receiving waters. Although some subdivisions have good drainage systems, outflows towards the main drainage systems do not have proper linkages. In some cases, residential and commercial developments cover natural drainage ways like rivers and creeks, and informal settlements can restrict water flow in river systems, adding to the inefficiency of sewerage and drainage systems in urban areas. This exposes ISFs themselves to high risk of flooding, pollution, and environmental illnesses.

Waste Management. Continuing poor waste management has resulted in poor public health and environmental/water quality. The Solid Waste Management Act (R.A. 9003) has not been fully implemented, and LGUs continue to encounter barriers to implementing and managing material recovery facilities and installing sanitary landfills. The lack of space especially in urban areas makes finding locations for landfills difficult, and developing and managing them is financially and technically challenging.

In the National Capital Region, the Metropolitan Waterworks and Sewerage System through its two concessionaires established investment plans for sewerage and wastewater treatment. But outside the NCR, only a few cities have sewerage systems, that serve less than 3% to 5% of the service area population. Nationwide, less than 5% of households are connected to a sewerage system. Up to 58% of groundwater for drinking is contaminated with coliform bacteria. Data from the Environmental Management Bureau of the Philippines shows that out of the 127 freshwater bodies sampled, only 47% were found to have good water quality. On the other hand, 40% had fair water quality, while 13% showed poor water quality.

Information and Communications Technology. While the sector shows a lot of potential growth and development, it is beset by dropped calls, slow Internet speeds and intermittent connections. In a study by Statista, Internet penetration rate in the Philippines is at 72.7%. In 2020, 77.8 million people were estimated to own smartphones that access the Internet through data services. This number is expected to increase to 84 million by 2025.

Inter- and Intra-System linkages. Inadequate and ineffective transportation planning in urban areas have led to congestion, high incidence of road traffic-related accidents, negative environmental impacts, energy use, loss of public space, and urban sprawl. Of great concern is the high priority given to vehicular movement, with most transport projects infrastructure-oriented. Connectivity and mobility in urban areas in the Philippines are therefore narrowly focused on vehicular transport, with minimal consideration for pedestrian movement.

Traffic has become a major issue cities and municipalities, particularly Metro Manila and secondary metro regions such as Metro Cebu and Metro Angeles. Without intervention, traffic may cost the economy PHP 6 billion a day, traffic demand will increase by 13% by 2030, and transport costs may increase. Congestion can be attributed to inefficient and inadequate public transport systems, with limited service coverage areas, slow transportation infrastructure development due to underinvestment and lack of proper maintenance, and urban sprawl and inaccessible land use, increasing the need for private vehicle trips. The prevalence of on-street parking also reduces road capacity, and outdated traffic signals and non-conforming traffic signs compromises efficient traffic flow.

Also partly because of the fragmented system of management, the mix of vehicle types can cause major traffic problems. There is often no system of transport terminals, parking, and coordinated traffic signs. Road, air, and water transport are insufficiently linked especially given the archipelagic character of the Philippines.

Transport issues are a consequence not only of the fragmentation of national and local government plans and programs, but of the lack of capacity of LGUs to manage and finance transport planning and management initiatives.

Directions for National Sector Planning

Projects should be able to address gaps in the provision of critical infrastructure such as water and sanitation, electricity, transport and waste management, ensuring that these are integrated in settlements development for all sectors of society. Information and communications technology has also been brought to fore as an important component of service delivery, especially in times of major crises like pandemics, which require alternative modes of working and living. Digitalization is becoming especially important not only in economic activities but also in urban governance, and needs to be welcomed and managed properly.

Urban Governance

Urban Legislation and Policy. Numerous issues plague the full implementation of laws and policies, including overlapping mandates, lack of resources for implementation, and translation to local policies and programs. The Local Government Code has been seen to have deficiencies that hinder effective urban governance.

Vertical and Horizontal Linkages. Sectoral and area-based planning especially at the local level are often incongruent. Overlapping mandates and redundancy in programming and project implementation have also resulted in confusion among actors especially implementers on the ground. This is compounded by the lack of proper vertical and horizontal coordination, leading to weakened multilevel urban governance. It must be noted that multilevel governance should also include government partners such as the private sector, non-government organizations, international organizations, professional organizations, and the academe, among others.

Urban Land Management. Assessments have shown that LGUs are ill-equipped to handle land management. The overlapping land administration functions and gaps in land information have also resulted in land use conflicts, especially of indigenous peoples' territories vis-à-vis expanding urban areas, and illegal titling of protected areas.

Given the situation, much of the actual development tends to be driven by the private sector. Most cities abet this because of the additional revenue that they derive from it, without realizing that such development may be creating other and more serious kinds of problems.

Technical Capacity. There is overall weakness for development planning, management, and enforcement. This can be traced to lingering, unaddressed policy issues affecting institutional structures, inter-governmental and multilevel governance relationships, management and technical capacity, as well as unmet public and private financing needs

People's participation. There is a continuing challenge for communities to be part of planning and building/rebuilding urban areas. This is evident not only in housing but also in public space

and urban design projects. Planning must take advantage of existing participatory frameworks and expand them to cover human settlements development.

Leadership and Good Governance. Among many issues in local leadership, the continuity of urban plans and programs scaling up and replication of successful urban plans and programs are most constrained by changes in administration, especially when opposing or different political parties succeed each other. Long-term plans and even staff are often dropped and replaced by new ones, compromising the full implementation of programs.

Also increasingly apparent is the need to ensure public safety and security. It is the task of the leaders to ensure that every citizen is reasonably able to live, work, and play free from insecurities, as well as physical, sociological, and psychological harms that may hinder personal growth and healthy interaction in the urban environment. As cities and urban areas become hotbeds of crime and violence, there is an urgent need to design and build settlements as safe zones, areas that promote protection and not vulnerability, compassion and openness and not fear.

Directions for National Sector Planning

Attention must be given to achieving legislative and policy coherence for the urban development and housing sector. This requires comprehensive reviews and in some cases, amendments. This can provide urban stakeholders with a better policy environment within which to implement programs and projects. Together with this is the need to improve tools and guidelines, as well as coordination and participation mechanisms for more effective implementation of projects, especially at the local level. Overall, technical capacity needs to be improved, particularly in light of new trends and issues in urban development, for instance the urgency of incorporating public health in the urban planning and design of communities.

2.2 Gaps in the Operationalization of Strategies and Programs

The review of issues, policies, and plans has brought to light some gaps in operationalization, affecting the intended outcomes of for the sector.

2.2.1 Objectives and indicators

Policy anchors as well as sector assessments provide the necessary bases for action. They also provide guidance by setting the vision and principles for sustainable urban development and housing. However, these need to be transformed into specific, measurable, achievable, relevant and time-bound sector and sub-sector objectives. To this end, the sector plan consolidates and defines the issues, such that they can be converted into objectives. In the same vein, indicators for these objectives are also identified.

Moreover, the objectives should be crafted to be consistent with the mandate and responsibilities of the Department. This will help to narrow down the focus in terms of what can be achieved, and the externalities involved in doing so. There will inevitably be objectives that can be met through the actions of other government agencies or sectors. The Plan needs to differentiate which tasks will be undertaken by the Department, and which ones by other organizations.

2.2.2 Transforming strategies into PAPs and targets

Almost all the policy documents and studies contain strategies for achieving the overall vision for the sector. These strategies must now be transformed and fleshed out as programs, projects, and activities. A useful takeoff point would be the policy and program implications in the mainstreaming section of the NUDHF. Besides this, specific actions mentioned in the PhilNUA, PDP and related studies are also helpful. These need to be matched to the objectives to be developed for the Plan.

Part of this step is also determining the status of current projects. This will help calibrate the type of PAPs and extent of the targets that the Plan will contain. Data from bureaus and KSAs are critical in laying this down.

The key result areas identified for each KSA can also serve as a starting point for the Plan's targets over several timeframes. These can be further elaborated on using the objectives and indicators.

Finally, to ensure that PAPs remain relevant especially given the varied physical, institutional, socioeconomic and environmental contexts present in the country, the Plan will have to identify the levels of action, based on the various scales of urban systems and/or hierarchy of settlements. This will help determine at what scale we can derive the most benefit from each action, and at what scale can these actions be rendered ineffective. This can provide realistic opportunities for the sector, and direct funding and other resources to the where there are needed most.

2.2.3 Monitoring and Evaluation

As the PDP has pointed out, one of the setbacks to effective programming and implementation is the focus of monitoring on quantities or numbers, rather than quality. What is needed for the Plan to succeed is to sharpen its focus on the impacts of its PAPs, as a way to ascertain if the Plan has achieved its goals and objectives. To do this, the Department would have to devise a mechanism that monitors outcomes and not just outputs.

It may be useful to use the SDGs in crafting the monitoring tool. This brings consistency to the Plan and its policy anchors. It is also a way to ensure that universally held values and goals are operationalized at the local level.

2.2.4 Coordination

As mentioned above, goal achievement depends partly on the actions of agencies and organizations outside the Department. This necessitates agreement and coordination with these actors, to guarantee the smooth implementation of PAPs. The Department should craft a coordination mechanism especially for the Plan's implementation, defining the roles and responsibilities of each actor. It would address how the agencies can complement the work of the Department, and in return how the NHUDSP can complement existing strategies of other agencies.

As the primary NGA responsible for the management of human settlements and urban development, The DHSUD is tasked to lead the promulgation and enforcement of enabling policies for the sector. In this context, the coordination plan should define the reach or influence of the Department in refining or amending existing legislation policies, strategies and tools that concern urban development and human settlements, especially those that, for one reason or another, do not emanate from the Department itself.

3 The Plan

Understanding the challenges and opportunities that the urban development and housing sector presents, the DHSUD is determined to implement rational, creative, timely, and spatially relevant actions towards a sustainable future for Filipino communities and households. The National Housing and Urban Development Sector Plan thus aims to:

1. Identify short-term, medium-term and long-term strategies, plans, activities and programs (PAPs) based on PAPs prepared by the DHSUD and its key shelter agencies, and PAPs of other government agencies related to housing and urban development, the latter specifying their contribution towards the achievement of identified goals and outcome for the housing and urban development sector;
2. Integrate recommendations from the private sector, real estate and housing developers, civil society organizations, peoples' organizations and other stakeholders;
3. Reflect and operationalize the priorities and strategies contained in anchor frameworks, policies and plans, such as the Philippine New Urban Agenda or Habitat III Report (PhilNUA), the National Urban Development and Housing Framework (NUDHF), the Philippine Development Plan (PDP) 2017-2022, and the National Informal Settlement Upgrading Strategy (NISUS);
4. Identify centers of responsibility, and mechanisms for implementation, monitoring and evaluation.

3.1 Sector Vision and Pathway of Change

The vision for the national sector plan follows the vision set by the Philippine New Urban Agenda and the National Urban Development Framework, collectively considered as the national urban policy:

Better, Greener, Smarter Human Settlements and Urban Systems in a More Inclusive Philippines

The Plan envisions urban systems that are globally competitive, economically vibrant, and livable. It sees cities, municipalities, and settlements as environmentally sustainable, climate resilient, safe, and connected physically, spatially and digitally. These settlements will demonstrate inclusivity, equity, participation, and universal access to quality basic services. They will safeguard children, women, the elderly, indigenous peoples, LGBTQ+, persons with disabilities, and other marginalized sectors. An inclusive Philippines is one with equal access to livelihood opportunities, enabling informal settler families (ISFs) to transform in the metropolises, living their lives with more pride and dignity.

This vision supports the achievement of the national goals under the Philippine Development Plan and AmBisyon 2040. It also aligns with the long-term Sustainable Development Goals, making the country an active participant in the global effort towards sustainable urban development.

The Plan lays out a *pathway of change*, to illustrate the rationale for each program or project as it moves towards to intended overall impact. Realizing the Vision first entails the achievement of **outcomes**. The main long-term thematic outcomes are:

1. *Urban Planning and Design*: Actionable urban plans and designs that pursue safe, inclusive, resilient and sustainable urban development
2. *Shelter*: Accessible and affordable housing options; compact, connected, integrated, inclusive settlements
3. *Urban Economy*: Robust and diverse urban economy
4. *Urban Infrastructure*: Accessible and reliable urban infrastructure and services
5. *Urban Governance*: Transparent institutions, accessible governance platforms, and empowered communities

To arrive at these outcomes, the Plan must realize **key results** or intermediate outcomes in the thematic areas. These are divided into several subthemes, with each result having its own set

of **indicators** to make sure that they are measurable, verifiable, and aligned with the NUDHF, PNUA, PDP and SDGs.

The plan likewise operationalizes sector **strategies**, identified in the abovementioned policy documents, into **programs and projects**. All these are based on underlying principles also established in national urban policy through the NUDHF.

To provide more coherence and demonstrate the integrated nature of urban development and human settlements, the Plan has highlighted several **banner programs** that the Department will implement, specifically for the short and medium terms. These initiatives are cross-sectoral and encompass various scales, and intend to showcase the department's vision and approach.

The components of the banner programs are themselves **programs and projects** that have been identified for the five thematic areas. Each one is linked to a strategy, and fulfills the thematic objectives and outcomes. This ensures the internal coherence of proposed actions, and demonstrates a rational path towards the intended overall change or impact of the Plan.

These thematic PAPs can be grouped into several categories:

Policy and legislation pertain to measures and actions that contribute to, develop or detail urban development and housing policies. Likewise, reviews of and amendments to existing legislation, or proposals for new laws are included under this program.

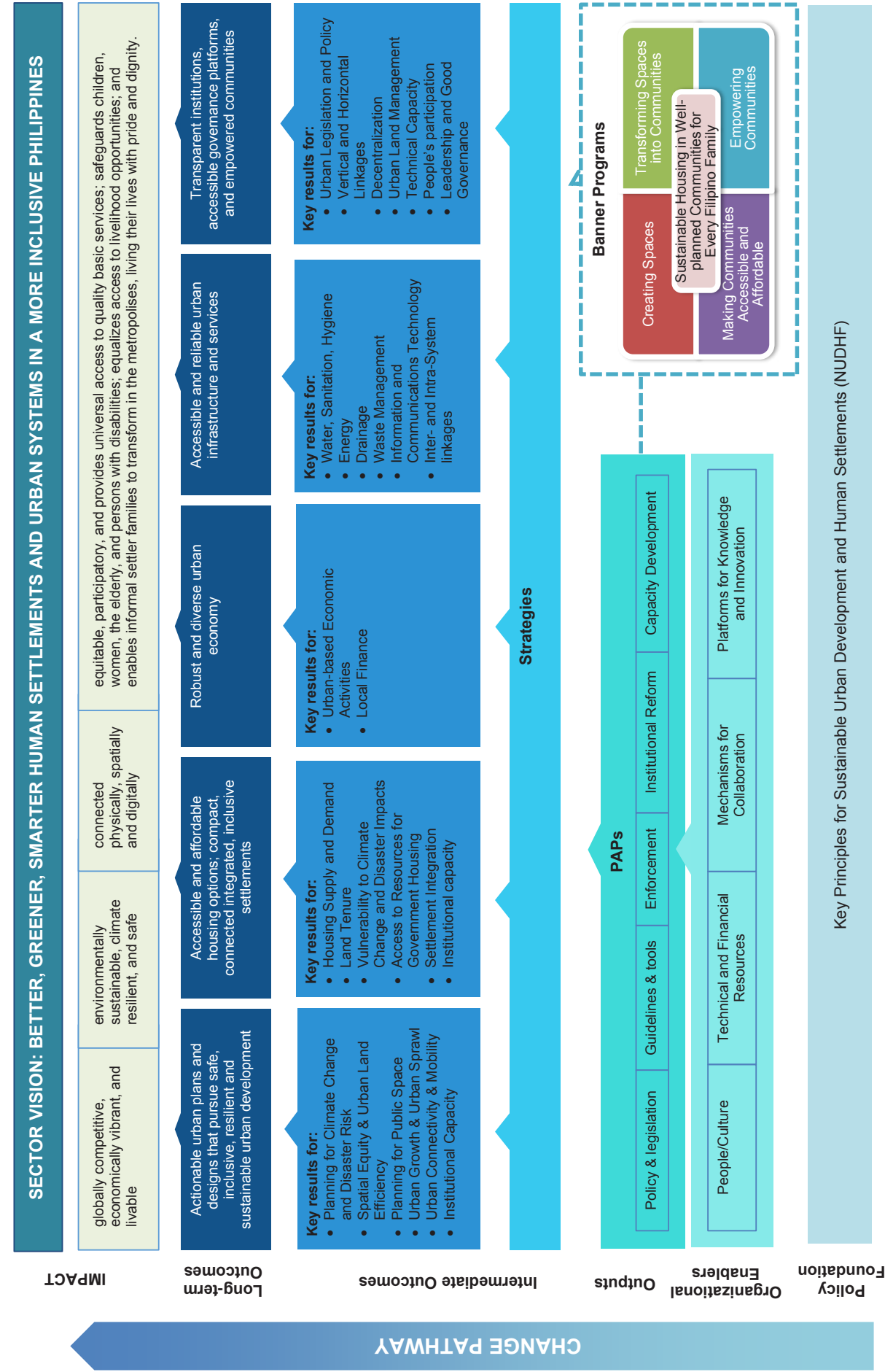
Guidelines and tools cover major planning guidance to LGUs, such as the CLUP guidebooks, other guidelines like the CDP guide, local shelter plan manual, and LCCAP, among others. These aim to guide local actors in planning, implementing, and managing their territories. It also captures the exploration and development of planning and implementation tools for housing and urban development, including geospatial programs, data and analytical tools, and community-driven process tools, among others. In creating a program for these, the department will focus on achieving better rationalization and coherence. It will also enable the pilot testing of emerging approaches and tools, ensuring that guidelines are grounded on local experience and expertise.

The **enforcement/implementation** program focuses on the efficient and effective implementation of existing policies strategies, plans and programs of the department and other relevant agencies. It includes the creation of an integrated implementation framework that encompasses all existing laws and programs that have been identified as having gaps in implementation.

Actions that require significant structural changes in government institutions are included in the **institutional reform** program. These include the creation of new offices or agencies, and the assessment of existing ones for possible reform, in order to meet the requirements of sustainable urban development and human settlements.

Capacity development undercuts nearly all actions of the department. This program consolidates all capacity development efforts, to enable cross-sectoral coordination and resource utilization, and create synergies for better implementation at the LGU or end user level.

It should be noted that program success is contingent on **organizational enablers** that support effective and efficient implementation. These include technical capacity and financial resources, internal culture, mechanisms for collaboration with implementers or stakeholders within and outside DHSUD, and platforms that provide access to knowledge and foster innovations within the sector. Improving on these practices within the DHSUD is a necessary component of the Plan, and are included in the immediate or short-term actions.



3.2 Banner Programs

The Department's banner programs are targeted, catalytic interventions that aim to rethink and restructure the process of designing and developing human settlements. Ranging from settlements development, urban infrastructure, design, policy and governance, they act as levers and stimulants for further action towards sustainable urban development, and showcase the Vision of the DHSUD through a holistic, innovative, and integrated approach.

The programs are presented under the banner statement: **Sustainable Housing in Well-Planned Communities for Every Filipino Family**. This mirrors the sector plan's long-term vision, while focusing on priority programs for implementation especially in the short and medium terms, demonstrating tangible results and reflective of the collaborative nature of work in the urban development and human settlements sector.



3.2.1 Creating Spaces

Programs under this category provide a large-scale, macro level perspective to spatial and sectoral development. They aim to identify, delineate, give structure and function to, and protect spaces within the urban-rural continuum, such that they become platforms for sustainable urban development and human settlements.

3.2.1.1 Metropolitan Development Program

The Department recognizes the trend of metropolitanization in the country and globally, and aims to draw benefits from such agglomerations towards creating sustainable communities. It also derives lessons from Metropolitan Manila, and seeks to transform these into better development strategies for emerging metropolises. More importantly, it will work towards purposive, deliberate solutions to achieve sustainable urban development.

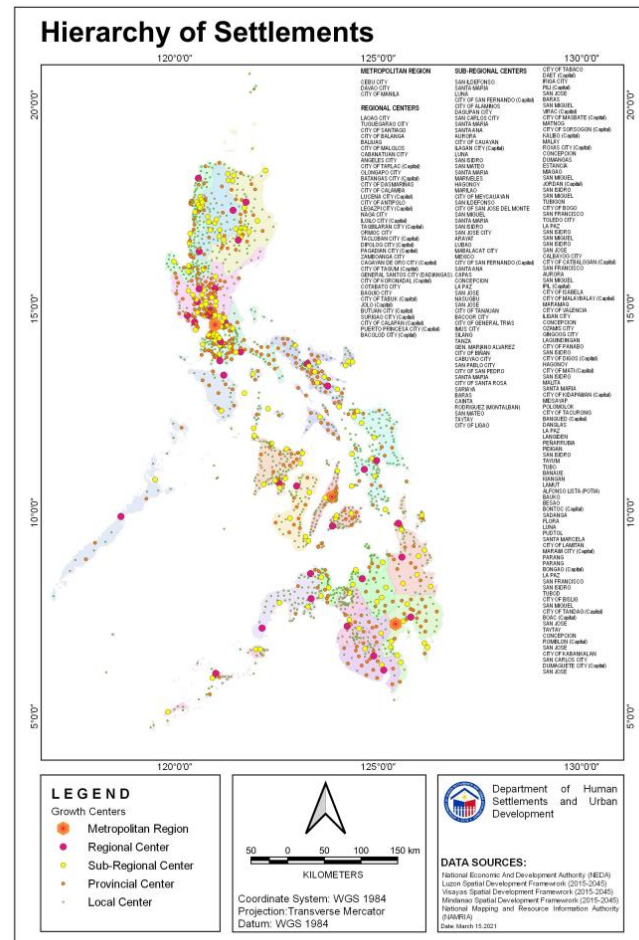
The PDP has identified current and planned metropolitan areas for development: *Metro Laoag and Metro Tuguegarao, Tabuk and Metro Santiago, Metro San Fernando and Metro Baguio, Metro Cabanatuan and Metro Tarlac, Metro Subic, Metro Balanga, and Metro Baliuag, Metro Batangas and Metro Lucena, Metro Calapan and Metro Puerto Princesa, Metro Naga and Metro Legazpi in Luzon; Metro Cebu, Metro Iloilo, Metro Bacolod, Metro Tagbilaran, Metro Tacloban, and Metro Ormoc in the Visayas, and Metro Davao, Metro Cagayan de Oro, Metro General Santos and Metro Zamboanga in Mindanao.* DHSUD supports this track and will provide guidance in sustainable urbanization and settlements development of these areas. The program will also incorporate strategies that link urban and rural areas, and promote forward and backward economic linkages between and among key cities or metropolitan areas, and smaller cities and municipalities.

The program requires close collaboration between DHSUD, NEDA and other relevant agencies such as DOTr and DPWH. DHSUD will develop guidelines for the sustainable development of

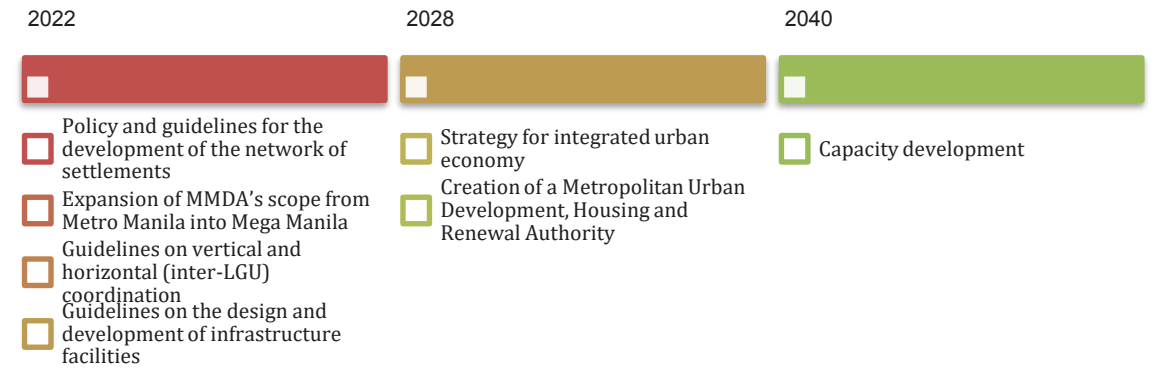
settlements within metropolitan centers as well as vertical and horizontal integration of metropolitan-scale plans, to effectively incorporate critical concerns such as housing, land use, and urban mobility.

Key Components:

1. Review and expansion of Manila Development Authority's (MMDA) geographic and functional scope in view of the eventual extension of the metropolitan center to adjacent regional centers such as Dasmarinas, Antipolo, Calamba, and Malolos, or further across a radius of 100 kilometers from Manila City—covering Region III, and CALABARZON and referred to as the Greater Capital Region.⁶ This entails a review of MMDA's mandate, and rationalization of its role and responsibilities in the expanded area, if any.
2. Development of criteria and guidelines on the design and development of infrastructure and other facilities to support regional markets and service centers, as well as the planning and development of air and sea transport links to and from metropolitan centers.
3. Policy and guidelines for the planning and development of the network of settlements within and around the identified metropolitan centers. This will consider the decentralized nature of urban governance, particularly in relation to LGUs within identified metropolitan centers.
4. Guidelines on vertical and horizontal (inter-LGU) coordination, with the objective of maximizing resources and ensuring effectiveness and efficiency in delivering public infrastructure and common services such as waste management, energy, water supply, and transportation, among others, within a metropolitan setting.
5. Strategy for integrated urban economy, to ensure connectivity of economic activities across the metropolitan center and with adjacent regions/cities/municipalities. This will promote systems-based economic models and balanced economic development that connects progressive and lagging/depressed regions, while recognizing the strategic advantages and core competencies of urban centers and metropolises. This may include value chain development, digitalization of services, cluster-based industrial approaches, workforce improvement based on metropolitan development thrusts, support to key industries and MSMEs, improvement of production and distribution systems, transport-land use integration, and investment promotion.
6. Capacity development for relevant LGUs on metropolitan-level planning and development, and on incorporating the above in their CLUPs and CDPs.
7. Creation of a Metropolitan Urban Development, Housing and Renewal Authority or Unit, housed within DHSUD and in collaboration with NEDA and other agencies, to



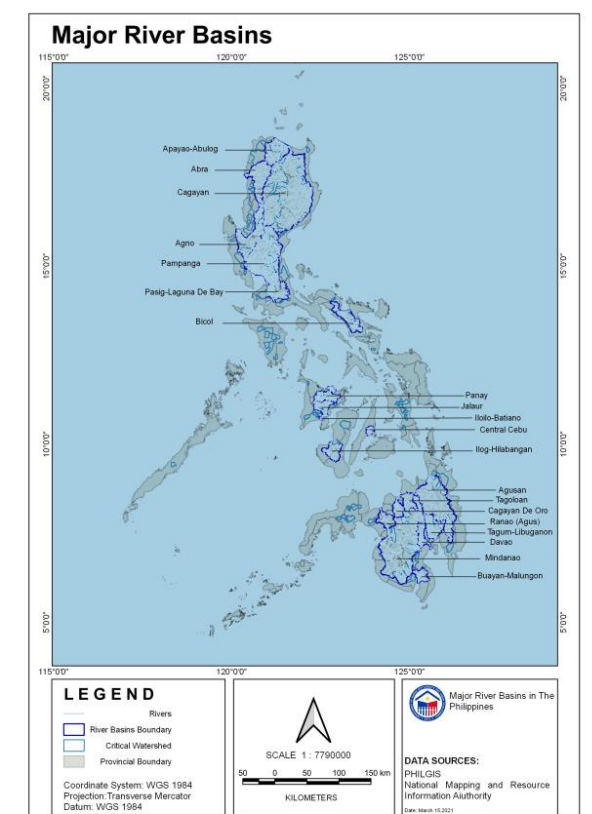
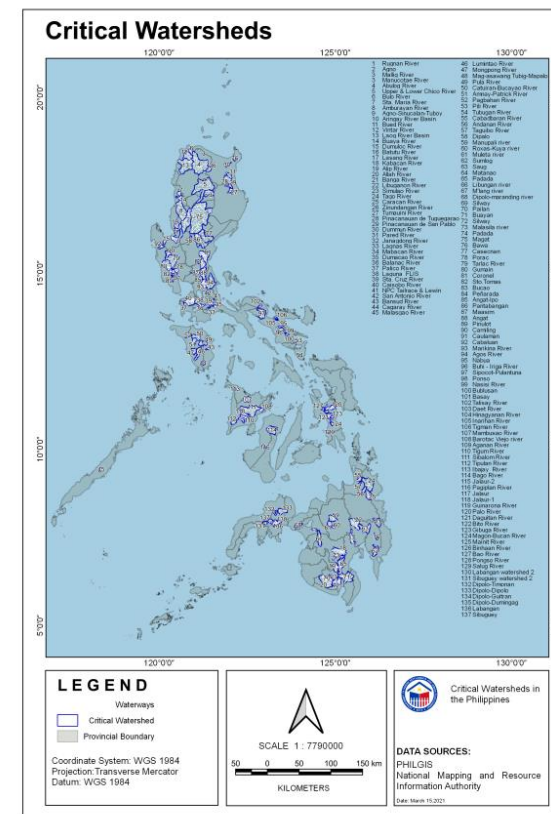
oversee and regulate metropolitan planning, and to ensure that settlement concerns such as housing, resettlement and land use are incorporated into metropolitan governance.



3.2.1.2 Bioregional Development Program

The program builds on the ecosystems or ridge-to-reef planning approach being promoted by the Department in the crafting of CLUPs for all LGUs. It goes beyond consideration of the watershed in local planning, and will explore innovative and alternative development and governance strategies in LGUs based on natural boundaries, such as watershed areas, to ensure that urban development is aligned with principles of environmental stewardship and genuine ecosystems-based development.

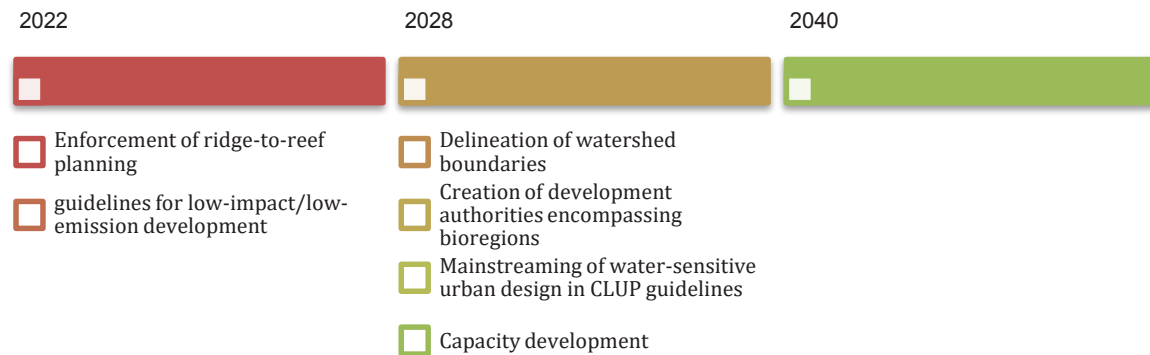
The project will cover LGUs within watershed areas or bioregions.



⁶ 22 regional centers, with populations ranging from less than 100,000 to more than two million (Luzon Spatial Development Framework, 2015-2045)

Key Components:

1. Delineation of watershed boundaries and consolidation of the regulatory jurisdictions of different national government agencies, regional agencies, and provincial and local government units, for the purpose of conservation and integration into existing territorial boundaries.
2. Technical support and guidelines for creation of development authorities or formal LGU alliances or similar administrative arrangements encompassing bioregions. This aims to improve the planning and management capability of LGUs under the ridge-to-reef approach, especially for metropolitan areas and rapidly urbanizing cities, as well as in addressing climate change and disaster risks.
3. Enforcement of the ridge-to-reef planning/integrated watershed planning approach in regional, provincial and other spatial plans.
4. Mainstreaming of water-sensitive urban design in CLUP guidelines, ensuring that the water cycle and watershed improvement are primary elements in development planning. This includes design and implementation of water collection and storage facilities, bio-retention systems, constructed wetlands, and similar strategies.
5. Detailed guidelines for low-impact/low-emission development in LGUs with bioregions as context.



3.2.1.3 Transit-Oriented Development Program

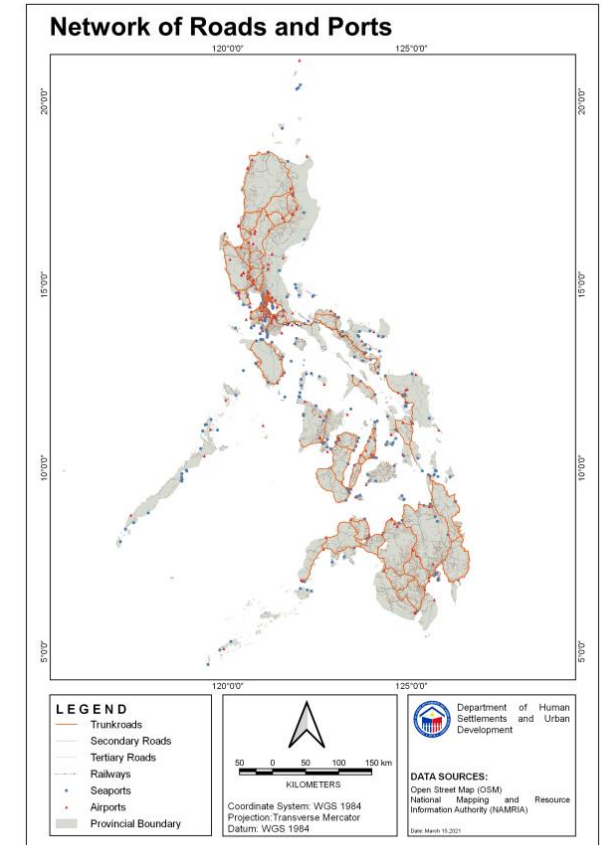
Transit-oriented development is defined as urban development that “maximizes the amount of residential, business, and leisure space within walking distance of public transport.” It drives the creation of compact or high-density, walkable, mixed-use communities centered on quality mass public transportation systems such as rail, BRT, intermodal passenger terminals and bus interchanges. It ultimately aims to achieve better quality of life, with greater mobility, reduced traffic congestion and accidents, reduced household expenses related to transportation, and therefore increased resources for other expenses like housing. It also promotes a healthier lifestyle with more walkable areas. It increases the incentive for compact development, efficient urban densities and less sprawl, and contributes to reducing energy consumption and GHG emissions.

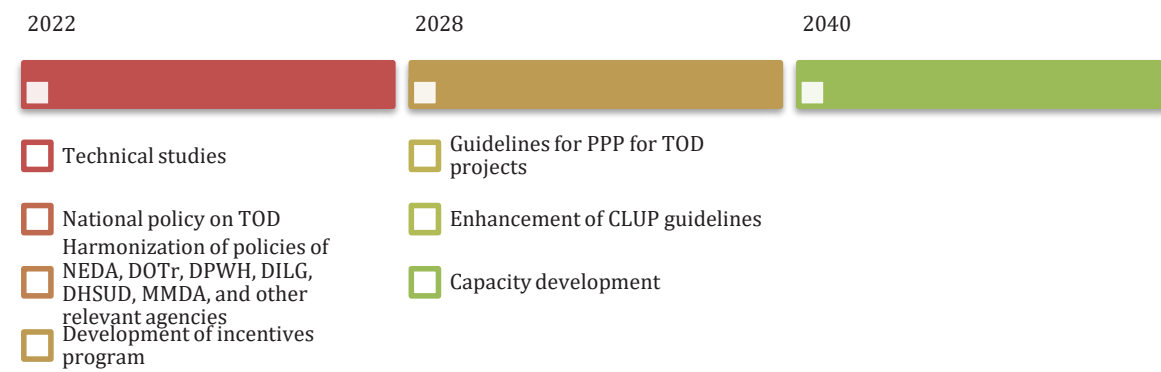
The Department sees the opportunities that major public transport development creates in communities, not only in promoting economic activities but in improving environmental quality and achieving social development objectives. DHSUD seeks to mainstream transit-oriented development in urban development and housing, as an inherent part of urban planning, incorporated in land use strategies.

The TOD project will kickstart in *Metro Manila, as well Metro Cebu, Metro Davao and other highly urbanized cities and regions.*

Key Components:

1. Technical studies to determine the viability of transit-oriented development in selected areas, beginning in Metro Manila or Greater Capital Region. Studies will include a review of ongoing and proposed TOD initiatives.
2. Harmonization of policies of DHSUD, NEDA, DOTr, DPWH, DILG, MMDA, and other relevant agencies concerned with mobility and land use planning, to ensure focus on sustainable settlements within TODs, pedestrian prioritization, consideration of land use, circulation, connectivity, and efficient public transportation.
3. Policy on utilizing and mainstreaming the TOD approach in local planning processes
4. Enhancement of CLUP guidelines to include:
 - o Integration of mobility and transport planning in land use planning based on TOD principles
 - o development of pedestrian and cycling facilities connected to transport terminals and high-density, walkable districts within a 10 to 15-minute walk circle around the transport stations
 - o urban redevelopment in areas identified for TOD
 - o housing development in TOD areas
 - o human-scale design of barangays and neighborhoods
 - o Transit-oriented zoning, with incentives for transit-supportive land use activities, street-level activities, higher intensity development, and pedestrian-focused urban design
5. Incentives for developments promoting mixed use and social mix
6. Capacity building program on transport planning and management and urban design
7. Guidelines for PPP for TOD projects



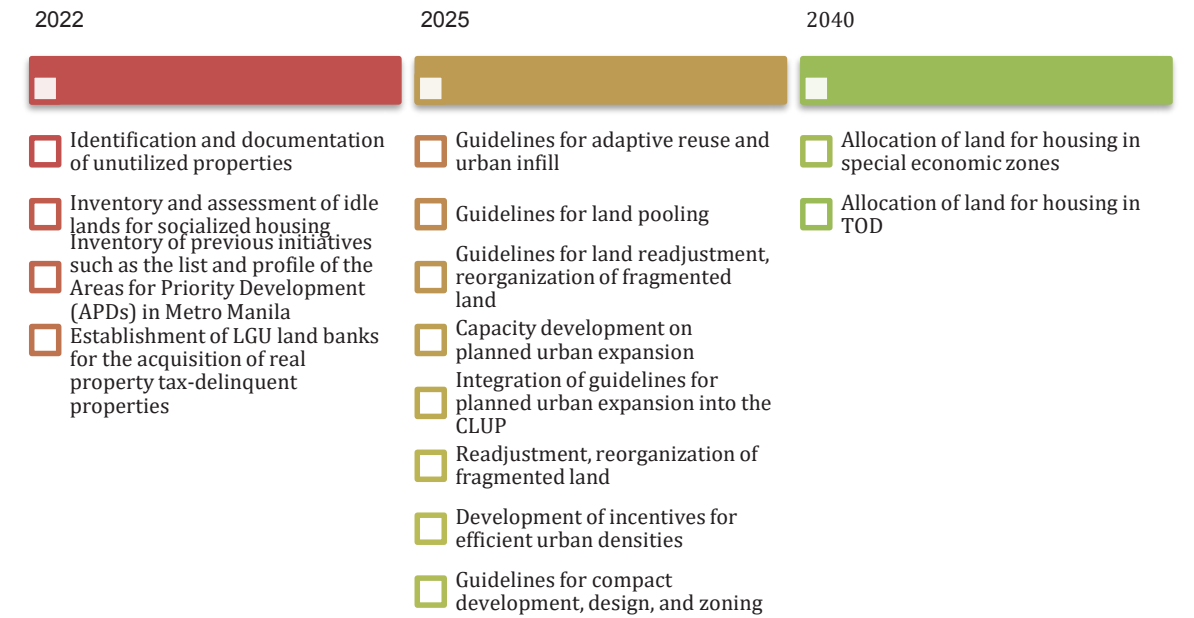


3.2.1.4 Land Supply Build-up Program

In response to the scarce supply of land for housing, the Department will initiate a multipronged program that aims to unlock, recover, and allocate land for settlements development. This involves a massive inventory of existing but unused or underused government land, consolidation and adjustment of land parcels to achieve land efficiency, and acquisition of land for planned development or redevelopment.

Key Components

1. identification and documentation of unutilized properties of national agencies and excess lands from infra ROW acquisitions;
2. inventory and assessment of idle lands for socialized housing
3. Inventory of previous initiatives such as the list and profile of the Areas for Priority Development (APDs) in Metro Manila
4. establishment of LGU land banks for the acquisition of real property tax-delinquent properties
5. Guidelines for adaptive reuse and urban infill
6. Guidelines for land pooling
7. Readjustment and reorganization of fragmented lands
8. Allocation of and guidelines for development of land for housing in special economic zones, in collaboration with PEZA and other relevant agencies
9. Allocation of and guidelines for development of land for housing in TOD, in collaboration with DOTr and other relevant agencies
10. Capacity development on planned urban expansion
11. Development of incentives for efficient urban densities
12. Integration of guidelines for planned urban expansion into the CLUP
13. Guidelines for compact development, design, and zoning



3.2.1.5 National Open, Public, and Green Space Network Program

The CLUP Guidebook defines open space as a space where permanent buildings are not allowed and which may only be used as forest, buffer/greenbelts, parks and playgrounds, and similar uses. Public spaces are all places “publicly owned or of public use, accessible and enjoyable by all for free and without a profit motive”.⁷ Public space by this definition includes streets, open public spaces, public facilities and markets.

Building on these concepts, the Department will work to create a network of open spaces across the country, providing guidance on design, development and management. It aims to safeguard and sustainably develop open spaces especially in *metropolitan areas and highly urbanized cities*, and also anticipate the impacts of urbanization in other cities and municipalities.

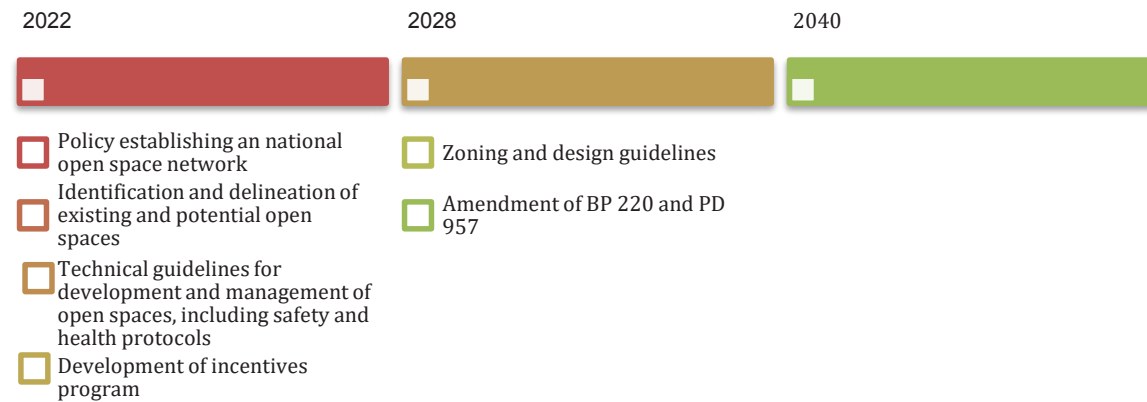
Key Components:

1. Identification and delineation of existing and potential open, public and green spaces
2. establishment of a national open, public and green space network, linking open spaces, the National Integrated Protected Areas System (NIPAS), heritage zones, urban agriculture areas, easements and buffer zones, government infrastructure, and other relevant and applicable spaces
3. Zoning and design guidelines to ensure open, public and green spaces are prioritized as a first step in designing urban areas, with provisions for public access
4. Technical guidelines for development and management of open, public and green spaces, including safety and health protocols
5. Updating of CLUP guidebooks to include open, public and green space networks in the social and infrastructure sectors
6. Development of incentives to allocate land and financing for the development of parks, historical plazas, visual corridors, walkable streets, and/or bikeable boulevards and avenues. LGUs can also collaborate with private developers to create publicly accessible networks of open spaces
7. Review and amendment of BP 220 and PD 957 Subdivision Guidelines, Farmlot Guidelines, and Industrial and Commercial Guidelines, and PD 1216⁸ to update definitions of open space and related concepts, include provision of parks and urban

⁷ Charter of Public Space; UN-Habitat Global Public Space Programme

⁸ Presidential Decree 1216: Defining “open space” in residential subdivisions and amending section 31 of presidential decree no. 957 requiring subdivision owners to provide roads, alleys, sidewalks and reserve open space for parks or recreational use

agriculture, and conversion of easements into green corridors and green streets, among other updates



3.2.2 Transforming Spaces into Communities

The process of securing and developing spaces for urban activities inevitably transforms them into living organisms—no longer simple geographic areas but collections of human beliefs, varied interests, and values-laden decisions that crystallize into unique, place-based cultures. It is DHSUD’s aim to guide the development of these places into communities that promote equity, inclusiveness, resilience, and a better quality of life.

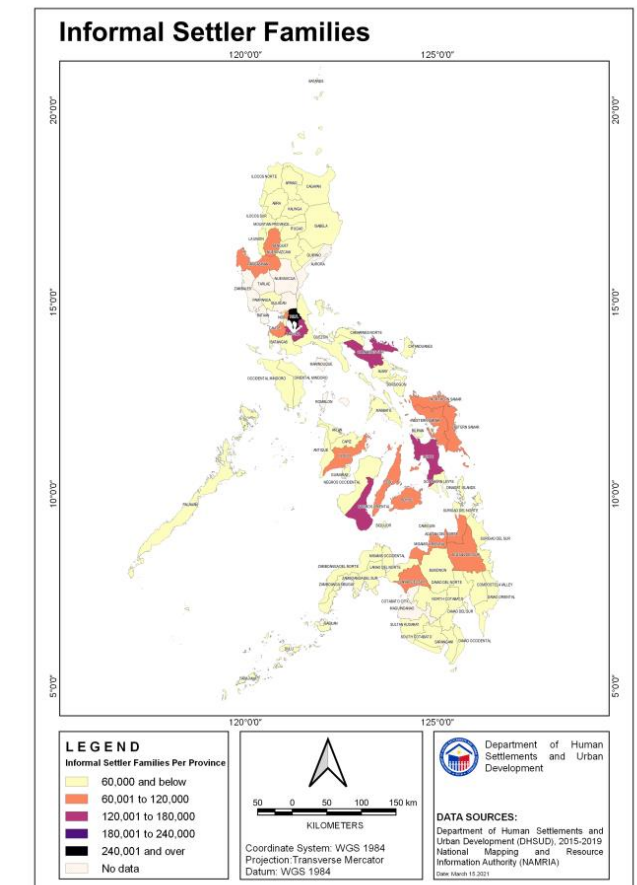
3.2.2.1 Integrated Settlement Development Program for ISFs

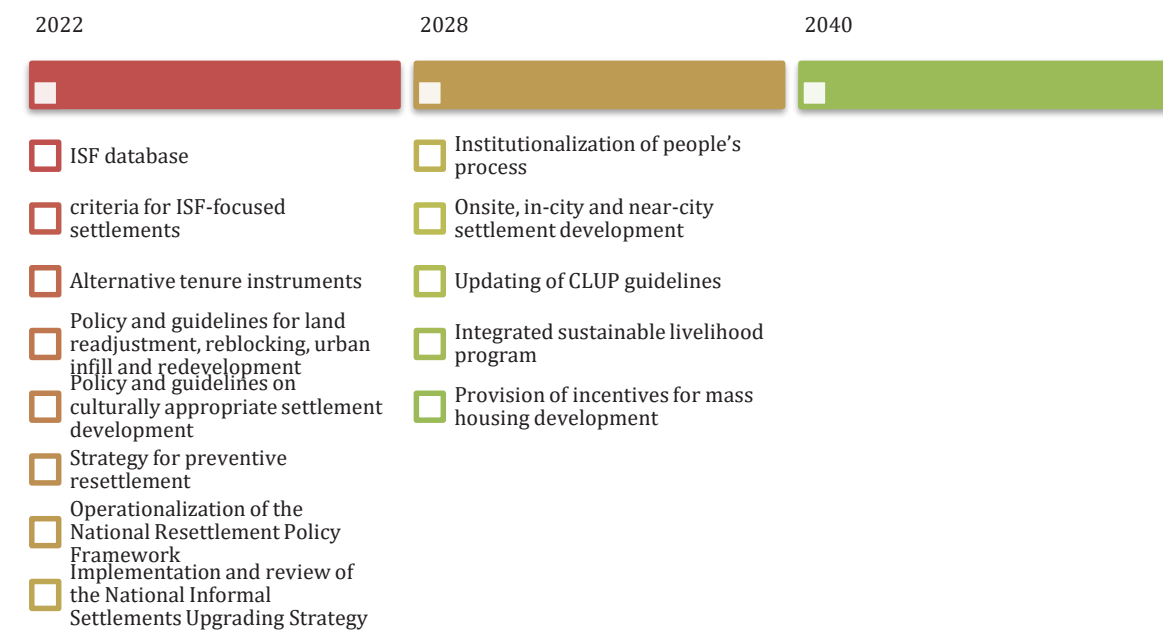
Urbanization should provide all members of society opportunities for development. For urban areas to become platforms of opportunity, the Department will work to create culturally sensitive, safe, inclusive, and sustainable settlements that support the most vulnerable population including women, youth, indigenous peoples, LGBTQ+, persons with disabilities, the poor, and migrants, and provide equitable access to facilities and resources.

At the crux of these multiple vulnerabilities are informal settler families. The project aims to address the concerns of 1.4 million ISFs nationwide, starting with the more than 500,000 families in the NCR, as well as ISF communities in Cebu, Davao, and other HUCs. This includes ISFs living along danger areas, ISFs affected by the Supreme Court's Mandamus to clean up the Manila Bay area, and ISFs affected by government infrastructure projects.

Key Components:

1. Completion of a comprehensive and accessible ISF database
2. Development of criteria and guidelines for ISF-focused settlements, including Infrastructure planning, settlement upgrading and resettlement, alternative sources of electricity ie renewable energy, and water, access to public transportation, inclusive mobility
3. Policy and guidelines for land readjustment, reblocking, urban infill and redevelopment of blighted areas to support settlements upgrading
4. Introduction, promotion and capacity building on alternative tenure instruments
5. Onsite, in-city and near-city settlement development
6. Integrated/joint sustainable livelihood program (DHSUD, DOLE, DTI, CDA, DSWD, other relevant agencies), to guarantee access to livelihood opportunities and training in all ISF settlement projects, and as part of a whole-of-government anti-poverty strategy in collaboration with the National Anti-Poverty Commission
7. Institutionalization of community-driven approach to settlement planning and development, and housing design
8. Policy and guidelines on culturally appropriate settlement development, such as for indigenous peoples
9. Strategy for preventive resettlement as a risk reduction approach, particularly in danger areas where structures can no longer be retrofitted or adjusted to increase adaptive capacity to climate, disaster, health and other risks
10. Updating of the CLUP and CDP guidelines to emphasize implementation of inclusive and integrated housing, as well as socially inclusive and interconnected cities with improved mobility
11. Operationalization of the National Resettlement Policy Framework, following the principles and strategies set therein
12. Implementation and review of the National Informal Settlements Upgrading Strategy





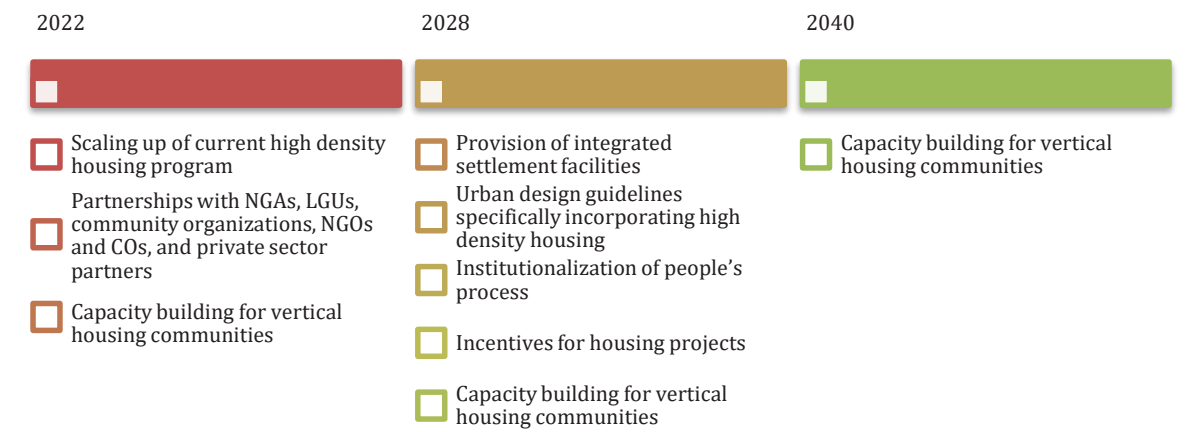
3.2.2.2 Vertical Housing Program

Efficient density is essential to accommodate projected population increases, curb urban sprawl, and sustain economic growth. High density residential areas have several advantages, including maximizing available urban spaces, conserving non-urban spaces such as agriculture areas, increasing access to urban infrastructure, utilities, employment and leisure, and encouraging sustainable transportation including walking and non-motorized transport. DHSUD understands these benefits and aims to develop sustainable housing that promotes efficient densities.

The program is targeted primarily for ISFs especially those living in danger and high-risk areas and are candidates for resettlement, but also for other segments of the population.

Key Components:

1. Scaling up of current vertical housing programs beyond Metro Manila, to offer on-site, near-site and in-city resettlement in vertical housing facilities through a community-driven housing approach
2. Provision of integrated settlement facilities including access to transportation and other infrastructure
3. Policy on vertical housing
4. Urban design guidelines specifically incorporating vertical housing to ensure integration into overall urban context and achieve urban connectivity
5. Institutionalization of community-driven approach to settlement planning and development, and housing design
6. Incentives for housing projects with more efficient densities
7. Program to promote and support small and medium developers engaged in vertical socialized housing, including the establishment of a credit facility
8. Capacity building for vertical housing communities, such as on estate management
9. Partnerships with NGAs, LGUs, community organizations, NGOs and COs, and private sector partners



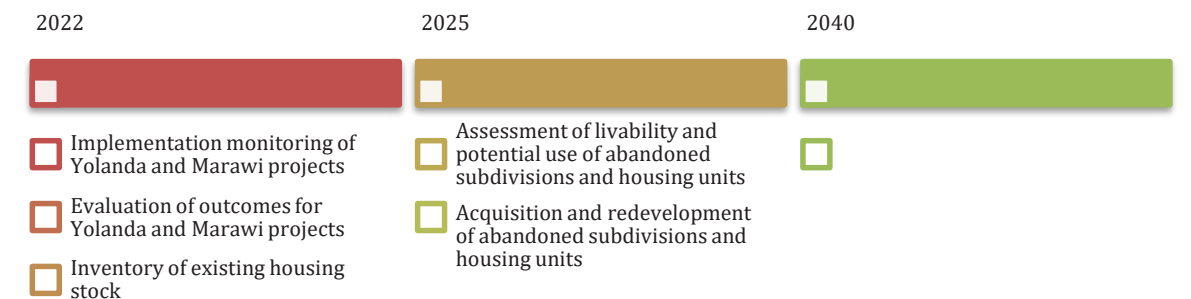
3.2.2.3 Completion of Critical Housing Programs

With the objective of expanding access to land and provision of housing especially for poor and low-income families, the Department will work to complete, in the short-term, ongoing and budgeted programs such as post-Yolanda housing, Marawi rehabilitation, and other NHA resettlement projects.

Increasing housing supply also entails the recovery and development of abandoned subdivisions, and rehabilitation and expansion of existing stock such as tenement housing and former Bagong Lipunan Improvement of Sites and Services (BLISS) projects.

Key Components

1. Implementation and monitoring of housing projects targeted to be built for victims of Typhoon Yolanda in 2013 and the Marawi siege in 2017
2. Evaluation of outcomes for Yolanda and Marawi projects
3. National inventory of existing housing stock
4. Assessment of livability and potential use of abandoned subdivisions and housing units
5. Acquisition and redevelopment of abandoned subdivisions and housing units



3.2.2.4 Green infrastructure Development Program

Green infrastructure is characterized by the maximization and at the same time preservation of natural environment functions and processes. It aims to ensure resilience, and promotes cross-sectoral benefits including sustainable energy use, air and water quality improvement, reduction of GHG emissions, social and health benefits, among others.⁹

The DHSUD will push for an integrated government approach to green infrastructure planning and development, ensuring delivery of services while attaining positive environmental impacts.

⁹ Ranjha, S. Green infrastructure: *Planning for Sustainable and Resilient Urban Environment* (<https://sustainabledevelopment.un.org>)

Key Components:

1. Establishment of joint program with DPWH, DOTr, other relevant agencies
2. Studies on practicability of green infrastructure at various scales of urban development
3. Updating of standards for infrastructure design and development
4. Updating of local planning and design guidelines
5. Establishment of research and innovation platform
6. Coordination mechanism with LGUs
7. Development of incentives for green infrastructure proponents
8. Monitoring of infrastructure development at local level



3.2.3 Making Communities Accessible and Affordable

For communities to prosper, they must remain accessible and affordable to members with the least capacity and the greatest vulnerability. Banner programs in this category will ensure that everyone, especially the poorest and most marginalized segments of society will be able to enjoy the benefits of urban and settlements development.

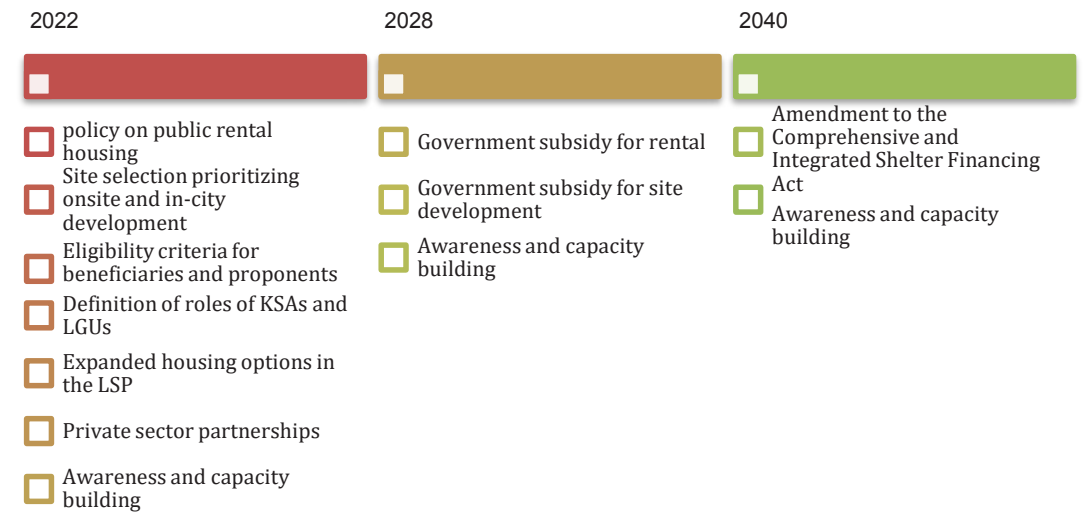
3.2.3.1 Public Rental Housing Program

Public rental housing aims to close the housing gap by providing an alternative housing option for homeless and underprivileged Filipino families. It tackles the longstanding issue of home ownership, affordability, and land scarcity by offering alternative tenure arrangements that will provide security to families, especially those that are not qualified for mortgage.

Rental housing supports efficient densification, and therefore helps arrest urban sprawl. By offering such an alternative, the displacement of families can be minimized, and access to employment, education, social facilities and infrastructure widened. Public rental housing seeks to promote economic and physical mobility and ensure a stable, safe, and health urban environment..

Key Components:

1. National policy on public rental housing
2. Site selection for pilot projects, prioritizing onsite and in-city development
3. Development of eligibility criteria for beneficiaries and proponents
4. Definition of roles and responsibilities of KSAs and LGUs in the implementation of rental housing projects
5. Introduction of expanded housing options in the LSP, including public rental housing and long-term lease
6. Awareness and capacity building for communities
7. Development of guidelines for government subsidy for site development
8. Development of guidelines for government subsidy for rental support, including housing vouchers, rent assistance and grant programs, income support and allowances
9. Private sector partnerships

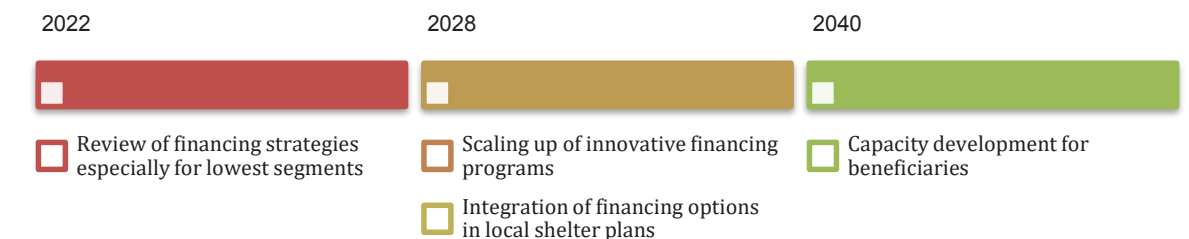


3.2.3.2 Innovative Housing Finance

- Asset-backed Securities - Purchase of the securities considered full compliance to the balanced housing program; proceeds shall be utilized by NHMFC to purchase more socialized housing receivables
- Green Bonds - proceeds will be exclusively applied to finance or refinance, in part or in full, new and/or existing eligible Green Projects
- Expansion of and support to secondary mortgage market, taking off from NHMFC's Housing Loans Receivables Purchase Program, which aims to purchase economic/low cost housing loan receivables originated by banks, housing developers, cooperatives, and other Key Shelter Agencies (KSAs), and bridge the gap by offering a liquidity facility to originators and KSAs engaged in socialized housing with affordable loan facility to low income home buyers.
- Reverse Mortgage Program – for senior citizens with limited current income but have substantial real estate properties (house and lot) to be used as collateral
- Building Eligible Resilient Dwelling for Everyone (BERDE) - purchase of housing loan receivables which feature green initiatives that comply with resiliency, energy efficiency and sustainability criteria

Key Components

1. Review of financing strategies especially for lowest segments
2. Scaling up of innovative financing programs
3. Integration of financing options in local shelter plans
4. Capacity development for beneficiaries



3.2.3.3 Land-Based Financing Program

Land-based financing (LBF) is a set of instruments that aim to increase revenues, and is especially useful for local governments that need to generate funds for local infrastructure, urban services, settlements, and other development projects.¹⁰ Apart of recurring land taxes,

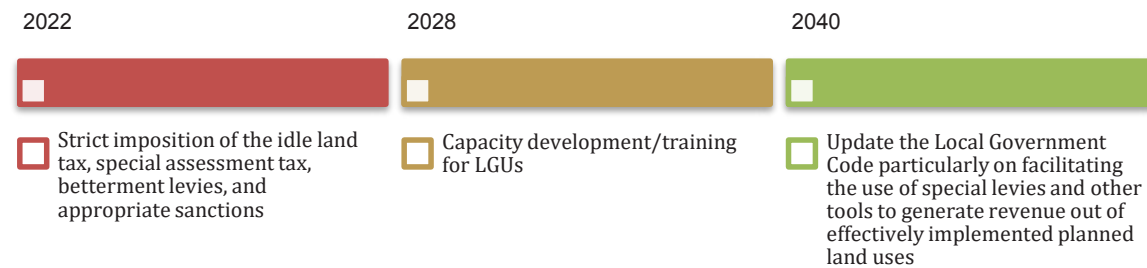
¹⁰ Global Land Tool Network/UN-Habitat

LBF includes special levies, idle lands tax, developer exactions such as the balanced housing requirements, land value capture or taxes on increased land value resulting from public investment or infrastructure improvement, sale of development rights, sale or lease of public lands, and transfer taxes.

The DHSUD will spearhead the promotion of such land-based revenue-generating mechanisms at the national and local levels, in order to meet expenditures, direct spatial growth, and gain additional resources for settlements development.

Key Components:

1. Strict imposition of the idle land tax, special assessment tax, betterment levies, and appropriate sanctions based on the Local Government Code (Special Levies on Real Property) and other applicable laws
2. Update the Local Government Code particularly on facilitating the use of special levies and other land-based finance tools to generate revenue out of effectively implemented planned land uses
3. Capacity development for LGUs on the imposition of LBF instruments, and the utilization of resulting revenues towards public urban services, infrastructure, and other local development projects

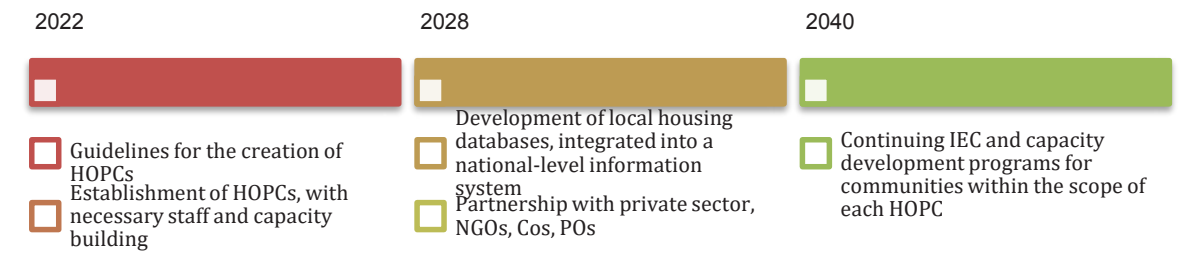


3.2.3.4 Housing One-stop Processing Centers

The Department will prioritize the operationalization of its Housing One-stop Processing Centers (HOPCs) across the regions. HOPCs aim to provide streamlined processes in availing housing options and delivery of housing services at the local level. Data-driven, HOPCs will house localized databases including data on beneficiaries, housing developments, socioeconomic and other data needed for analyses and planning for housing and urban development.

Key Components

1. Development of guidelines for the creation of HOPCs
2. Establishment of HOPCs, with necessary staff and capacity building
3. Development of local housing databases, integrated into a national-level information system
4. Continuing IEC and capacity development programs for communities within the scope of each HOPC
5. Partnership with private sector, NGOs, COs, POs



3.2.4 Empowering Communities

The extent to which stakeholders are capacitated and empowered will determine the success of all the initiatives in this Plan. The DHSUD will take clear and coherent steps to enable communities, especially the vulnerable sector, to decide, manage, and evaluate their own growth, according to shared goals and distinct responsibilities.

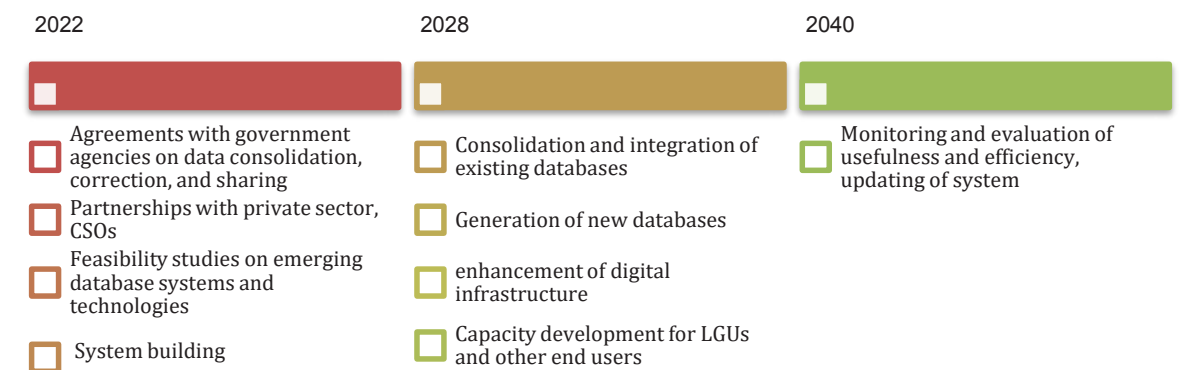
3.2.4.1 National Urban Database / Information Management System

The information management system will contain a consolidated database of all necessary information for urban development and housing nationwide. This will include protected areas, public and private lands, a complete ISF database with beneficiary profiles, socialized housing projects and subdivisions. Climate change and risk data will likewise be integrated, as well as key data on public health, transportation and other infrastructure, and urban utilities among others.

It will facilitate efficient data collection, data sharing and knowledge generation, with the end goal of creating more sustainable settlements through evidence-based planning and development. It will also serve as a building block towards the full digitalization of urban services, and the development of smart cities.

Key components:

1. Agreements with government agencies on data consolidation, correction, and sharing
2. Partnerships with private sector, CSOs
3. Feasibility studies on emerging database systems and technologies
4. Consolidation and integration of existing databases
5. Generation of new databases
6. System-building
7. Enhancement of digital infrastructure to support the system, including internet backbone, data centers, knowledge-sharing platforms and protocols, among others
8. Capacity development for LGUs and other end users
9. Monitoring and evaluation of usefulness and efficiency, updating of system



3.2.4.2 Sustainable Human Settlements and Urban Development Awards Program

Through its awards program, the Department will give recognition to LGUs, public and private organizations, and individuals that demonstrate exemplary performance according to the principles and values of sustainable human settlements and urban development. This may be done in collaboration with other relevant agencies like the DILG as well as government’s development partners.

Key Components

1. Partnerships with other relevant award-giving bodies such as DILG
2. Development of criteria and indicators for integration in local processes
3. Development and implementation of incentive/rewards system
4. IEC and promotion for LGUs and partners

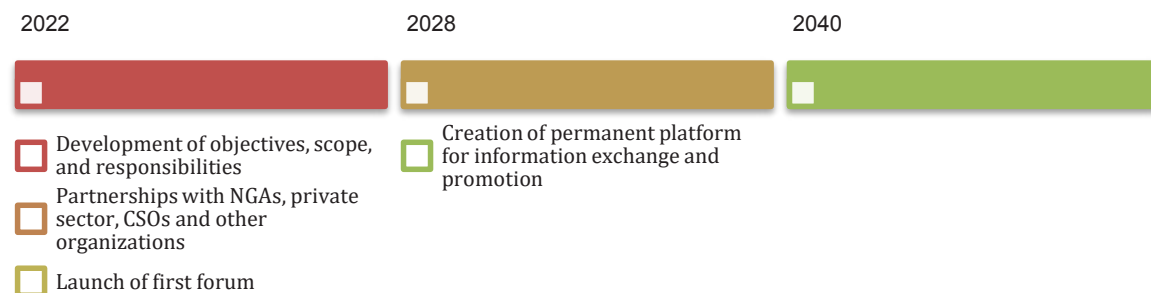


3.2.4.3 Philippine Urban Forum

The Philippine Urban Forum is a multi-stakeholder platform to support dialogues and innovations in sustainable urban development and housing. Mirroring the World Urban Forum and Regional or Asia-Pacific Urban Forum, it seeks to obtain and promote broad-based inputs and knowledge exchange, and gain financial and political support for housing and urban development programs. This will be done through regular events, culminating in a major forum to coincide with National Shelter Month and Urban October.

Key Components

1. Development of objectives, scope, and responsibilities
2. Partnerships with NGAs, private sector, CSOs and other organizations
3. Creation of permanent platform for information exchange and promotion



3.2.4.4 Legislative Reform Program

Improving urban development and human settlements necessitates a wide-scale review of existing laws and policies, some of which are outdated and need enhancing in order to keep pace with rapid changes in the sector.

The Department will consolidate these reviews and proposed updates for technical coordination with the legislative branch. Priority actions include the passage of the National Land Use Act, updating of the Urban Development and Housing Act, Urban Land Reform Law, Environmental Impact Statement System, policies on subdivision development, resilient recovery, revenue generation, and land supply and management, among others.

Key Components

1. Legislative review and identification of necessary amendments and enhancements
2. Crafting of technical inputs for submission to legislative branch
3. Coordination with legislative committees and proponents



3.2.4.5 Capacity Development Program

Capacity development is the common thread that runs through all the banner programs as well as individual projects in the Sector Plan. Under a consolidated program with sufficient resources, the Department aims to empower LGUs, homeowners’ associations, community organizations, and cooperatives in directing, implementing and monitoring housing and urban development initiatives.

Communities will be equipped to handle, among others:

- Estate management
- Community-driven design
- Community-based budgeting
- Local finance, including impacts of the Mandanas ruling on local revenues and finance
- Innovations in planning and housing

The Department also recognizes that for the Sector Plan to be implemented efficiently and effectively, it must also equip its own staff with more advanced technical skills as well as tools for implementation. To this end, the program will include internal capacity building activities.

Key Components

1. Inventory and review of existing capacity development programs for LGUs, HOAs, COs, cooperatives
2. Inventory and review of existing capacity development programs for DHSUD staff
3. Rationalization and streamlining of programs
4. Consolidated budget for capacity development
5. Integration in local planning processes
6. Monitoring and evaluation



3.3 Urban Planning and Design

Planning and design is foundational in achieving sustainable urban development and human settlements. Addressing density, mobility, urban form, and impacts of disasters and crises, among many urban issues, this thematic area sets the tone for more detailed action across the urban-rural continuum.

3.3.1 Outcomes, Objectives and Strategies for Urban Planning and Design

The DHSUD will work towards *actionable urban plans and designs that pursue safe, inclusive, resilient and sustainable urban development* as the overall outcome for urban planning and design. To do this, it shall meet the following objectives, with corresponding strategies:

Objectives	Strategies
Planning for Climate Change and Disaster Risk	
1. Ensure that <u>all urban plans and designs</u> reflect resilience principles, processes, and tools to address climate and disaster and other system-wide risk issues	Strengthen the mainstreaming of disaster risk reduction and management planning (DRRM) and climate change action (CCA) planning within spatial and sectoral development planning processes
	Improve implementation of climate-resilient land use and development plans
	Promote resilience-focused planning and design approaches (ie water-sensitive urban design)
	Improve body of knowledge in planning for climate and disaster risk resilience
	Fully operationalize ridge-to-reef / integrated ecosystems planning
Spatial Equity and Urban Land Efficiency	
2. Fully utilize the urban systems approach and related innovations in the urban development process, especially those that promote compact development, mixed land use and social mix	Update policies, tools, and guidelines to reflect equity and efficiency in land use planning and development approaches and tools
3. Ensure that <u>all</u> national and local urban policies explicitly protect and promote the interests of vulnerable groups	Develop and implement policies and monitoring mechanisms to include vulnerable groups
	Support youth population as primary urban actors
Planning for Public Space	
4. Prioritize public space protection and development in urban plans and designs	Planning and design of public open space networks across urban systems
Urban Growth and Urban Sprawl	
5. Achieve and maintain efficient urban densities especially in <u>cities and metropolitan areas</u>	Set parameters for, offer, and implement better incentives for efficient urban densities
	Develop a comprehensive system for urban profiling
	Prioritize allocation of land for utilities and critical infrastructure in an archipelagic setting
	Sound population management policy that focuses on the wellbeing of the family, especially women and youth
6. Develop and manage <u>secondary cities and regions</u> sustainably	Prioritize allocation of land for utilities and critical infrastructure in an archipelagic setting
	Planned urban expansion as a means to control urban sprawl
8. Manage urban expansion to prevent sprawl and preserve <u>environmentally sensitive areas</u>	Planned urban expansion as a means to control urban sprawl
	Utilize adaptive reuse and urban infill to optimize existing spaces and structures in built-up areas

Objectives	Strategies
9. Improve transport linkages within <u>urban systems</u> to support compact development and access to services and production	Integrate mobility and transport planning in land use planning
	Transform major road networks to pedestrian-friendly streetscape to improve urban mobility
	Formulate and review existing policy towards accelerating public-private partnership (PPP) investments in improving transport linkages within urban systems
Urban Connectivity and Mobility	
10. Improve urban connectivity in <u>all LGUs</u> through urban planning and design	Integrate mobility and transport planning in land use planning
	Design barangays and neighborhoods in terms of human scale and walkability
	Capacity building
Planning Capacity	
11. Improve technical capacities of national and local government agencies involved in human settlements and urban development	Intensify LGUs' capacity development for plan implementation, policy regulation and monitoring
12. Improve coordination among <u>national agencies</u> and offices involved in planning	

3.3.2 Programs and Projects

Following through from the above objectives and strategies are key actions in the form of policies, programs and projects:

Legislation and Policy Development

Continuing its work in integrating climate change and disaster risk in planning, the DHSUD will develop a **framework for resilient housing and human settlements**. This will serve as basis for mechanisms for resiliency planning and post-disaster housing. It will also drive research and development, extension, monitoring and evaluation of programs, projects and activities at the local level to protect vulnerable persons and communities from the adverse effects of climate change and disasters. In light of the pandemic, health risks are also taken into consideration in the discussion of urban planning policies.

The Department will also provide **technical inputs to the Climate Change Commission on the updating of National Climate NCCAP**, including the identification of urban indicators for climate change action.

To address issues of spatial equity and land efficiency, a **policy on developing compact cities, encouraging mixed land use and ensuring social mix** will be developed, particularly with regard to integrating these concepts in local land use plans and designs.

DHSUD will likewise pay special attention to open spaces, and will undertake policy development to support its flagship program on the **creation of a national network of public, open, and green spaces**, including the review and updating of relevant laws to include the provision of parks and urban agriculture, and new techniques such as the conversion of easements into green corridors and green streets.

Along with open space as a primary component of urban development, a **framework and set of strategies for the establishment of estate and new towns, new settlements, urban renewal programs, prototypes of urban development interventions, and government centers** will be developed. This aims to support the sustainable development especially of second tier cities and emerging metropolises, as well as stem urban sprawl by directing spatial growth. In connection, a **review of the update of the National Building Code and Structural**

Code to include adaptive reuse and urban infill will also be conducted, to ensure and sustainable utilization of urban spaces.

Pushing for compact development and away from sprawl requires a shift in perspective, towards designing in terms of human scale and walkability. This requires reviewing the **Local Government Code** to ensure that the physical structure of the barangay unit is included as a clear spatial planning unit.

Guidelines and Tools

Taking off from sound policy and legislation, the Department will then formulate new or enhance existing guidelines and tools to be used by LGUs and other stakeholders. These include:

- Enhancement of CDRA tool to support spatial/area-based analysis of climate change and disaster risk, and public health risk for local development planning
- Updating of CLUP guidebooks to integrate resilience-focused urban planning and design approaches, compact development, mixed land use, and social mix, open space networks in the social and infrastructure sectors, adaptive reuse and urban infill, and more in-depth transport planning guidelines including pedestrian prioritization and inclusive mobility
- Development of guidelines for considering ridge-to-reef approach in barangay-level plans
- Development of adaptive reuse guidelines for heritage sites, with incentives for LGUs incorporating adaptive reuse and urban infill

Enforcement and Implementation

To aid in improved enforcement of planning-related legislation and policy, and implementation of programs, the Department will undertake the **enhancement of indicators and monitoring tools**, especially considering climate change, disaster, and public health risks. It will also strictly enforce the ridge-to-reef planning/integrated watershed planning approach in regional, provincial and other special plans, and provide technical support in the enforcement of laws protecting special areas such as protected areas, prime agriculture areas, key biodiversity areas, critical habitats, heritage areas and ancestral domains.

Institutional Reform

Policy coherence and institutional coordination are a necessary step towards achieving objectives. For instance, **harmonization of transport policies** relative to urban development shall be conducted jointly by DHSUD with NEDA, DOTr, DPWH, DILG, MMDA, and other relevant agencies to ensure pedestrian prioritization, consideration of land use, circulation, connection, and barangay/district units, and efficient public transportation.

Capacity Development and Knowledge Management

Existing capacity development programs for LGUs will be updated, particularly **integrating new tools for climate change and disaster risk analysis and action planning**, such as enhanced CDRA and GHG inventory and reduction strategies at the local planning level. New guidelines for **resilient urban plans and designs** will also be included in future capacity development. This will include climate resilience, resilience to pandemics and green recovery. Spatial planning will also be improved with capacity building in **planned urban or city extensions, transport planning, subdivision planning, and urban design**.

To further develop the field of urban planning and design, the Department will support the **updating of environmental planning, architecture, and landscape architecture, and engineering curricula** to include sustainability and resilience-focused urban planning and design, ridge to reef planning/integrated watershed planning, adaptive reuse and urban infill, performance and form-based zoning, among other concepts and approaches.

A crucial aspect of developing technical capacity is the establishment of a **comprehensive, publicly accessible urban information system**. It will facilitate the flow of necessary urban planning information not only among government agencies and their institutional partners, but communities who will be able to gain knowledge and tools for application at the local level.

In tandem with this is the establishment of **an urban planning research and innovation platform**, where new urban planning ideas can be examined and tested. It will manage the piloting of emerging planning approaches and tools, to determine practicability, effectiveness, and possible mainstreaming into regular planning functions.

Matrix of Programs and Projects
The proposed policies, programs, and projects are presented below in more detailed form, corresponding to each strategy and objective, ensuring that all actions lead towards the overall vision for the sector.

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium -Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
Planning for Climate Change, Disaster, and Public Health Risk									
1. Ensure that urban plans and designs reflect resilience principles, processes, and tools to address climate and disaster and other system-wide risk issues	National disaster risk reduction strategies in line with the Sendai Framework for Disaster Risk Reduction 2015-2030 / Proportion of local governments that adopt and implement local disaster risk reduction strategies in line with national disaster risk reduction strategies*	30%	50%	100%	Strengthen the mainstreaming of disaster risk reduction and management planning (DRRM) and climate change action (CCA) planning within spatial and sectoral development planning processes	Framework for resilient housing and human settlements as a basis for mechanisms for post-disaster housing and resiliency planning, research and development, extension, monitoring and evaluation of programs, projects and activities to protect vulnerable persons and communities in from the adverse effects of climate change and disasters including pandemics		Short-term	DHSUD
	Number of countries that have communicated the establishment or operationalization of an integrated policy/strategy/plan which increases their ability to adapt to the adverse impacts of climate change, and foster climate resilience and low greenhouse gas emissions development in a manner	1	1	1	Integrate green recovery and resilience to pandemics	Study on impact of COVID-19 on housing needs and capacity	Study on impact of COVID-19 on housing needs and capacity	Short-term	DHSUD
						Enhancement of CDRA tool to support spatial/area-based analysis of climate change and disaster risk, and public health risk for local development planning	Enhancement of CDRA tool to support spatial/area-based analysis of climate change and disaster risk, and public health risk for local development planning	Short-term	DHSUD DILG CCC DOH

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium -Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
	that does not threaten food production (including a national adaptation plan, nationally determined contribution, national communication, biennial update report or other)** Proportion of local governments that adopt and implement plans and designs in line with principles and strategies for climate resilience, and resilience to pandemics and other health risks	30%	50%	100%	Improve implementation and monitoring of climate-resilient land use and development plans	Technical inputs on the updating of NCCAP, including the identification of urban indicators for climate change action	Review and updating of National Building Code and Sanitation Code to incorporate climate-and disaster-resilient building and design strategies and considerations	Short-term	DHSUD CCC
						Establishment / enhancement of climate resilience indicators in land use plans and comprehensive development plans, for better implementation and monitoring		Medium-term	DHSUD CCC DENR DPWH
						Updating of Implementing Rules and Regulations on BP 220 and PD 957 Subdivision Guidelines, Farmlot Guidelines and Industrial & Commercial Guidelines to consider ecosystems and climate, disaster, and health risk resilience		Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium -Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects,	Timing of Completion	Agency
	Proportion of LGUs with practical knowledge of climate-driven approaches to planning and design	30%	50%	100%	Promote resilience-focused planning and design approaches	Capacity building on implementation, monitoring and evaluation Updating of CLUP Guidebooks to include technical guidance on resilience-focused urban planning and design approaches, including water-sensitive urban design and low-emission development, and blue-green framework principles Incentive program for private sector developers, especially small and medium developers that incorporate climate and disaster resilience, and green architecture into building designs Updating of planning/landscape architecture/urban design/engineering curricula to include sustainability and resilience-focused urban planning and design		Long-term Medium-term	DHSUD DHSUD
								Medium-term	DHSUD LGUs
								Medium-term	DHSUD CHED DILG

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium -Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects,	Timing of Completion	Agency
						Creation of HSUD Academy, or institution of a curricula in DILG-LGA		Medium-term	DHSUD DILG
						Capacity building for all LGUs on resilient urban plans and designs		Long-term	DHSUD
	Proportion of LGUs with increased awareness of and access to updated information and knowledge related to climate change and disaster risks	30%	50%	100%	Expand body of knowledge on planning for resilience	Establishment of a comprehensive urban database including climate change data and assessment		Medium-term	DHSUD
	Proportion of LGUs utilizing the ridge-to-reef approach in CLUPs, regional and provincial plans	30%	50%	100%	Fully operationalize ridge-to-reef / integrated ecosystems planning	Publication and dissemination of good practice cases on urban resilience to climate, disaster and public health risks		Short-term	DHSUD
	Degree of integrated water resources management*					Enforcement of the ridge-to-reef planning/integrated watershed planning approach in regional, provincial and other special plans		Short-term	DHSUD
	Proportion of transboundary basin area with an operational arrangement for water cooperation*					Development of guidelines for considering ridge-to-reef approach in barangay-level plans through community-based approach		Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects,	Timing of Completion	Agency
	Forest area as a proportion of total land area*					Updated inventory / database natural resources including changes in area or allocation		Short-term	DENR
	Proportion of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type*					Enforcement of laws protecting special areas such as protected areas, prime agriculture areas, key biodiversity areas, critical habitats, heritage areas and ancestral domains		Short-term	DENR
	Forest Cover Change*								
	Change in the extent of water-related ecosystems over time*								
	Proportion of LGUs that incorporate public health considerations in spatial plans/designs and sectoral plans	30%	50%	100%		Review and updating of land use planning and zoning standards and guidelines for the formulation of CLUPs, ZOs, Provincial Physical Framework Plans to incorporate pandemic response including green economic recovery as a response to public health risks		Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects,	Timing of Completion	Agency
2. Fully utilize the urban systems approach and related innovations in the urban development process, especially those that promote compact development, mixed land use and social mix	Proportion of LGUs with policies, guidelines, and tools in place and being implemented Ratio of land consumption rate to population growth rate*	30%	50%	100%	Update planning and design policies, tools, and guidelines to reflect equity and efficiency in land use planning and development approaches	Policy on compact city development, and on incorporating social mix and mixed land use principles in local development plans Updating of the CLUP guidebooks to include to compact development, mixed land use, and social mix approaches to spatial development		Short-term Medium-term	DHSUD DHSUD
3. Ensure that all national and local urban policies explicitly protect and	Proportion of vulnerable population (ie ISF, PWDs, IPs, women, children,			100%	Develop and implement policies and monitoring mechanisms to include vulnerable groups	Development of incentives to for LGUs and private developers using compact development approaches Capacity development program for LGUs on compact development		Medium-term Long-term	DHSUD DHSUD
Spatial Equity and Urban Land Efficiency									

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
promote the interests of vulnerable groups	LGBTQ+) impacted positively by policies and programs Proportion of cities with a direct participation structure of civil society in urban planning and management that operate regularly and democratically*			100%			Review and enhancement of existing urban and housing policies to ensure protection and promotion of the interests of vulnerable groups (ie ISF, PWDs, IPs, women, children, youth, LGBTQ+)	Medium-term	DHSUD
Planning for Public Space									
4. Prioritize public, green, and open space protection and development in urban plans and designs	Proportion of public space in land use allocation in all LGUs as per zoning ordinance/regulation Average share of the built-up area of LGUs that is open space for public use for all, by sex, age and persons with disabilities, and especially by <i>marginalized population</i>	30%	40%	40%	Planning and design of public, green, open space networks across urban systems	Establishment of minimum allocation for public, green and open spaces in each LGU, based on various urban contexts Establishment of a network of public, green, and open spaces that includes considerations of the National Integrated Protected Areas System (NIPAS) and environmentally critical area Updating of CLUP guidebooks to include green and open space networks in the social and infrastructure sectors		Short-term Short-term Medium-term	DHSUD DENR DHSUD DENR DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
						Updating of LGC, BP 220, PD 957 Subdivision Guidelines, Farmplot Guidelines, and Industrial and Commercial Guidelines, and PD 1216 to provide for of parks and urban agriculture, and conversion of easements into green corridors and green streets		Medium-term	DHSUD
Urban Growth and Urban Sprawl									
5. Achieve and maintain efficient urban densities	Proportion of LGUs and urban areas demonstrating efficient density and urbanization Ratio of land consumption rate to population growth rate*	30%	50%	100%	Provide incentives for efficient urban densities	Study on impact of population growth on urban land use Policy on achieving efficient urban densities through planning and design Development of incentives for urban stakeholders and developers Enhancement of CLUP guidebooks to include planning and designing urban spaces to accommodate and promote efficient urban densities		Short-term Short-term Medium-term Medium-term	DHSUD DHSUD DHSUD DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects	Timing of Completion	Agency
					Develop system for urban profiling	Harmonization of existing planning documents (i.e., Physical Framework Plan, Comprehensive Development Plan, Comprehensive Land Use Plan, Disaster Management Plan, Local Poverty Reduction Plan, Gender and Development Plan, Sustainable Development Plan, Food Security Plan, Integrated Area Community Peace and Order and Public Safety Plan) prepared by local government units (LGUs) to create an urban profiling system		Medium-term	DHSUD
					Prioritize allocation of land for utilities and critical infrastructure in an archipelagic setting	Updating of CLUP guidebooks to emphasize sufficient land allocation and geographic considerations in the development of utilities and critical infrastructure		Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects	Timing of Completion	Agency
					Sound population management policy that focuses on the well-being of the family, especially women and youth	Policy on urban migration incorporating balanced and sustainable urban development in the management of population		Short-term	DHSUD
6. Develop and manage secondary cities and regions sustainably	Presence of necessary infrastructure and utilities in secondary cities and regions				Prioritize allocation of land for utilities and critical infrastructure in an archipelagic setting	Updating of CLUP guidebooks to emphasize sufficient land allocation and geographic considerations in the development of utilities and critical infrastructure		Medium-term	DHSUD
	Ratio of land consumption rate to population growth rate*				Planned urban expansion as a means to control urban sprawl	Development of framework and strategies for the establishment of estate and new towns, new settlements, urban renewal programs, prototypes of urban development interventions, and government centers to be reflected in the Concept/Structural Plan		Short-term	DHSUD
						Review of planned urban expansion status in pilot sites (eg CDO, Silay, Iloilo, Zamboanga), to identify implementation challenges and opportunities		Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium -Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
7. Manage urban expansion to prevent sprawl and preserve environmentally sensitive areas							Mainstreaming the manual on planned city expansion in the CLUP guidebooks	Medium-term	DHSUD
	LGUs with planned urban expansion strategies	30%	50%	100%	Planned urban expansion as a means to control urban sprawl	As above	Capacity development on planned urban/ city extension	Long-term	DHSUD
	LGUs with strategies for optimizing existing urban spaces to avoid unnecessary and unmanaged urban expansion	30%	50%	100%	Utilize adaptive reuse and urban infill to optimize existing spaces and structures in built-up areas		Inventory of areas with potential for adaptive reuse and urban infill	Short-term	DHSUD
	Ratio of land consumption rate to population growth rate*						Updating of CLUP and CDP guidebooks to include adaptive reuse and urban infill	Medium-term	DHSUD
							Review and updating of the following to incorporate adaptive reuse and urban infill measures: BP 220 and PD 957 Subdivision Guidelines, Farmlot Guidelines, Industrial and Commercial Guidelines	Medium-term	DHSUD
							Development of incentives for LGUs incorporating adaptive reuse and urban infill	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium -Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
8. Improve transport linkages within urban systems to support compact development and access to services and production							Adaptive reuse and maintenance guidelines for heritage sites by the NCCA/National Historical Institute (NHI)	Medium-term	DHSUD
							Reviewing and updating of the National Building Code and Structural Code to include adaptive reuse guidelines	Medium-term	DHSUD
							Updating of the planning/landscape architecture/urban design/engineering curricula to include adaptive reuse and urban infill.	Medium-term	CHED
							Harmonization of policies of NEDA, DOTr, DPWH, DILG, DHSUD, MMDA, DOE, and other relevant agencies relative to mobility and land use planning, to include pedestrian prioritization, consideration of land use, circulation, connection, and barangay/district units, efficient public transportation, green transportation routes	Short-term	DHSUD NEDA DOTr DPWH DILG MMDA
8. Improve transport linkages within urban systems to support compact development and access to services and production	Proportion of LGUs with enhanced transport planning strategies incorporated in local plans and implemented Proportion of population that has convenient access to public transport, by sex, age and persons with disabilities*	30%	50%	100%	Integrate mobility and transport planning in land use planning Transform major road networks to pedestrian-friendly streetscape to improve urban mobility				

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
9. To improve urban connectivity through urban planning and design	Proportion of LGUs with enhanced transport planning strategies incorporated in local plans and implemented Proportion of population that has convenient access to public transport, by sex, age and persons with disabilities*				Integrate Mobility and Transport Planning in Land Use Planning	Updating of CLUP and CDP guidebooks to further integrate transport planning	Updating of CLUP and CDP guidebooks to further integrate transport planning	Medium-term	DHSUD
						Formulation and Piloting of a Transport-Oriented Development Strategy	Formulation and Piloting of a Transport-Oriented Development Strategy	Medium-term	DHSUD
						Formulation and review of existing policy towards accelerating public-private partnership (PPP) investment in improving transport linkages within urban systems		Short-term	DHSUD DOTr, NEDA, PPP Center
Urban Connectivity and Mobility									
				100%		Harmonization of policies of NEDA, DOTr, DPWH, DILG, DHSUD, MMDA, and other relevant agencies relative to mobility and land use planning, to include pedestrian prioritization, consideration of land use, circulation, connection, and barangay/district units,		Short-term	DHSUD
				100%					

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects, Activities	Timing of Completion	Agency
					Design barangays and neighborhoods in terms of human scale and walkability	efficient public transportation, green transportation routes	efficient public transportation, green transportation routes		
						Formulation and piloting of a Transport-Oriented Development Strategy	Formulation and piloting of a Transport-Oriented Development Strategy	Medium-term	DHSUD
						Updating of the Local Government Code to include the physical structure of the barangay unit	Updating of the Local Government Code to include the physical structure of the barangay unit	Medium-term	Congress
						Updating of CLUP guidelines to include physical/spatial structure in barangay-level plans, and barangay-level walkability and human scale urban design, with piloting/prototyping	Updating of CLUP guidelines to include physical/spatial structure in barangay-level plans, and barangay-level walkability and human scale urban design, with piloting/prototyping	Medium-term	DHSUD
						Review of BP 220 to propose provisions on increased transport accessibility	Review of BP 220 to propose provisions on increased transport accessibility	Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects,	Timing of Completion	Agency
Institutional capacity									
10. Improve technical capacities of national and local government agencies involved in human settlements and urban development	Proportion of LGUs with comprehensive capacity development programs	50%	70%	100%	Intensify LGUs' capacity development for plan implementation, policy regulation and monitoring	Expansion of capacity development programs to integrate the reduction of GHG reduction at the local planning level, and renewable energy development and utilization capacity building program for LGUs on subdivision plan approval and monitoring	Updating of planning/urban design/architecture/engineering curricula to include the barangay unit, form and performance-based codes	Long-term	DHSUD
	Proportion of staff in LGUs with certification of competencies	30%	50%	100%					
						capacity building program on transport planning and management and urban design		Long-term	DHSUD
						Establishment of an in-house urban planning and research and innovation platform		Medium-term	DHSUD
						Establishment of Philippine Urban Forum		Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	Programs, Activities	Projects,	Timing of Completion	Agency
						Capacity development on the use and knowledge platforms for urban planning and design		Long-term	DHSUD
12. Improve coordination among national agencies and offices involved in planning	Working coordination body with monitoring and reporting functions				Enable DHSUD to act as lead in coordination, implementation, and monitoring	Approval and oversight of the NHUDSP implementation and monitoring by the National Human Settlements Board	Approval and oversight of the NHUDSP implementation and monitoring by the National Human Settlements Board	Short-term	DHSUD
						Creation of coordination mechanism under the National Human Settlements and Urban Development Coordinating Committee and Regional Human Settlements and Urban Development Coordinating Committee to coordinate and facilitate collaborative work between the department, KSAs, other government agencies, private sector and other stakeholders, to ensure consistency in strategies and implementation, as well as budget coordination		Short-term	DHSUD

3.4 Shelter

With shelter at the heart of the sustainable development agenda, the DHSUD will seek to widen access to housing services, fill gaps in land and housing supply, and reduce vulnerability of communities—all within a holistic framework that looks at housing from an integrated human settlements perspective, and supported by sound planning and development practice.

3.4.1 Outcomes, Objectives and Strategies for Shelter

Actions within this thematic area will aim to develop *accessible and affordable housing options; and compact, connected, integrated, inclusive settlements*. Certain preconditions are necessary for such an outcome to be achieved, and these are represented by the following objectives and corresponding strategies.

Objectives	Strategies
Housing Supply and Demand	
1. Expand/Widen access to land and housing especially for <u>poor/low income</u> families	Accurate profiling of housing demand and intended beneficiaries
	Strengthen enforcement and monitoring of balanced housing provision of RA 7279 (Urban Development and Housing Act)
	Fully implement NISUS
	Upscale, mainstream and adequately fund innovative housing development approaches such as vertical housing programs in HUCs
	Strengthen public-private partnerships that broaden housing options and ensure access to most vulnerable
	Unlock unused or underused government-owned land
	Widen access to credit for housing especially for urban poor through innovative loan programs such as income-based housing loans
Land Tenure	
2. <u>Increase</u> secure tenure in accessible, adequate settlement areas	Improve delivery of housing services to facilitate tenure security
	Promote alternative forms of tenure (i.e., usufruct, other lease variants, and right to occupy or build) for urban settlers, both formal and informal
Vulnerability to Climate Change and Disaster Impacts	
3. <u>Reduce</u> risk of urban poor and ISFs to climate change and disaster impacts through housing	Implement resilient housing
	Facilitate and promote programs to increase household income and improve adaptive capacity
Access to Resources for Government Housing	
4. <u>Increase</u> budget allocation for housing programs	Explore other sources (e.g., ODA, PPP, escrow trust account, among others) to finance housing programs
5. Sustain funding for affordable housing	Improve affordability of housing programs and projects
	Implement housing or slum upgrading programs for ISFs that avoid displacement
	Accelerate market-based housing microfinance and targeted subsidies
	Enhance capacity of government agencies to identify and monitor targeted beneficiaries, to evaluate capacity to pay, enforce contracts, collect amortizations

Objectives	Strategies
	Introduce and fully integrate sustainable livelihood and employment into the housing process, looking at economic development as a function of shelter delivery.
	Identify and target deserving beneficiaries who cannot afford formal financial system for housing needs due to lack of purchasing power or nature of employment
Settlement Integration	
6. Initiate and promote the development of inclusive, complete, integrated settlements with adequate, safe, resilient, affordable housing and services in <u>all LGUs</u>	Fully integrate urban infrastructure into all housing developments, and especially those located outside the urban core
	Community participation in larger/systems-wide planning and action
	Update appropriate housing unit size requirements based on local context
	Estate management program that preserves the value of established settlements
	Ensure that settlements are planned in the context of urban systems rather than in isolation
	Mixed income developments, and similar development types that enable access of low-income and urban poor families to urban areas and services
7. Prioritize and intensify on-site and in-city resettlement for <u>ISFs</u>	Operationalize the National Informal Settlements Upgrading Strategy and National Resettlement Policy Framework
Institutional capacity	
8. Strengthen <u>governance framework</u> for the planning, establishment and management of settlements	Rationalization of mandates, responsibilities, and policies
	Creation of appropriate and equipped local offices for shelter planning and delivery, with reliable database systems and tools
	Effective formulation and utilization of local shelter plan for all LGUs (as a thematic plan under CLUP-CDP) to encourage broad-based participation and ensure implementation of housing and land strategies
	Increase technical, financial, and managerial capacity
	Design, improve and implement monitoring and evaluation system to sufficiently capture PPA outcomes

3.4.2 Programs and Projects

Legislation and Policy Development

The Department will develop a number of policies to ensure that marginalized and poor families gain access to urban land for housing and related facilities. These include policies on **land pooling or readjustment, land banking, and alternative forms of tenure**. DHSUD will also give special focus to alternative tenure instruments such as usufruct, lease, and right to occupy and build.

It will also undertake studies and development of policies on **land-based financing**, such as land value capture and other special levies, which could be utilized for local housing and infrastructure development.

As with urban planning, shelter provision will benefit from a **framework on resilient housing and human settlements**. To complement this policy, a review and updating of key legislation will be conducted to ensure that resilience is incorporated in housing provision, particularly to

include **climate change adaptive design and construction methods, tools and materials** in the National Building Code and Structural Code. Standards for **housing units** based on local contexts, risks and public health considerations also need to be updated in the said laws. Meanwhile, the Urban Development and Housing Act will be reviewed with the aim of incorporating **infrastructure integration in settlements development, and updated resettlement strategies**. Programs on **low-cost public rental** will need clear legislative support. Community involvement can also be sustained and further institutionalized through an updated IRR Magna Carta for Homeowners and Homeowners' Associations to incorporate **local shelter planning** and ensure inclusion of communities in the housing process.

Guidelines and Tools

Pushing for greater access to housing also entails **updating UDHA guidelines for compliance to 15% and 5% socialized housing requirement**. The local shelter planning guidelines need to be updated as well, specifically on mainstreaming in local planning, affordability analysis, utilization of socialized housing tax as provided under Section 43 of RA 7279 and other sources of funds, and updated housing options including long-term lease, public rental housing, ISF housing.

Finally, the next iteration of the **CLUP and CDP guidelines will emphasize inclusive and integrated housing**, socially inclusive and interconnected settlements, and improved mobility.

Enforcement and Implementation

Critical to the achievement of intended outcomes for shelter is the operationalization of the country's **National Informal Settlements Upgrading Strategy**. To this end, the Department together with the KSAs, will craft and implement an action plan for NISUS, taking into consideration current policies, actions, and accomplishments in settlements upgrading. The Department will also continue to support the creation and capacity building of **local housing boards** in LGUs.

As mentioned, one of the banner programs of the Department is **vertical housing**. A rationalized expansion of the program will be high on the list of priorities, along with support policy, and implementation and monitoring mechanisms. Other programs whose coverage will be widened include the **Affordable Housing Loan Program** and **Community Mortgage Program**. Meanwhile, a **comprehensive plan for the ownership and administration of government lands** will be undertaken, such that a full inventory of public lands for settlement can be obtained, and integrated settlement plans developed.

The Department will also accelerate the implementation of **housing finance programs**, including the secondary mortgage market system, reverse mortgage, asset-backed securities, and green bonds, among others. And with increased focus on community-based planning and self-help, the Department will also launch an **integrated sustainable livelihood program**, enjoining other government agencies with livelihood programs that can benefit communities in need of housing. This will ensure that household income generation is increased and sustained, and can be used towards achieving housing goals.

Institutional Reform

Chief among the institutional changes for shelter is the creation of the Department's **Regional Housing One Stop Processing Centers (HOPCs)**. These centers will contain consolidated, comprehensive housing data including beneficiary profiles, and will streamline processes in availing housing options and delivery of housing services.

The DHSUD will also work to further streamline its functions, including **fully incorporating Key Shelter Agencies** into the main structure of the Department. This will help rationalize housing delivery and the overall development of settlements.

Capacity Development and Knowledge Management

As mentioned in the Urban Planning and Design thematic area, the Department will establish a **comprehensive, publicly accessible urban information system**. For Shelter purposes, this information system will also contain a database of **ISF and housing beneficiary profiles** and. It will also house a national **inventory of government lands** for housing and urban and

rural development, all **subdivision and condominium projects**, and **socialized housing projects**. Along with this will be an **update of indicators or parameters for ISF profiling**.

Meanwhile, capacity building at the community level will focus first on increasing awareness and understanding of alternative tenure instruments. Capacity building programs are also slated for HOAs, community organizations, housing cooperatives and civil society organizations, with the aim of deepening participation in community development and housing concerns in all local government programs and services, including real estate management. Further capacity building will also be conducted on LSP preparation and implementation, subdivision plan approval and monitoring for LGUs,

Matrix of Programs and Projects

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
Housing Supply and Demand								
1. Expand/Widen access to land and housing especially for poor/low income families					Accurate profiling of housing demand and intended beneficiaries	Development of comprehensive socialized housing database	Medium-term	
	Proportion of potential beneficiaries identified		100%		Strengthen enforcement and monitoring of balanced housing provision of RA 7279 (Urban Development and Housing Act)	Updating of guidelines for compliance to the 15% and 5% socialized housing requirement, including compliance within LGU where development is to be constructed, considerations on land availability and suitability	Medium-term	DHSUD
	Degree of application of a legal/regulatory/policy/institutional framework		100%		Expand coverage of housing programs	Government Employees Housing Program, intended to provide decent and affordable housing to low-salaried government employees including Armed Forces of the Philippines, Philippine National Police, Bureau of Jail Management and Penology, Bureau of Fire Protection, Bureau of Corrections and other government employees	Medium-term	DHSUD
	Proportion of urban population living in slums, informal settlements or inadequate housing**							

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
						Housing Program for Calamity Victims - Permanent housing - Emergency Housing Assistance Program (cash assistance to qualified low-income and marginal-income families affected by natural or man-made calamities to augment funds for the repair of house-structures)		
					Regional Resettlement involving the implementation of local/regional resettlement projects as joint National Government-Local Undertaking	<ul style="list-style-type: none"> NHA-Administered Resettlement Assistance Program to Local Government Units (RAP-LGU) Indigenous Peoples Former Rebels Killed-in-Action (KIA)/ Killed-in-Police-Operation (KIPO)/ Wounded-in-Action (WIA)/ Wounded-in- 		

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
					Fully implement NISUS	Police-Operation (WIPO) AFP/PNP Personnel <ul style="list-style-type: none"> • Crafting or updating of implementation and monitoring plan • assessment of accomplishments and gaps • updating of implementation requirements; • implementation / rollout 	Long-term	DHSUD
	Amount committed to housing programs and housing developments				Upscale, mainstream and adequately fund innovative housing development approaches	Vertical housing program for ISFs in metropolitan areas and highly urbanized cities Program to promote and support small and medium developers engaged in vertical socialized housing, including the establishment of a credit facility Guidance for LGUs and partners in engaging in public-private partnerships that broaden housing options and ensure access to most vulnerable	Long-term	DHSUD
							Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
	land area made available for housing development Proportion of total adult population with secure tenure rights to land, (a) with legally recognized documentation, and (b) who perceive their rights to land as secure, by sex and type of tenure*	sqm	sqm	100%	Unlock unused or underused government-owned land suitable for housing	Utilization and development of existing unused or underused government-owned lands for housing Review and updating of Urban Land Reform Law with the view of further implementation and expansion beyond Metro Manila, inventory of existing and potential areas for priority development, and prioritization of poor and low income families as a countermeasure to market-driven housing Development of policy, technical, and implementation guidelines for land pooling/readjustment, with piloting/prototyping	Long-term	DHSUD
							Medium-term	DHSUD
							Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
Land Tenure	proportion of population with access to financial assistance for housing			100%	Widen access to credit for housing especially for urban poor through innovative loan programs such as income-based housing loans	agrarian land reform program enhancement Enhancement of land administration infrastructure Development of guidelines for fiscal measures to reduce land speculation Review and enhancement of Affordable Housing Loan Program for wider coverage	Medium-term Medium-term Short-term Medium-term	DHSUD DHSUD DHSUD DHSUD
	1.4.2 Proportion of total adult population with secure tenure rights to land, (a) with legally recognized documentation, and (b) who perceive their rights to land as secure, by sex and type of tenure			100%	Improve delivery of housing services to facilitate tenure security	Establishment of unified, seamless, digitalized housing development transactions processing system for home buyers and developers Streamlining of procedures for the issuance of housing-related licenses, clearances, and permits in light of COVID-19	Medium-term Short-term	DHSUD DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
Vulnerability to Climate Change and Disaster Impacts	proportion of families housed in resilient structures			100%	Promote alternative forms of tenure for urban settlers, both formal and informal	Policy, technical guidelines, and implementation rights-based instruments and alternative forms of secure tenure instruments such as usufruct, other lease variants, and right to occupy or build	Long-term	DHSUD
	Number of deaths, missing persons and persons attributed to disasters per 100,000 population*			0				
3. Reduce risk of urban poor and ISFs to climate change and disaster impacts through housing					Implement Resilient Housing	Framework for resilient housing and human settlements as a basis for mechanisms for post-disaster housing and resiliency planning, Adjustment or enhancement of housing design standards to include disaster-resilient and minimum health standards, including development of public spaces for quarantine or other similar purposes Updating of the National Building Code and Structural Code to include climate and disaster-	Short-term Medium-term Medium-term	DHSUD DHSUD DHSUD Congress

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
						resilient design and construction methods, tools and materials, and enhanced housing design standards Enforcement of stricter compliance with building and design standards (i.e., safety, location, structural design, and integrity) by the developers, contractors, and private homebuilders Development of a system of monitoring housing units for compliance with minimum design and health standards National policy on the housing minimum standard space per person to effectively achieve physical distancing including the number of rooms per housing unit that would allow for possible areas for quarantine in case of pandemic		

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
					Facilitate and promote programs to increase household income and improve adaptive capacity	Capacity development program at HOAs/community level	Long-term	DHSUD
Access to Resources for Government Housing								
4. Increase budget allocation for housing programs	amount commitment by Congress to the DHSUD and its programs				Improve budget planning and assessment	Review of existing budgets and report on financing requirements for the National Shelter Program	Short-term	DHSUD
					Explore other sources to finance housing programs	Alignment of sector budget with NHUDSP and related plans and policies Plans for alternative funding sources such as ODA, PPP, and escrow trust accounts, among others	Short-term	DHSUD
5. Sustain funding for housing	proportion of families able to avail of housing proportion of families with access to funding for housing			100%	Improve affordability of housing programs and projects	improvement and expansion of the Community Mortgage Program to cover more communities and speed up processing and permits Expansion of and support to secondary mortgage market system ie NHMFC's Housing Loans Receivables Purchase Program	Medium-term	DHSUD
							Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
					Implement innovative and affordable housing approaches for ISFs and slum areas without displacement	Strengthen and broaden the reverse mortgage program Enhancement of home financing program (Philippine Guarantee Corporation) Home Development Mutual Fund (HDMF) for more responsive and relevant housing programs review of the investible funds for housing of both the Government Service and Insurance System (GSIS) and the Social Security System (SSS) to bring them back to participate in the housing efforts and activities for their respective members. Updating of local shelter plan (LSP) guidelines, specifically the template on affordability analysis	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
					Accelerate market-based housing microfinance and targeted subsidies	Update Comprehensive and Integrated Shelter Financing Act to consider: Low cost public rental or ownership Housing mortgage revenue bonds (MRBs) for rent or ownership LGU/private sector partnership for public rental housing Income-based housing program, with enhanced capacity of government agencies to identify and monitor targeted beneficiaries, to evaluate capacity to pay, enforce contracts, collect amortizations Policy on subsidies for land development and housing rent for poor families/ISFs/vulnerable groups Development of direct subsidies through housing vouchers, public rental housing, housing	Medium-term Long-term	DHSUD DHSUD DHSUD DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
						microfinance models, and Islamic financing schemes		
					Improve credit and incentives system for housing	Credit program to encourage disaster-resilient housing and support in post-disaster reconstruction of damaged housing		DHSUD
						Assessment and possible enhancement of incentives program and incentivized compliance with the balanced housing provision (RA 10884), in line with BOI investment priorities		DHSUD, BOI, Private sector partners
					Access land-based financing to fund local housing programs including infrastructure and services development	Land-based financing program: Strict imposition of the idle land tax, special assessment tax, betterment levies, and appropriate sanctions based on applicable laws	Short-term	LGUs, DILG
						Full implementation, expansion, and enhancement of Chapter 5		

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
						of the LGC (Special Levies on Real Property)		
					Introduce and fully integrate sustainable livelihood and employment into the housing process, with economic development as a function of shelter delivery	joint/integrated sustainable livelihood program (shelter, economic and social welfare agencies)	Long-term	DHSUD
					Clearer identification and target of beneficiaries who cannot access formal financial system for housing needs due to lack of purchasing power or nature of employment	Capacity development/training for LGUs on idle land tax and special levies	Long-term	DOF LGA
Settlement Integration								
6. Develop inclusive, complete, integrated settlements with adequate, safe, resilient, affordable housing and services	Proportion of urban population living in slums, informal settlements or inadequate housing*			0	Fully integrate urban services and infrastructure into all housing developments, and especially those located outside the urban core	Updating of the CLUP and CDP guidelines to emphasize implementation of inclusive and integrated housing, as well as socially inclusive and interconnected cities with improved mobility, with indicators for inclusive and integrated settlements	Medium-term	DHSUD
	Proportion of population that has			100%		Review and updating of building standards to	Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
	convenient access to public transport, by sex, age and persons with disabilities*			100%		ensure integration of community facilities and infrastructure in housing development		
	Proportion of municipal solid waste collected and managed in controlled facilities out of total municipal waste generated, by cities*			0	Adopt the blue-green framework in planning and developing resilient, integrated settlements	Updating of the CLUP to incorporate the use of blue-green framework principles in LGU-level planning as well as settlement-scale urban design	Medium-term	DHSUD
	Number of deaths, missing persons and directly affected persons attributed to disasters per 100,000 population			40%	Promote mixed income developments, and similar development types that enable access of low-income and urban poor families to urban areas and services	Study and development of mixed income housing program Capacity development program	Long-term	DHSUD
	Average share of the built-up area of cities that is open space for public use for all, by sex, age and persons with disabilities				Operationalize the National Informal Settlements Upgrading Strategy and National Resettlement Policy Framework	NISUS and NRPf implementation plan for relevant bureaus and KSAs	Short-term	DHSUD
	Proportion of cities with a direct participation structure of civil society			100%		Information, education, and communication (IEC) initiatives on family/ household options for tenurial instruments	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
	in urban planning and management that operate regularly and democratically*				Encourage community participation in development planning and action	Program to establish linkages and engage with HOAs in community development and housing concerns in all local government programs and services; inclusion in local development councils	Long-term	DHSUD
					Update housing unit size requirements based on local context	Inclusion of updated standards for housing unit size in the National Building Code and Structural Code.	Medium-term	DHSUD
					Implement and promote sustainable estate management	Allocation of government funding/counterpart to augment estate-management contributions of housing associations, especially target beneficiaries	Short-term	DHSUD
						Development and implementation of estate management and community development programs for HOAs	Long-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
					Ensure that settlements are planned in the context of urban systems	Updating of the CLUP and CDP guidelines to emphasize implementation of inclusive and integrated housing, as well as socially inclusive and interconnected cities with improved mobility	Medium-term	DHSUD
7. Prioritize and intensify on-site and in-city resettlement	<p>proportion of onsite, near-site, and in-city resettlement projects</p> <p>Proportion of urban population living in slums, informal settlements or inadequate housing*</p>			100%	Operationalize the National Informal Settlements Upgrading Strategy	<p>Implementation of National Informal Settlements Upgrading Strategy, especially provisions on onsite upgrading and in-city resettlement</p> <p>Expansion and improvement of settlements upgrading program, such as those by the NHA, intended to address security of tenure and infrastructure requirements of informal settlements on government-owned lands proclaimed or designated as socialized housing sites</p>	Long-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
8. Strengthen governance framework for shelter/settlement planning, establishment and management	<p>Number of countries with mechanisms in place to enhance policy coherence of sustainable development*</p> <p>Extent of use of country-owned results frameworks and planning tools*</p> <p>proportion of policies, guidelines, and tools in place and being utilized at the local level</p>			1	Rationalization of mandates, responsibilities, and policies	<p>Reorganization / Streamlining of KSAs / full integration into DHSUD</p> <p>Establishment of monitoring, reporting, and coordination mechanism with NGAs and other sectors involved in shelter provision</p> <p>Study on the impact of the Mandanas Doctrine (updated internal revenue allotment) on budget allocations for housing, and development of policy and guidelines for LGUs on utilizing said funding for housing development projects</p>	Short-term	DHSUD
				100%			Short-term	DHSUD
				100%			Short-term	DHSUD
					Appropriate and equipped local offices for shelter planning and delivery, with reliable database systems and tools	<p>Establishment of local housing offices and local housing boards in all LGUs, with guidance from and coordination with DHSUD regional offices</p> <p>Establishment of Regional Housing One Stop Processing Centers (HOPCs)</p>	Short-term	DHSUD
							Short-term	DHSUD
Institutional Limitations								

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
					Effective formulation and utilization of local shelter plan for all LGUs (as a thematic plan under CLUP-CDP) to encourage broad-based participation and ensure implementation of housing and land strategies	Spatial database and of all subdivision and condominium projects	Medium-term	DHSUD
						Guidelines and strategies for the formulation of LSPs including utilization of socialized housing tax as provided under Section 43 of RA 7279, and other sources of funds for housing and urban development	Short-term	DHSUD
						Capacity building on LSP preparation and implementation	Long-term	DHSUD
						Review/evaluation of LSP mainstreaming in local planning (CLUP, CDP)	Short-term	DHSUD
						Introduction of expanded housing options in the LSP, including long-term lease, public rental housing, ISF housing	Medium-term	DHSUD
						Updating of rules and regulations for the implementation of Magna Carta for HOAs (RA 9904)	Medium-term	DHSUD
						Updated standard governing documents of	Medium-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
	Proportion of LGUs with comprehensive capacity development programs			100%	Increase technical, financial, and managerial capacity	HOAs and neighborhood associations		
	Proportion of staff in LGUs with certification of competencies			100%		Capacity development programs for LGUs on subdivision plan approval and monitoring	Long-term	DHSUD
						Capacity development programs on financial management, particularly in light of additional IRA under the Mandanas Doctrine and its effects on local development programming		
						Technical assistance program for housing cooperatives and Civil Society Organizations (CSOs) to serve as the implementing agencies of housing and urban development programs and real estate management	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
	Extent of use of country-owned results frameworks and planning tools by providers of development cooperation*			100%	Design or improve, and implement monitoring and evaluation system to sufficiently capture PAP outcomes	Program promoting community organizations (COs) as government partners for community development and building their capacity for homeownership and community management Identification and/or refinement of indicators for housing and urban development Establishment of a Local Government Shelter Plan Management and Monitoring System	Short-term Long-term	DHSUD DHSUD

3.5 Urban Economy and Finance

Just as urban development extends beyond the urban boundaries, DHSUD recognizes the interdependence of diverse economic activities within a larger ecosystem. Urban economy in the context of this Plan is not contained within what are geographically considered as urban areas, but encompasses the entire urban-rural continuum. Moreover, the interface between the economy and sustainable urban development is explored, acknowledging the impact of the economic activities on sustainable urban development, and conversely the role of effective urban planning in achieving integrated and inclusive economic development.

3.5.1 Outcomes, Objectives and Strategies for Urban Economy and Finance

The DHSUD's programs and projects in this thematic area seeks to produce *robust and diverse urban economies*, through the following objectives and strategies:

Objectives	Strategies	
Urban-based Economic Activities		
1. Support inclusive economic growth that integrates marginalized and vulnerable sectors across the urban-rural continuum	Promote connectivity of economic activities among urban and rural spaces	
	Enhance Competitiveness of the Workforce in all sectors	
	Transform the large youth population into a demographic dividend	
	Strengthen Key Economic Sectors	
	Support MSMEs	
	Provide support to the informal sector	
	Promote and support green industries	
	Provide key infrastructure to support economic growth and development	
2. Promote an enabling environment for local governments to have access to significant sources of tax and non-tax revenues to achieve revenue sufficiency and diversity	Local Finance	
	Develop and strengthen a robust local government debt market	
	Enforce the Supreme Court's decision on the Mandanas case	
	Adequate public investment in infrastructure development to help create investment-friendly environments and facilitate vibrant businesses and communities	
	Improve the tax collection system and structure	
	Update land valuation system as basis for real property taxation	
	Implement idle lands tax, benefit levies and special assessments	
	Promote transparency in financial transactions that allow auditing of local budgets and financial transactions	
	Enhance public-private partnerships	
	Improve expenditure efficiency	
Institutionalize Participatory Budgeting		

3.5.2 Programs and Projects

Legislation and Policy Development

Inclusive economic growth is hinged on the active participation of all sectors of society in economic activity. To do this, DHSUD will push for policies and legislation that would help **enhance the competitiveness and productivity of the workforce** in all sectors. This includes

the review, enforcement, and if necessary, updating of relevant laws like the Labor Code, Go Negosyo Act Magna Carta for MSME, Barangay Micro Business Enterprise Act, and Green Jobs Act, among others. It also entails the adoption of the Philippine Qualifications Framework.

Provisions on credit facilities for infrastructure and other local development projects in the Local Government Code will also be reviewed with the objective of supporting local government in financing and implementing their initiatives. **Community-based budgeting** will be encouraged, especially in light of the Mandanas Doctrine that would further devolve functions and empower LGUs in resource utilization.

Guidelines and Tools

A central component of inclusive economic growth is ensuring connectivity of economic activities across the urban-rural continuum. To this end, **guidelines on urban-rural economic integration will be developed**. This includes technical guidance on adopting network/system models for economic activity, reflecting forward and backward economic linkages between and among key cities or metropolitan areas, and smaller cities and municipalities.

Guidelines for CLUP, CDP, Provincial Development and Physical Framework Plans (PDPFP), and Regional Development Plans will be reviewed with the view of updating to **incorporate cluster-based industrial development approaches** that consider geographic concentrations of economic activity, and their impacts on urban form. Additional technical guidance will also be introduced regarding mixed use urban development and value chain development, **innovative zoning to support the growth of industries** while ensuring environmental sustainability such as performance-based zoning using energy, sustainable design, and environmental quality parameters within special economic zones; **low-emission and resource-efficient economic and industrial development**; integrating the Green Jobs Act into local development planning.

Further, guidelines that integrate climate change and disaster risk as well as pandemic response into local economic development will also be developed, including **green recovery measures and tools**. As a key economic sector and in light of the impacts of the pandemic, tourism will need significant support in green recovery as well as guidance in development or redevelopment, including environmental impact assessments, cost-benefit and related economic analyses, and cultural acceptability.

The Department sees standards and incentives as beneficial in the inclusive development of areas of economic activity. These include, among others:

- incentives to investors and business enterprises that generate and sustain green jobs, goods and services, and technologies, or engage in low-emission development.
- Performance standards for integration into land use and zoning, prioritizing green industries in land use allocation and urban design
- Skills training such as for women in green industries

To promote an enabling environment for revenue generation and sufficiency, the Department will also support a review of the DOF's Bureau of Local Government Finance Manuals on Real Property Appraisal and Assessment Operations and Valuation Standards, as well as updating of the Local Public Financial Management Tools and Local Treasury Operations Manual for **expenditure efficiency**.

Enforcement and Implementation

One of the ways inclusive economic growth can be achieved would be a **labor and employment development program** by DOLE, which would include a thorough assessment of the labor market, employment profiling, education-job matching, identification of job skills requirements, and monitoring and evaluation system.

The DHSUD will work with the DOTr, DPWH, CAAP, PPA, DICT and other concerned government agencies in the further development of airports, seaports, roads and bridges, terminals, and other transportation facilities, as well as telecommunications infrastructure to support economic development. This would necessitate studies particularly on green

infrastructure development, and joint programming with the agencies mentioned. This would be complemented by the strict enforcement of environmental laws for all key economic sectors especially those located in areas where activities directly affect a greater number of people and degrade already-stressed natural ecosystems.

To support economic diversification, the Department proposes the establishment of a **local economic diversification program** to support the establishment of micro, small, medium and large enterprises, promote local entrepreneurship and sustainable livelihoods. Specifically for MSMEs, a local assistance program to organize micro and small enterprises and link them to the market will be useful at the LGU level.

A robust local economy also means being able to provide assistance to the marginalized, such as an **informal sector assistance program** that will review and update business registration systems at the barangay level to integrate members of the informal economy, transition them into to formal sector, organization operators to serve as a participatory mechanism for government support and other forms of engagement, and provision of mechanisms to enable organization of and engagement with informal sector operators by the Cooperative Development Authority and DTI. Implementation of lending and microfinance programs also by the Cooperative Development Authority (CDA) and DTI will also be helpful.

The Department will also support the creation of urban production areas in cities and urban areas, and through the **CLUP guidelines will promote the provision for urban agricultural areas** such as in open and green spaces, rooftops, and vertical spaces. The CLUP should be able to identify and designate production areas in cities and urban areas.

Finally, a **fiscal performance improvement program** will help LGUs in accessing credit local government bonds, and securities to fund development and livelihood projects, which can be included in the LDIP. DHSUD will also push for the full implementation and enhancement of the Local Government Code's provisions on **special levies on real property**

Institutional Reform

DHSUD will support the establishment of in **enterprise innovation centers** to provide direct assistance to existing and aspiring entrepreneurs including research and development, prototyping, and technical support for enterprise development in key economic sectors. An **investment promotion office** within the local government unit can also be created to focus on economic and investment promotion.

Capacity Development and Knowledge Management

Inclusive economic development calls for the review of existing technical, vocational, and tertiary education curricula to determine compatibility with the demand for economic activities. It also means integrating ICT in the curriculum to prepare workers for the future work environments and demands.

The Department will increase focus on capacity building for Green Growth, including value chain assessment and planning, idle land tax, benefit levies and how these can be integrated in spatial planning, and continued training on the CLUP-CDP-Local Development Investment Program process/cycle. A **technical assistance program in developing proposals for public-private partnerships**, including localization of public-private partnerships project feasibility studies to support local initiatives would also help local governments expand their capacity for project development and revenue generation.

Capacity building programs on **local finance, expenditure efficiency, and transparency** in financial transaction would be useful, paired with the establishment of an **information system** for local budgeting as well as data on identified growth centers and other relevant data for investors, locators, and the community in general

Matrix of Policies, Programs, and Projects

The proposed policies, programs, and projects are presented below in more detailed form, corresponding to each strategy and objective, ensuring that all actions lead towards the overall vision for the sector.

Matrix of Programs and Projects

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	Agency
Urban-based Economic Activities								
1. Support inclusive economic growth that integrates marginalized and vulnerable sectors across the urban-rural continuum	<p>Proportion of population below the international poverty line, by sex, age, employment status and geographical location (urban/rural)**</p> <p>Proportion of population living below the national poverty line, by sex and age**</p> <p>Growth rates of household expenditure or income per capita among the bottom 40 per cent of the population and the total population*</p> <p>Proportion of youth (aged 15–24 years) not</p>		10%	5%??	Promote connectivity of economic activities among urban and rural spaces	<p>Technical guidelines on adopting network/system models for economic activity (to reflect rural-urban integration, forward and backward economic linkages between and among key cities or metropolitan areas, and smaller cities and municipalities)</p> <p>Review and updating of guidelines for the development of CLUP, CDP, Provincial Development and Physical Framework Plans (PDPFP), and Regional Development Plans, to reflect cluster-based industrial development approaches, and their impacts on urban form</p> <p>Technical guidance on value chain development of local economic activities</p>	Short-term	DHSUD NEDA
							Medium-term	DHSUD
							Short-term	NEDA DTI

in education, employment or training* Average hourly earnings of employees, by sex, age, occupation and persons with disabilities* Unemployment rate, by sex, age and persons with disabilities* Existence of a developed and operationalized national strategy for employment and youth employment* Manufacturing value added as a proportion of GDP and per capita** Manufacturing employment as a proportion of total employment**									Updating of CLUP guidelines to incorporate mixed land use in planning for local economic development.	Medium-term	DHSUD
	Enhance Competitiveness of the Workforce in all sectors transform the large youth population into a demographic dividend								Enforcement, review, and update of the following as necessary: • Labor Code • Green Jobs Act • Philippine Labor and Employment Plan	Medium-term	DOLE DTI
									Expanded Technical and Vocational Education and Training Program	Medium-term	CHED
									Labor and Employment Development Program	Long-term	DOLE
									monitoring and evaluation system	Long-term	DOLE
									Adoption of the Philippine Qualifications Framework	Short-term	PRC
									Enhanced capacity building on the CLUP's Special Area Studies, specifically Green Growth, including value chain assessment and planning	Long-term	DHSUD
	Strengthen Key Economic Sectors								Review, development, and localization of guidelines, Climate Change Act, and the DRRM Act to integrate local economic development	Medium-term	DHSUD NEDA CCC

in education, employment or training* Average hourly earnings of employees, by sex, age, occupation and persons with disabilities* Unemployment rate, by sex, age and persons with disabilities* Existence of a developed and operationalized national strategy for employment and youth employment* Manufacturing value added as a proportion of GDP and per capita** Manufacturing employment as a proportion of total employment**									Guidelines on innovative zoning to support the growth of industries while ensuring environmental sustainability e.g. performance-based zoning using energy, sustainable design, and environmental quality parameters within special economic zones	Medium-term	DHSUD
	Strengthen Key Economic Sectors								Guidelines on establishing rural-urban linkages and value chains for manufacturing activities	Medium-term	NEDA DTI
									Strict enforcement of environmental laws pertaining to operations of manufacturing firms, especially in urban areas where manufacturing wastes and pollution directly affect a greater number of people and degrade already-stressed natural ecosystems	Short-term	DENR
									infrastructure development program for tourism	Long-term	DOT
									Guidelines for the development of tourism areas, incorporating environmental impact assessments, cost-benefit and related economic analyses, and cultural acceptability	Short-term	DOT

	Implementation of the Philippine Digital Strategy, including the establishment and upgrading of government ICT infrastructure, systems, and procedures; increased investment in ICT research & development	Medium-term	DICT
	Urban agriculture program, including Identification and designation of urban production areas in cities and urban areas, and initiation of urban agriculture projects in existing open and green spaces, rooftop gardens, vertical gardens	Medium-term	DA DHSUD
	Establishment of enterprise innovation centers, including research and development, prototyping, and technical support for enterprise development in key economic sectors	Short-term	DTI
	Updating of technical, vocational, and tertiary education curriculum to determine their compatibility with the demand for manufacturing activities	Medium-term	CHED TESDA
	Enforcement of the Green Jobs Act	Short-term	DOLE DTI

<p>Annual growth rate of real GDP per employed person*</p> <p>proportion of MSMEs engaged in economic activity</p> <p>proportion of informal sector engaged and integrated into formal systems</p> <p>Proportion of informal employment in total employment, by sector and sex*</p>	Local economic diversification program, including investments in a wider range of sectors and markets, support activities encompassing micro to small, medium and large enterprises, capacity development for local entrepreneurs as well as the informal sector.	Long-term	DTI
	Enforce the following: <ul style="list-style-type: none"> • Magna Carta for MSME • Barangay Micro Business Enterprise Act • MSME Development Plan • Go Negosyo Act 	Medium-term	DTI CDA
	Implementation and enhancement of lending/ microfinance programs by the Cooperative Development Authority (CDA) and DTI	Short-term	CDA DTI
	MSME Assistance Program, including capability building and organization of MSMEs in LGUs	Long-term	DTI
	Assistance program for informal sector to include capacity building, assistance in business registration and business processes, subsidies	Long-term	DTI

number of business enterprises engaged in providing green jobs, goods and services, and technologies	Promote and support green industries	Enforcement of the Green Jobs Act of 2016	Short-term	DTI DOLE
		Standards and Incentives program for business enterprises that generate and sustain green jobs, goods and services, and technologies, or engage in low-emission development.	Short-term	DTI
		Guidelines on the prioritization of green industries in land use allocation and urban design, e.g. incorporating performance standards in zoning for business enterprises	Medium-term	DHSUD
Number of support facilities constructed and functional	Provide key infrastructure to support economic growth and development	Skills training for green industries	Medium-term	TESDA
		Joint green infrastructure program with other relevant agencies including the Climate Change Commission with its Green Infrastructure Initiatives and the Green Climate Fund, and the Philippine Action Plan for Sustainable Production and Consumption, which pursues green infrastructure development towards environmental monitoring, waste management, urban	Long-term	DPWH, DOT, DHSUD NEDA, CCC DENR

Total investment in infrastructure to support key economic sectors	Increase private sector investments and partnerships in key infrastructure to support economic growth and development	mobility, resource efficiency and climate resilience		
		Review and updating of incentives for new investors in infrastructure development at the national and local levels	Short-term	NEDA DOF
		Creation of land information system for new investors/locators in identified growth centers or town centers, as delineated in the CLUP	Short-term	DHSUD
		Creation of Investment Promotion Office within the local government unit, to focus on enabling public-private partnerships, establishment of procedures to rationalize business processes, and promotion of local economic activities	Short-term	DILG
		streamlining of rules and regulations to decrease the time needed to process business registration, as well as business entry and exit	Short-term	DTI SEC
		Capacity building of LGUs on PPP management and monitoring	Long-term	PPPC

					PPPC DILG
					Medium-term
Technical assistance for local governments in developing proposals for public-private partnerships, including localization of public-private partnerships project feasibility studies to support local initiatives	Updating of the Department of Finance (DOF)–Bureau of Local Government Finance Manuals: • Local Public Financial Management Tools for the Electronic Statement of Receipts and Expenditures • Local Treasury Operations Manual				DOF LGA
Enhance public- private partnerships	Improve expenditure efficiency			Revival of participatory budgeting for inclusion in the General Appropriations Act	Long-term
			Institutionalize Participatory Budgeting	Review and enhancement of Assistance to Disadvantaged Municipalities program to cover more sectors and project types	Short-term
Degree of participation of private sector, amount committed					
			Proportions of local budgets approved based on stakeholder engagement		

3.6 Urban Infrastructure

Urban infrastructure, comprising of basic facilities, services and physical systems, plays a critical role in sustainable urban development. It must ensure not only the efficiency of transactions and activities across the urban landscape, but also the provision of services to the public, especially the vulnerable population. The development and maintenance of urban infrastructure must be coherent with the goals of other sectors or thematic areas, for it to effectively support economic growth as well as foster equity and resilience.

3.6.1 Thematic Outcomes, Objectives and Strategies for Urban Infrastructure

Addressing issues in water supply and sanitation, energy, waste management, communications, transportation, and other critical urban infrastructure, this Plan aims to develop *accessible, reliable and sustainable urban infrastructure and services*, to be achieved through the following objectives and strategies:

Objectives	Strategies
Water, Sanitation, Hygiene (WASH)	
1. improve water and sanitation infrastructure particularly in <u>water-stressed urban areas and areas at risk to climate change</u>	Streamline policies and improve the regulatory framework to ensure sustainable water supply in urban areas
	Support financing for climate and disaster-resilient water and sanitation infrastructure
	Promote and support innovative water and sanitation technologies
	Strengthen local government capacity on water and sanitation governance
Energy	
2. Support the transition to renewable energy <u>across the country</u>	Increase energy sourcing from low-carbon and other clean energy technologies
	Streamline procedures for development of Renewable Energy projects, to improve ease of doing business
	Promote energy efficiency
	Explore and implement technology research and funding mechanisms that support small-scale renewable energy projects
Drainage	
3. Improve <u>drainage systems</u> to adequately address demands of urbanization and impacts of climate change	Improve public investment in infrastructure for drainage networks
	Select and finance infrastructure development through community-driven budgeting processes for drainage projects
	Ensure use of local climate change projections and disaster risks in designing drainage networks and related infrastructure
Waste Management	
4. improve waste management in <u>all cities and municipalities</u>	Policy review and enhancement
	inter-LGU coordinated waste management plans for efficient regional mobilization of resources; Adapt modern technology and systems in monitoring waste management programs
	community based waste management programs

Objectives	Strategies
Information and Communications Technology	
5. Improve and prioritize ICT as necessary infrastructure for inclusive urban development	Open up Investments in ICT
	Establish a national broadband network infrastructure
	Encourage community participation through communication and connectivity
	Ensure access to government-owned data, including geospatial data
Inter- and Intra-System linkages	
6. Plan <u>urban transport</u> to facilitate inclusive mobility and settlement integration, ensure safety, and reduce negative environmental impact	Promote efficiency, inclusive mobility, efficiency, and settlement integration by providing intermodal connectivity among transport infrastructure
	Adopt an integrated approach to land use and urban transport planning to effectively manage growth in urban areas and ensure that the capacity of transport facilities can accommodate the demand for movement of passengers and goods
	Accelerate conversion to green, low-carbon or electric-powered, resilient and people-oriented transport systems that are inclusive and prioritize public health and well-being
	Prioritize people-mobility and ensure universal accessibility
	Ensure safety of transportation systems

3.6.2 Programs and Projects

Legislation and Policy Development

In addressing urban infrastructure concerns, the DHSUD aims to integrate and improve enabling policy and legislation. This includes supporting the **review and updating of water permit application policies and simplifying processes**.

Also proposed is the review of **Environmental Impact Assessment (EIA) systems, aimed at strengthening financing mechanisms for community-led environmental monitoring**. Another critical review is needed for the Ecological Solid Waste Management Act, to allow **common solid waste management facilities among clustered LGUs**, include a permanent budget allocation for MRFs, and a review of provisions for classifying toxic residential wastes.

The Department will also support the development of a **policy enabling the Public-Private Partnership Center to support local governments** in developing metropolitan or regional proposals for public-private partnerships in water and sanitation as well as the localization of public-private partnership project feasibility studies to support local initiatives. This will be complemented by a **policy requiring comprehensive city/municipal infrastructure and a service improvement plan** in the CLUP and CDP as a basis for funding and support from the provincial and national government.

Guidelines and Tools

The Department will formulate guidelines and tools to improve the quality of and access to urban infrastructure. One is the guideline for allowing private sector water concessionaires to use groundwater resources. **Locational criteria and guidelines for local renewable energy investment plans** will also be developed, along with LGU assistance in land use suitability identification and site planning by the Department of Energy (DOE) and DHSUD.

The Department together with DILG will also undertake the review and updating of CLUP and CDP guidelines to **widen considerations in urban transportation infrastructure and transport planning, as well as adoption of green building standards**.

Enforcement and Implementation

The Department will support the enforcement and implementation of policies and programs to ensure the **sustainable development of urban infrastructure**. These include the Renewable Energy Act and Biofuels Act, the Green Jobs Act and DOE's Program on energy efficiency.

The Department will also work with other government agencies on a program to provide **credit facilities for climate and disaster-resilient infrastructure projects** by the People's Survival Fund (PSF), Landbank, Development Bank of the Philippines (DBP), Department of Finance (DOF), and other government financial institutions including local development funding organizations. This will be buttressed by the development of incentives for innovation through intellectual property patent support and/or grants, and the Commission on Higher Education (CHED) and DOST.

For utilities, a public-private partnership program will bring focus to drainage projects in addition to **research and development programs on water and sanitation technologies**, including technology transfers for LGUs by the Department of Science and Technology (DOST) and the National Water Resources Board (NWRB).

DHSUD will support the full utilization of Assistance to Disadvantaged Municipalities (ADM) and similar programs to aid in localizing infrastructure improvement and service provision through community contracts and self-help development projects. Local infrastructure planning and budgeting will also be done in consideration of the impending increase in internal revenue allotments as a consequence of the Mandanas ruling. To help improve overall transport connectivity, the Department will provide inputs to the **public transport modernization and enhancement programs**, including Bus Rapid Transit systems and jeepney modernization.

Equally important to achieve nationwide connectivity is fast tracking the improvement of communications facilities, and implementation of the Philippine Digital Strategy including **digitalization of governance and industry**, digital literacy, and IEC programs.

Institutional Reform

Institutional coordination calls for the establishment of **research and funding platform for small-scale renewable energy projects** that can be supported by the PSF, Landbank, DBP, DOF, and other government financial institutions. Local development funds capacity development programs by DOST for micro, small, and medium enterprises (MSMEs), cooperatives, people's organizations will also be revisited and promoted.

Capacity Development and Knowledge Management

Several capacity development programs are proposed mainly to localize infrastructure improvement and service provision through community contracts and self-help projects.

An **urban database or information system** with guaranteed widespread, community-level access will aid in improved, community-based planning, implementation, and monitoring of infrastructure development such as water and sanitation, and waste management. The same system will contain comprehensive maps of natural waterways to be provided and enhanced by the National Mapping and Resource Information Authority (NAMRIA). Improved data quality will aid in capacity development efforts, for instance to enable LGUs to access the PSF for drainage-related climate change projects by the Philippine Atmospheric, Geophysical, and Astronomical Services (PAGASA), Climate Change Commission (CCC), and other national government agencies (NGAs).

Matrix of Policies, Programs, and Projects

The proposed policies, programs, and projects are presented below in more detailed form, corresponding to each strategy and objective, ensuring that all actions lead towards the overall vision for the sector.

Matrix of Programs and Projects

Objectives	Objective Performance Indicators	Short-Term Target (2020-2022)	Medium-Term Target (2020-2025)	Long-Term Target (2020-2040)	Strategies	PAPs	Timing of Completion	Agency
Water and Sanitation 1. Improve water and sanitation infrastructure particularly in water-stressed urban areas and areas at risk to climate change	Level of water stress: freshwater withdrawal as a proportion of available freshwater resources**				Streamline policies and improve the regulatory framework to ensure sustainable water supply and sanitation in urban areas	Review and updating of water permit application policies and requirements, with the view of shortening the process	Short-term	NWRB
	Percentage of implementation of programs and projects identified in the Integrated River Basin Master Plans (IRBMP)**					Study on sources of water potential vis-à-vis the projected demand from end-users in preparation for site development, to ensure sustainable water security	Short-term	NWRB
	Proportion of budget invested in water- and sanitation-related projects					Review and updating of guidelines for allowing private sector water concessionaires to use ground water resources	Medium-term	NWRB
	Proportion of monitored bodies of water with					Identification and assessment of existing and projected water-stressed areas nationwide, with recommendations on appropriate settlement and housing development	Short-term	DHSUD

good ambient water quality** Volume of wastewater treated (industries)**	Support financing for climate and disaster-resilient water and sanitation infrastructure				Policy enabling the Public-Private Partnership Center to support local governments in developing metropolitan or regional proposals for public-private partnerships in water and sanitation; localization of public-private partnership project feasibility studies to support local initiatives	Short-term	NWRB PPPC	
						Policy requiring a comprehensive city/municipal infrastructure and service improvement plan in the CLUP and CDP as basis for funding and support from provincial and national government	Short-term	DHSUD DILG
						Program to provide credit facilities for climate and disaster resilient infrastructure projects by the People's Survival Fund (PSF), Landbank, Development Bank of the Philippines (DBP), Department of Finance (DOF), and other government financial institutions including local development funding organizations	Long-term	DOF, DBP, Landbank
						Development of design standards, guidelines and specifications for climate resilient hydraulic structures	Medium-term	DPWH

Energy			
2. Support the transition to renewable energy	Renewable energy share in the total final energy consumption**	Increase energy sourcing from low-carbon and other clean energy technologies	DOE DHSUD
	Proportion of population with access to electricity**		DOE
	Proportion of population with primary reliance on clean fuels and technology**		DOE DHSUD
		Streamline procedures for development of Renewable Energy projects, to improve ease of doing business	Congre ss

	Review and streamlining of business processes and development of incentives for enterprises engaged in renewable energy projects	Short-term	DTI SEC DENR DOE DHSUD NCIP
	Full operationalization of the Energy Virtual One-Stop Shop (EVOSS) to expedite and integrate application processes and payments for permits and certifications for power projects including those utilizing renewable energy, among others	Short-term	DOE
	Coordination with Private Electric Utilities and Electric Cooperatives to strictly adhere to the provision under Section 20 of the Energy Regulatory Commission (ERC) Resolution No. 06 Series of 2019 – "Amended Rules Enabling the Net-Metering Program for Renewable Energy "Section 20 (Processing Timeline). All Distribution Utilities (DUs) shall complete the whole interconnection process within twenty (20) working days from the receipt of the letter of interest, provided all	Short-term	DOE

3. Improve drainage systems to adequately address demands of urbanization and impacts of climate change	Degree of integrated water resources management*	Promote energy efficiency	necessary permits and licenses from various concerned agencies are secured and completed		
			Enforcement of: Renewable Energy Act Biofuels Act Green Jobs Act Local and international green building standards DOE Program on energy efficiency	Short-term	
			Implementation of "Updated Guidelines on Energy Conserving Design for Buildings" of the DOE in order to promote the implementation of energy-efficient systems within buildings	Short-term	DOE, DHSUD
			Establishment/enhancement of research and funding platform by the PSF, Landbank, DBP, DOF, and other government financial institutions, and local development funds	Medium-term	PSF, Landbank, DBP, DOF
		Improve public investment in infrastructure for drainage networks	Comprehensive mapping of natural waterways by National Mapping and Resource Information Authority (NAMRIA)	Medium-term	NAMRIA

Drainage	Proportion of transboundary basin area with an operational arrangement for water cooperation*	Public-private partnership program focusing on drainage projects		Medium-term	DHSUD
			Select and finance infrastructure development through community-driven budgeting processes for drainage projects	Short-term	DOF
			Design drainage networks and related infrastructure using local climate change projections and disaster risks, and considering the storage of excess floodwaters for potential source of domestic water supply, among other possible uses	Short-term	NEDA
			Implementation of climate-resilient hydraulic structures and retention basins for flood control and drainage systems, and issue an Administrative Order requiring such basins	Short-term	DPWH
Change in the extent of water-related ecosystems over time*	Enhanced technical assistance and capacity development programs to enable LGUs to access the	Short-term			

Inter- and Intra-System linkages						
6. Plan urban transport to facilitate inclusive mobility and settlement integration, ensure safety, and reduce negative environmental impact	Proportion of population that has convenient access to public transport, by sex, age and persons with disabilities*	Promote efficiency, inclusive mobility, efficiency, and settlement integration by providing intermodal connectivity among transport infrastructure	Formulation and Implementation of a Transport-Oriented Development Program to create compact, walkable, pedestrian-oriented, mixed-use communities focused on mass transportation and ensure lesser dependence on private vehicles	Medium-term	DHSUD	
			Updating of CLUP and CDP guidebooks to further integrate transport planning	Medium-term	DHSUD	
			Public Utility Vehicle (PUV) Modernization Program (including Bus Rapid Transit and jeepney modernization)	Medium-term	DOTr	
			Development and implementation of national strategy for protected bike lanes	Medium-term	DOTr	
			Updating of CLUP and CDP guidebooks to further integrate transport planning	Medium-term	DHSUD	
			Policy on automatic/required mass transport operations such as bus routes based on density thresholds, especially when linked to socialized housing development	Medium-term	DOTr DHSUD	
			Crafting of Local Public Transport Route Plan (consolidation of operators)	Medium-term	DOTr	

Accelerate conversion to green, low-carbon or electric-powered, resilient and people-oriented transport systems that are inclusive and prioritize public health and well-being	Assessment of best practices on low carbon transportation and minimum energy performance (MEP) standards for vehicles as prescribed under RA No. 8749 or "The Philippine Clean Air Act" and RA No. 11285 or "The Energy Efficiency and Conservation Act"	Medium-term	DOTr DHSUD
		Medium-term	DOTr DHSUD
		Medium-term	DHSUD
		Medium-term	DHSUD
		Medium-term	DOTr DHSUD
Prioritize people-mobility and ensure universal accessibility	Updating of CLUP and CDP guidebooks particularly on urban design and infrastructure development to prioritize non-motorized or active transportation (i.e., walking and cycling) in the design and implementation of transportation projects	Medium-term	DHSUD
		Medium-term	DHSUD
		Medium-term	DHSUD
		Medium-term	DHSUD
		Medium-term	DOTr DHSUD

		DHSUD	DOTr DHSUD
		Medium-term	Medium-term
with the highest capacity as follows: 1. Mass Transit; 2. Buses (10 meters or more in length); 3. Minibuses (7-9 meters in length); 4. River Ferry Systems; 5. Jeepney and Vans; 6. Taxis, and Tricycle.	Enforcement of stakeholder approach to transportation planning to ensure active involvement of stakeholders, especially women, children, the elderly, PWD, LGBTQ+, and displaced persons, among others	Alignment of transportation planning and strategies with policies set forth in Republic Act (RA) 10916 or "The Road Speed Limiter Act"	
		Ensure safety of transportation systems	

3.7 Urban Governance

Urban governance—how urban development and human settlements are planned, decided on, managed, and financed—is key in achieving the long-term goals for the sector. Urban governance requires the concerted effort of all actors, not only formal government agents but the private sector, civil society, informal sector, multilateral agencies, and other stakeholders across the urban system. Together, they must contribute to decision-making and effective implementation of the strategies, programs, and projects identified in this Plan

3.7.1 Thematic Outcomes, Objectives and Strategies for Urban Governance

The DHSUD intends to develop *transparent institutions, accessible governance platforms, and empowered communities* through the following objectives and strategies:

Objectives	Strategies
Urban Legislation and Policy	
1. Improve <u>overall policy environment</u> for better formulation and implementation of programs and projects, and improved urban governance	Harmonize legal frameworks and administrative hierarchies to improve policy implementation, government service administration, and development opportunities Institutionalize the review, monitoring and evaluation of urban development policies, plans, and programs Clarify, review and update institutional mandates Reform the Local Government Code. Formalize LGU associations, functional clusters, or other supra-local administrative authorities/arrangement
Vertical and Horizontal Linkages	
2. Further rationalize and improve vertical and horizontal linkages in urban planning and governance	Improve coordination and collaboration among agencies concerned with urban development and housing Formalize LGU associations, functional clusters, or other supra-local administrative authorities/arrangement Clarify, review and update institutional mandates
Decentralization	
3. Develop institutional mechanisms and tools to support plan implementation and delivery of urban services at the <u>local level, particularly those that require cross-boundary action</u>	Allow and support LGUs that work together formally with adjacent/peer LGUs, and provide necessary interventions by better-equipped national government agencies where economies of scale may be more efficient Capacitate staff at all levels of government Institutionalize the review, monitoring and evaluation of urban development policies, plans, and programs Strengthen local/decentralized governance mechanisms as the core of urban governance and management
Urban Land Management	
4. Improve land management rationalization <u>at the local level</u>	Strengthen local/decentralized governance mechanisms as the core of urban governance and management Enforce delineation and protection of special areas such as protected areas, prime agriculture areas, key biodiversity areas, critical habitats, heritage areas, ancestral domains

Technical Capacity	
5. Increase technical capacity of <u>government</u> to address existing and emerging concerns, including climate change and environmental degradation, growing inequality, intensifying public health risks, and the impact of new technologies	Capacitate staff at all levels of government
People's participation	
6. Encourage people's participation in <u>all aspects of settlements planning and urban development</u> , including public space and urban design	Manage public spaces as venues for participatory governance Operationalize People-Public-Private Partnerships
Leadership and Good Governance	
7. Ensure ethical and effective local leadership for safe, resilient, sustainable, and inclusive cities	Ensure ethical and effective local leadership for safe, resilient, sustainable, and inclusive cities Ensure Urban Safety and Security

3.7.2 Programs and Projects

Legislation and Policy Development

The DHSUD aims to improve and integrate the overall policy environment to support effective urban governance especially at the community level, and towards greater acceptance and engagement of the general public.

This includes a project aimed to achieve **vertical and horizontal urban policy coherence**, that will encompass regional, provincial, and city/municipal governments, and reconcile policies and development plans of NGAs. It will work to link local, metropolitan, regional, and national goals and carry out multilevel capacity building to address gaps in policy implementation.

It also calls for a **policy on continuity of local development plans**, particularly in the context of changes in administration. It may include penalties for unjustified non-continuation of plans and projects.

A **review and update of the Local Government Code** will be conducted to aid in strengthening and rationalizing the actions of Local Development Councils and facilitate the use of betterment levies and other tools to generate revenue. Technical support will also be provided to the legislative branch for the urgent passage of the **National Land Use Act**.

Guidelines and Tools

The Department will develop guidelines and tools to improve urban governance. Among these is the updating of **guidelines on monitoring and evaluation of plans** at the local level, and reporting mechanisms to improve plan coherence. Guidelines on the **creation of LGU alliances, associations, and functional clusters** to improve planning and management capability of LGUs and support better delivery of urban services. The Department will also update **CLUP guidelines to prioritize public space development** and its primary use for community engagement.

The Department will also include increased public safety considerations in the CLUP, including improved health risk assessments to be incorporated in spatial strategies and zoning.

Enforcement and Implementation

To improve implementation, the Department will establish **mechanisms for the dissemination and implementation of the PNUA, NUDHF, NHSUDP, and related urban policies**. This will include alternative learning strategies, collaboration with relevant agencies, case study building based on LGU experiences, and improved reporting tools.

An update of the CLUP guidelines will focus on **improved monitoring and evaluation**, with consideration of SDG indicators, and outcomes monitoring.

Institutional Reform

Major programs that the Department will undertake and support would require institutional changes. For instance, metropolitan development may need a **Metropolitan Urban Development, Housing, and Renewal Authority** that will assist metropolitan authorities, and coordinating metropolitan governance with human settlement concerns. The Department will also provide technical support to the creation of **development authorities or LGU alliances encompassing bioregions** such as watershed or river basins, to improve planning and management capability of LGUs under the ridge-to-reef approach.

Other programs like high-density housing and integrated settlements development would also need **special institutional mechanisms** for better coordination, collaboration, and implementation.

Capacity Development and Knowledge Management

Capacity development initiatives will be more effective with better quality of and access to information, which can be addressed with the establishment of **a comprehensive information system** that include various databases needed for urban development.

Increased depth and breadth of knowledge will serve as basis for policy and plan implementation, monitoring, and evaluation. An updated database of protected areas vis-à-vis areas for urban development, for instance, will help inform land use policy both at the local and national levels, ensure proper delineation of territories and protection zones, and drive innovative approaches to development from the perspective of bioregions.

Matrix of Policies, Programs, and Projects

The proposed policies, programs, and projects are presented below in more detailed form, corresponding to each strategy and objective, ensuring that all actions lead towards the overall vision for the sector.

Matrix of Programs and Projects

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	AGENCY
Urban Legislation and Policy								
1. Improve overall policy environment for better formulation and implementation of programs and projects, and improved urban governance	Mechanisms in place to enhance policy coherence of sustainable development* Extent of use of country-owned results frameworks and planning tools by providers of development cooperation* Primary government expenditures as a proportion of original approved budget, by sector**				Harmonize legal frameworks and administrative hierarchies to improve policy implementation, government service administration, and development opportunities	Vertical and horizontal urban policy coherence program - encompassing regional, provincial, and city/municipal governments - Reconciling policies and development plans of NGAs, linking local, metropolitan/regional, and national goals - Multilevel capacity building to address gaps in policy implementation - Studying possible implications of prospective policies such as those proposed by the LEDAC (National Housing, Development and Production and Financing Act, NHA Charter, SHFC Charter)	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	AGENCY
					Institutionalize the review, monitoring and evaluation of urban development policies, plans, and programs	Review and updating of Urban Land Reform Law with the view of further implementation and expansion beyond Metro Manila, inventory of existing and potential areas for priority development, and prioritization of poor and low income families as a countermeasure to market-driven housing Establishment and funding of mechanisms for the dissemination and implementation of the PNUA, NUDHF, NHSUDP, and other urban policies, including staff hiring and capacity development, communications and knowledge management	Short-term	DHSUD
						Establishment of urban database as basis for policy/plan implementation monitoring and evaluation	Short-term	DHSUD
						Continuing assessment and evaluation of critical projects such as resettlement, particularly on intended outcomes and impacts	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	AGENCY
						Updating of guidelines on monitoring and evaluation of plans at the local level, Development of policy on plan continuity in the context of changes in administration, including penalties for unjustified non-continuation of plans and projects and requirements for continuation of plans and projects beneficial to constituents Reorganization/streamlining of KSAs and full integration into DHSUD	Medium-term	DHSUD
					Clarify, review and update institutional mandates		Short-term	DHSUD
						Establishment of special institutional mechanisms for selected priority areas (e.g. high density housing)	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	AGENCY
					Reform the Local Government Code	Review and updating of the Local Government Code with emphasis on: 1) strengthening, rationalizing, and obligating the actions of Local Development Councils; 2) making zoning more appropriate to new urban problems 3) facilitating the use of betterment levies and other tools to generate revenue out of effectively implemented planned land uses 4) including a Housing Officer as a mandatory position in the LGU	Medium-term	DHSUD DILG
					Formalize LGU associations, functional clusters, or other supra-local administrative authorities/arrangement	Expansion of MMDA's scope from Metro Manila to Mega Manila or Greater Capital Region, with the necessary policymaking and planning functions Creation of formal development authorities for emerging metropolitan centers Creation of a Metropolitan Urban Development, Housing and Renewal Authority or Unit to regulate proposed or soon-to-be-formalized metropolitan	Short-term	DHSUD
							Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	AGENCY
						authorities, as well as to coordinate metropolitan governance with urban development and housing issues like resettlement and urban mobility Creation of development authorities or LGU alliances encompassing bioregions i.e. watershed or river basins, to improve planning and management capability of LGUs under the ridge-to-reef approach guidelines for the creation of LGU alliances to improve planning and management capability of LGUs	Medium-term	DHSUD
Vertical and Horizontal Linkages								
2. Further rationalize and improve vertical and horizontal linkages in urban planning and governance	Mechanisms in place to enhance policy coherence of sustainable development*				Improve coordination and collaboration among agencies concerned with urban development and housing	Rationalization of plans required of LGUs by various laws Identification of housing and urban development initiatives of other government agencies; with corresponding indicators and monitoring guidelines from DHSUD	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term (2020-2022) Target	Medium-Term (2020-2025) Target	Long-Term (2020-2040) Target	Strategies	PAPs	Timing of Completion	AGENCY
					Formalize LGU associations, functional clusters, or other supra-local administrative authorities/arrangement	Localization of the Philippine NUA and SDGs through the CLUP and CDP, and development of a reporting and feedback framework from local to national government Creation of development authorities or LGU alliances encompassing bioregions i.e. watershed or river basins, to improve planning and management capability of LGUs under the ridge-to-reef approach Guidelines for the creation of LGU alliances to improve planning and management capability of LGUs	Short-term Medium-term	DHSUD DHSUD
Decentralization								
3. Develop institutional mechanisms and tools to support plan implementation and delivery of urban services at the local level, particularly those that require cross-boundary action	Guidelines and tools on urban governance developed and implemented at the LGU level				Allow and support LGUs that work together formally with adjacent, peer LGUs, and provide necessary intervention by better-equipped national government agency where economies of scale may be more efficient Capacitate the staff at all levels of government	Guidelines for the creation of LGU alliances, associations and functional clusters to improve planning and management capability of LGUs Capacity development program on planning, implementation,	Medium-term Long-term	DHSUD DHSUD

Objectives	Objective Performance Indicators	Short-Term Target (2020-2022)	Medium-Term Target (2020-2025)	Long-Term Target (2020-2040)	Strategies	PAPs	Timing of Completion	AGENCY
Urban Land Management								
4. Improve land management operationalization at the local level	Localized tools for land management for all LGUs				Strengthen local/decentralized governance mechanisms as the core of urban governance and management	Land information and management system accessible to all LGUs for planning and implementation	Short-term	DHSUD
	Forest area as a proportion of total land area**					Capacity development program on and management at the local level	Medium-term	DHSUD
	Proportion of important sites for terrestrial and freshwater biodiversity that are covered by protected areas, by ecosystem type**					Review of the localization and mainstreaming of relevant national legislation on land management, preservation and protection, biodiversity and sustainable resource use, to identify implementation gaps and recommend improvements	Medium-term	DHSUD DILG

Objectives	Objective Performance Indicators	Short-Term Target (2020-2022)	Medium-Term Target (2020-2025)	Long-Term Target (2020-2040)	Strategies	PAPs	Timing of Completion	AGENCY
5. Increase technical capacity of government to address urban development challenges, including climate change and environmental	Proportion of land that is degraded over total land area** biodiversity strategy integrated plans and reporting systems				Enforce delineation and protection of special areas such as protected areas, prime agriculture areas, key biodiversity areas, critical habitats, heritage areas, ancestral domains	Monitoring of CLUP and zoning ordinance implementation	Medium-term	DHSUD
						Updating of database and policies on National Integrated Protected Areas System (NIPAS) and other areas for protection	Medium-term	DENR
						Joint program for the resolution of boundary conflicts e.g. for ancestral domains	Medium-term	DENR, DA, NCIP, DHSUD
						Review and updating of land reclassification process to properly monitor and account for reclassified lands and address rampant reclassification of agricultural lands	Medium-term	DENR, DAR
						Provision of technical support to legislative branch for the passage of the National Land Use Act	Short-term	DHSUD
Technical Capacity								
5. Increase technical capacity of government to address urban development challenges, including climate change and environmental	Proportion of relevant staff with increased technical capacity			100%	Capacitate the staff at all levels of government	Establishment of urban information and knowledge management system	Medium-term	DHSUD
						Capacity development/trainers' training for DHSUD staff on the implementation, monitoring and evaluation of the NHUDSP	Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term Target (2020-2022)	Medium-Term Target (2020-2025)	Long-Term Target (2020-2040)	Strategies	PAPs	Timing of Completion	AGENCY
degradation, inequality, and public health risks						Knowledge management program for national government and LGUs Enhancement of guides for implementation and M&E	Medium-term Short-term	DHSUD DHSUD
People's participation								
6. Encourage people's participation in all aspects of settlements planning and urban development, including public space and urban design	Number of countries reporting progress in multi-stakeholder development effectiveness monitoring frameworks that support the achievement of the sustainable development goals*				Ensure that plans are developed through participatory processes Manage public spaces as venues for participatory governance	Review and updating of tools for stakeholder participation and community-based monitoring, including enhanced indicators National program for the purchase, development and management of public spaces by government Updating of guidelines on zoning and development controls to reflect priority of public space use, and the utilization of public space for community participation and development Policy to recover legal easements and penalize perpetrators of illegal occupation, including violators of the National Building Code for encroachments on right-of-way areas or legal setbacks	Short-term	DHSUD
	Proportion of population who believe decision-making is inclusive and responsive, by sex, age, disability and population group*						Medium-term	DHSUD
	Proportion of public spaces accessible to and utilized by local population						Short-term	DHSUD

Objectives	Objective Performance Indicators	Short-Term Target (2020-2022)	Medium-Term Target (2020-2025)	Long-Term Target (2020-2040)	Strategies	PAPs	Timing of Completion	AGENCY
Leadership and Good Governance	Degree of participation of private sector and other development				Operationalize people-public-private partnerships	Review, full implementation and enhancement of provisions in the LGC pertaining to broad-based participation, including local development councils	Medium-term	DHSUD
7. Ensure ethical and effective local leadership for safe, resilient, sustainable, and inclusive cities	Proportion of population satisfied with their last experience of public services*				Ensure ethical and effective local leadership for safe, resilient, sustainable, and inclusive cities	Enforcement, review and possible updating of: <ul style="list-style-type: none"> Code of Conduct and Ethical Standards for Public Officials and Employees of the Republic of the Philippines Code of Good Governance for the Professions PRC Code of Good Governance for the Professions in the Philippines Seal of Good Local Governance Policy on shared accountability of local officials and professional workers (e.g. technical specialists) for any violations of urban governance	Medium-term	DILG
	Number of cases relative to ethics and transparency, filed and resolved							
	Crime rate							
	Proportion of population that feel safe walking alone around the area they live*						Short-term	DILG

AGENCY	Timing of Completion	PAPs	Strategies	Long-Term Target (2020-2040)	Medium-Term Target (2020-2025)	Short-Term Target (2020-2022)	Objective Performance Indicators	Objectives
DHSUD	Short-term	Human Settlement and Urban Development Awards to recognize and reward exemplary performance in the sector	Ensure urban safety and security					
DHSUD DILG	Short-term	Enhancement of risk assessment and management tools used in local development planning (CLUP, CDP)						
DHSUD DILG	Long-term	Capacity development for local planners						

4 Guide for Implementation

This Plan has been approved by the National Human Settlements Board. Implementation will consequently be managed by the DHSUD as Chair of the NHSB and leader of the urban development and human settlements sector.

4.1 Vertical and Horizontal Integration

4.1.1 Internal Action Plans

Within a year of the approval of the National Sector Plan, DHSUD Bureaus, Services, KSAs and Regional Offices will craft their **action plans** based on the identified programs and projects.

At the national level, each DHSUD Bureau, Service, and KSA will craft detailed briefs of national-scale programs and projects, with corresponding implementation and monitoring components. These will be done simultaneously with regional offices, taking into consideration the need for vertical integration in policy and programming. Regional offices will craft their regional action plans, translating program components and individual projects into more specific activities, hinged on the indicators and applicability in their local contexts.

4.1.2 Inter-agency Collaboration

It is clear that the Plan will only be successfully implemented through close collaboration among government agencies. DHSUD as lead will initiate and maintain coordination channels with relevant agencies identified in the PAP matrix, as well as other agencies and organizations that will emerge during the project development phase. A coordination body or committee with strong feedback mechanism will be established with DHSUD and other agencies, and activated with approval from the NHSB. The committee will develop a **strategic plan for collaborative implementation**, especially for programs and projects to be led by other agencies and development actors. The said committee will also handle monitoring, and incorporate progress and results into the annual Plan updates.

4.1.3 Local Government Units

The Sector Plan has identified programs and projects that afford direct and indirect responsibilities to LGUs. The DHSUD will hence provide guidance and capacity development to LGUs for their specific roles in the Plan's implementation. This includes enhancements to the formulation of the CLUP, CDP, LSP and other local plans, as well as urban governance, local financing, and other elements of urban development and human settlements that require LGU-level action

4.1.4 Inputs to the National Goals and International Commitments

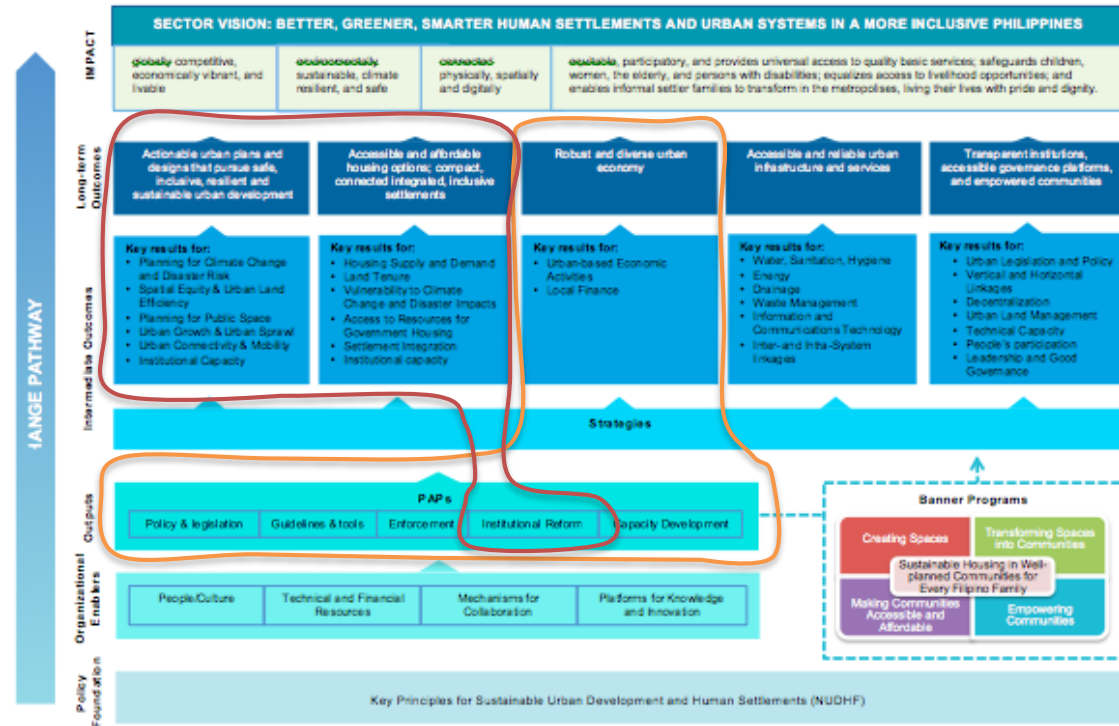
The Sector Plan outputs will feed into and realize the goals outlined in the Philippine Development Plan. This aims to promote coherence in policy and programming, and consistency of actions across the whole governance framework.

The NHUDSP also realizes the strategies in the New Urban Agenda, and contributes to the achievement of the Sustainable Development Goals. These inputs can be monitored through the SDG as well as sector-specific indicators included in the Plan, which will be used as basis for reporting. The indicators can be further detailed in collaboration the Philippine Statistics Authority or the NEDA, for better measurement against national and international commitments.

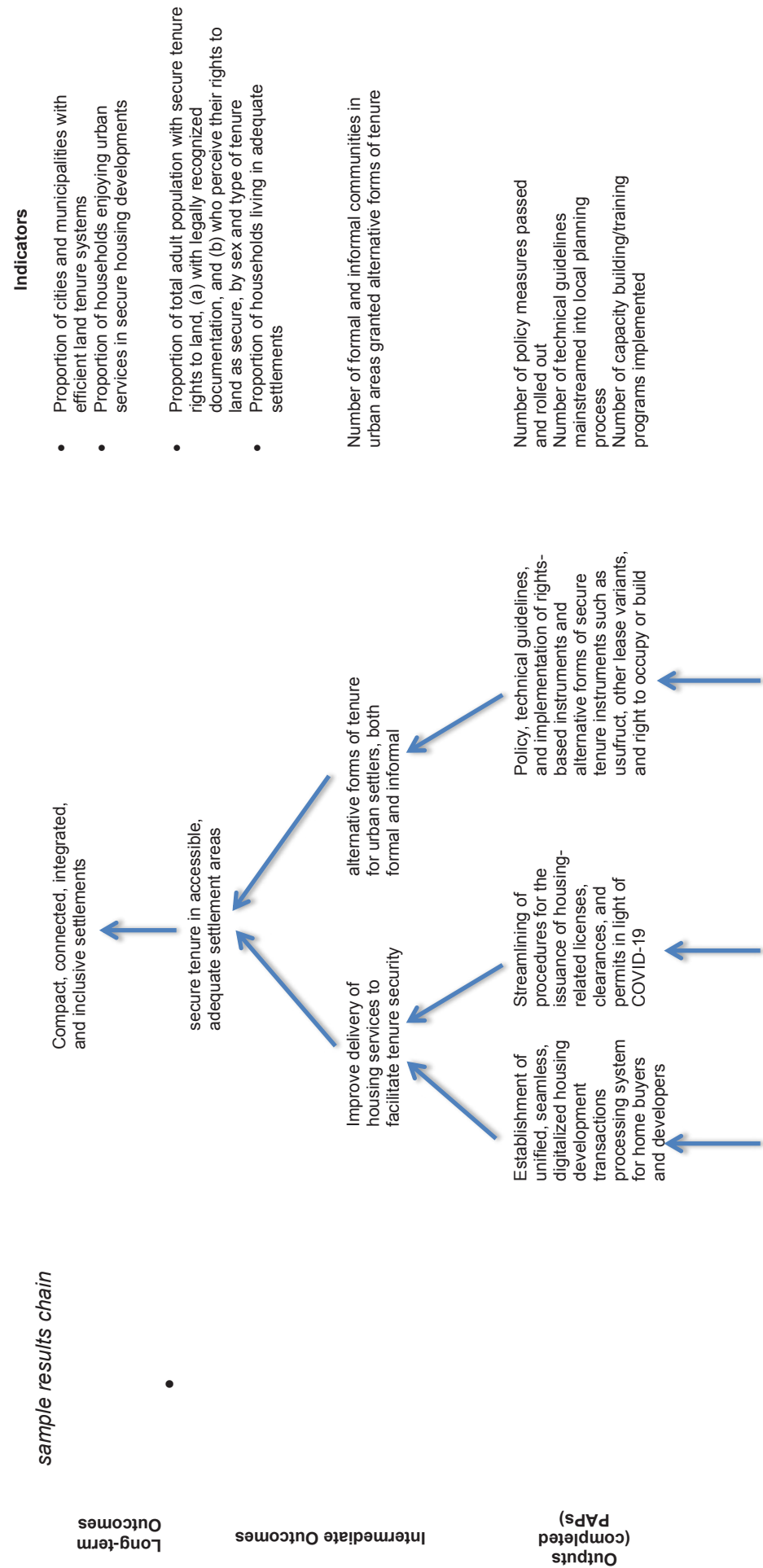
4.2 Monitoring and Evaluation

Utilizing its change framework, the NHUDSP will closely monitor the series of intermediate and long-term outcomes of its programs and projects, along with the outputs. Monitoring outcomes will address longstanding concerns about the overly narrow focus on outputs such as the number of housing units produced, and will emphasize the *effectiveness* of programs. This ensures that the NHUDP is progressing towards the creating long-term changes or impacts, particularly on the vulnerable and underserved communities. This approach also builds on the results-based monitoring and evaluation approach promoted by government.

Each program or project can be viewed from the larger change framework, and broken down into components within each thematic area. It must be noted that some projects are cross-thematic. In other cases, a single project can result in several desired outcomes in different thematic areas. This necessitates more detailed mapping to establish linkages between projects as well as common outcomes.



One way to plot this path is through an outcome sequence or results chain, which can better illustrate the course that a project takes towards an outcome, and takes into account the complex nature of project development and implementation. It should also include the indicators for both outcomes and outputs. Outcome indicators have already been identified in the plan, while output or project-specific indicators need to be developed in the action plans of Bureaus, KSAs, and Regional offices.



- Assessment of current processing system
- Review of best practices database and requirements for housing transactions
- System enhancement/building system managers and end users
- Assessment of current procedures
- Identification of procedural considerations given pandemic-related constraints eg in movement, face-to-face transactions, etc
- updating of procedures
- Policy assessments
- Review and enhancement of guidelines
- Study of best practices in rights-based tenure instruments and implementation plan

Operationally, project-level indicators and other information needed for monitoring can be annexed to the existing PAP matrix presented in this Plan. This will also allow implementers to add further details for each project, such as the scale of implementation, timing and milestones for each project, and means of verification for monitoring.

Sample Expanded Matrix

Objectives	Indicators	Short-Term Target	Medium-Term Target	Long-Term Target	Strategies	PAPs	Timing of Completion	Category	Scale	PAP indicators	Means of verification	PAP Activities	Timing of Completion (years, months)
secure tenure accessible, adequate settlement areas	Proportion of total adult population with secure tenure rights to land, (a) with legally recognized documentation, and (b) who perceive their rights to land as secure, by sex and type of tenure	30%	50%	100%	alternative forms of tenure for urban settlers, both formal and informal	Policy, technical guidelines, and implementation of rights-based instruments and alternative forms of secure tenure instruments such as usufruct, other lease variants, and right to occupy or build	Long-term	Policy Development Guidelines and Tools Enforcement and Implementation Capacity Development	National, Local	Number of policy measures passed and rolled out Number of technical guidelines mainstreamed into local planning process Number of capacity building/training programs implemented	Bureau Reports DHSUD guidebooks CLUPs LSPs	policy assessments Study of best practices in rights-based tenure instruments Review and enhancement of guidelines Crafting of guidelines and implementation plan	6 months 3 months 1 year 2 years Year 3 onwards

To improve monitoring and evaluation, the DHSUD will activate and equip HOPCs and regional offices with monitoring capability. They will serve as satellite repository of data and sector plan progress updates.

The establishment of the national urban information system will also allow for the automation and digitalization of monitoring, achieving greater efficiency and transparency.

