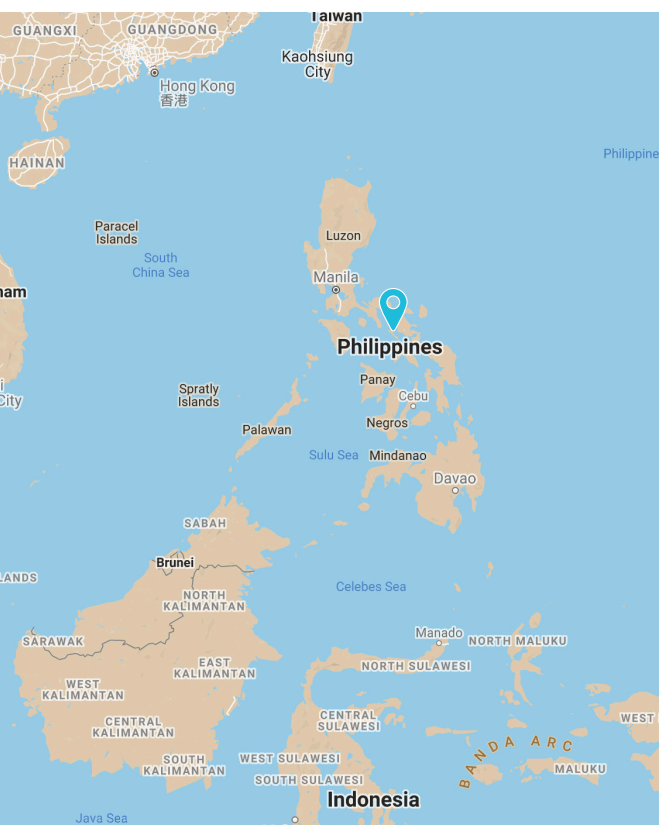


# The Philippines

Partner country

Status of the project: Completed technical assistance



## Basic Information

Population: 109,035,343 (May 2020) | Growth rate: 1.63%<sup>1</sup>

Percentage of urban population: 51.2%<sup>2</sup>

GDP per capita: USD 3,299<sup>3</sup>

Percentage of the population living below the national poverty lines: 23.7%<sup>4</sup>

Annual average infrastructure expenditures as percentage of GDP: 5%<sup>5</sup>

Nationally Determined Contribution (NDC): 75% (2.71% unconditional, 72.29%) of a projected 3,340.3 MtCO<sub>2</sub>e (2020-2030)<sup>6</sup>

National GHG emissions per capita: 1.39 (tCO<sub>2</sub>eq)

Proportion of transport related GHG emissions: 26.1% of energy-related emissions

Exposure to climate change: HIGH

## Context

The Philippines is rapidly urbanising, with 51.2% of its over one hundred million population now living in just 145 cities—33 of which account for more than 70% of the national income. The country has a relatively young population (60% under 30 years old) and, until 2019, an average economic growth rate of over 5% per year.

Active transport and public transport have historically been underfunded on the national and local levels, despite these modes comprising ~80% of trips in Metro Manila and the surrounding provinces. The COVID-19 recovery budget includes increased spending on these modes, which can translate into long-term improvements. In 2018, it was estimated that congestion was costing the economy over PHP 3.5 billion daily in lost productivity, time, and unnecessary vehicle costs—not counting other effects such as GHG emissions and traffic collisions.

<sup>1</sup> [https://psa.gov.ph/content/2020-census-population-and-housing-2020-cph-population-counts-declared-official-president#:~:text=The%20Philippine%20Statistics%20Authority%20\(PSA,Philippines%2C%20pursuant%20to%20Proclamation%20No.](https://psa.gov.ph/content/2020-census-population-and-housing-2020-cph-population-counts-declared-official-president#:~:text=The%20Philippine%20Statistics%20Authority%20(PSA,Philippines%2C%20pursuant%20to%20Proclamation%20No.)

<sup>2</sup> <https://psa.gov.ph/content/urban-population-philippines-results-2015-census-population>

<sup>3</sup> <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations=PH>

<sup>4</sup> <https://neda.gov.ph/statement-on-the-2021-first-semester-official-poverty-statistics/#:~:text=As%20reported%20by%20the%20Philippine,more%20Filipinos%20living%20in%20poverty.>

<sup>5</sup> <https://www.bworldonline.com/infrastructure-gets-budget-boost/>

<sup>6</sup> <https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Philippines%20First/Philippines%20-%20NDC.pdf>

The Philippines faces a range of challenges constraining the ability of the country to transition towards sustainable urban mobility. These challenges include:

- Outdated policies and regulations
- Insufficient collaboration among agencies and lacking capacities of public institutions
- Insufficient capacities within government agencies to plan, implement, and monitor initiatives
- Uncertain funding sources for sustainable urban mobility
- Limited data to monitor and properly plan sustainable urban mobility initiatives
- Limited planning and design guidelines for sustainable urban mobility initiatives

The Philippine Urban Mobility Programme (PUMP) provides mechanisms by which the national government is able to support local governments planning and implementing sustainable urban mobility systems, with focus on public transport, active transport, urban freight, travel demand management, and transit-oriented development. The Programme considered inputs from national- and local-level stakeholders, was developed closely with the Department of Transportation. It has likewise been approved by the National Economic and Development Authority—the country's oversight planning agency—who recognised that it was in line with the National Transport Policy released in 2017.

The GIZ-run TRANSfer project provides ongoing technical assistance for the programme's implementation through several activities such as the data collection toolkit development, which aims to present government partners with a manual that identifies sustainable urban mobility indicators and how to gather the necessary datapoints to monitor them.

In 2022, the approved national budget for road-based transport is at PHP 13.3 billion, higher than the PHP 12.9 billion from 2021 (counting both the COVID-19-recovery fund and usual budget).<sup>7</sup> Of this PHP 13.3 billion, PHP 7 billion is for public transport service contracting, PHP 1.8 billion is for the Public Utility Vehicle (PUV) Modernisation Program including social support, and PHP 2 billion is for active transport.

## Support from the Partnership

**Technical assistance:** National Urban Mobility Program (NUMP)

**Type of NUMP:** Mixed NUMP

**Funded by:** BMU

**Funding amount:** EUR 1,500,000

**Implemented by:** GIZ through the TRANSfer III Project

**Local counterpart:** Department of Transportation

**Finance leverage:** EUR 3,403,000,000

**Main purpose of the NUMP:**

- Offer cities a general enabling framework to formulate, adopt, and implement Sustainable Urban Mobility Plans (SUMPs)
- Identification of measures to support improvements in active transport, travel demand management, transit-oriented development and urban freight

**Vision:**

- Social objective: 'A people-first approach that ensures inclusive, comfortable, safe and dignified access to public services';

<sup>7</sup> [https://docs.google.com/spreadsheets/d/1rh2weqzt4d5qdcVVIUjnMBsDECoV\\_CaDr17k2zFa-E/edit#gid=2058725729](https://docs.google.com/spreadsheets/d/1rh2weqzt4d5qdcVVIUjnMBsDECoV_CaDr17k2zFa-E/edit#gid=2058725729)

- Environmental objective: 'An urban transport system which reduces its negative impacts imposed on the environment and on public health towards healthy cities';
- Economic objective: 'Efficient, affordable and economically sustainable transport, which supports economic vitality for the individual and for the city'.

#### Supported activities:

- Status Quo Report
- Visioning Workshops with national government agencies
- Capacity building workshops (including study tours and online trainings) with government, academia, and private sector
- Technical studies for government (e.g., improvements in public transport operations, building on the Jeepney+ NAMA, service contracting for public transport, production of base maps)
- Development of a Data Collection Toolkit/Manual

## Status of implementation

**Project start:** 2017 Q1

**Project completion:** 2019 Q4

#### Completed outputs:

- EDSA-Bus Case Study: Operations and Business Model (2018 Q4)
- Public Utility Vehicle Modernisation Program Early Evaluation (2019 Q4)
- The Philippines Urban Mobility Programme Concept Document (2019 Q4)
- Sustainable Urban Mobility Data Collection Toolkit (beta version: 2021 Q4)<sup>8</sup>

## NUMP key measures and cost estimates

The following table highlights the most significant measures identified in the NUMP.

| Measure   | Cost Estimate   |
|---|-----------------|
| Develop National walking and cycling Policy                                       | EUR 200,000     |
| Collect data to enable planning   | EUR 300,000     |
| Increase dedicated staff in Department of Transportation & Local Government Units | EUR 55,000,000  |
| Increase focus on NMT in planning process   | EUR 200,000     |
| Address lack of political support   | EUR 100,000     |
| Continued ring-fenced funding for walking and cycling projects in HUCs            | EUR 500,000,000 |
| Develop NMT guidance  | EUR 200,000     |
| Tackle behaviors that discourage walking and cycling                              | EUR 5,000,000   |
| Train existing and future staff on planning for walking and cycling               | EUR 1,000,000   |

<sup>8</sup> <https://bit.ly/PHTransportDataCollection> (<https://mobilitydatatoolkit.notion.site/mobilitydatatoolkit/Sustainable-Urban-Mobility-Data-Collection-Toolkit-for-the-Philippines-f10af05a5c9748eeb642ab157619e7de>)

| Measure   | Cost Estimate     |
|---|-------------------|
| Jeepney modernisation program                                       | EUR 5,800,000,000 |
| Develop freight data collection mechanism                           | EUR 200,000       |
| Develop and implement vehicle standards                             | EUR 300,000       |
| Establish national freight operator dialogue forum                  | EUR 300,000       |
| Support consolidation and professionalisation of the freight sector | EUR 300,000       |
| Establish a motor vehicle inspection system                         | EUR 340,000,000   |
| Promote and assess modern fleet pioneers                            | EUR 200,000       |
| Explore scrappage and buyback program                               | EUR 200,000       |

The following table summarises the total capital expenses (CAPEX) estimates for different types of measures in the NUMP.

| Urban transport investment measures               | CAPEX Estimate (€M) |
|---|---------------------|
| Public transport and NMT (Active Transport)       | EUR 62,000,000.00   |
| Street shaping urban roads and traffic management | Unknown             |
| Other measures (Urban Freight)                    | EUR 1,500,000.00    |
| Total   | Unknown             |

## Finance leverage

| Financing resulting from the NUMP  | Source  | Amount          |
|--|---|-----------------|
| Public Utility Vehicle Modernisation Program                               | Private sector investments                            | EUR 3 160 000   |
| Loans  | Local development banks                               | EUR 36 000 000  |
| Pilot phase of Jeepney+ NAMA (equity subsidy and social support programme) |   | EUR 56 000 000  |
| Support for local production of public transport manufacturer              | National government                                   | EUR 150 000 000 |
|  | Development Bank of the Philippines                   | EUR 8 140 000   |
| Associated financing supporting measures in the NUMP                       | Source  | Amount          |
| Budget for Metro Manila Greenways  | National government                                   | EUR 136,000,000 |
| Budget for National Greenways  | National government;<br>ADB technical assistance loan | EUR 175,000,000 |
| Budget for Green Green Green Program                                       | National government                                   | EUR 45,300,000  |
| Budget for bikeways  | National government (through Bayanihan 2)             | EUR 22,900,000  |
| Budget for public transport service contract                               | National government (through Bayanihan 2)             | EUR 97,200,000  |

| Associated financing supporting measures in the NUMP                | Source  | Amount                           |
|---|---|----------------------------------|
| Budget for common station connecting LRT 1, MRT 3, MRT 7 and Subway | National government                                   | EUR 48,800,000                   |
| Budget for active transport   | National government (2022 General Appropriations Act) | PHP 2 billion / EUR 34,250,000   |
| Budget for public transport service contract                        | National government (2022 General Appropriations Act) | PHP 7 billion / EUR 120,000,000  |
| Budget for PUV Modernisation  | National government (2022 General Appropriations Act) | PHP 1.8 billion / EUR 30,800,000 |

## Projected impacts

| Indicator  | Impact 2030<br>(NUMP vs BAU) | Baseline - 2020          | Projected 2030<br>BAU      | Projected 2030<br>NUMP scenario |
|--|------------------------------|--------------------------|----------------------------|---------------------------------|
| Total annual GHG emissions (Mt CO <sub>2</sub> eq) | -2.5 Mt CO <sub>2</sub> eq   | 20 Mt CO <sub>2</sub> eq | 29.5 Mt CO <sub>2</sub> eq | 27 Mt CO <sub>2</sub> eq        |

## Highlights

### The Philippines' COVID-19 recovery plan focus on urban mobility counterbalances the impact of the pandemics on PUMP implementation

As part of its pandemic recovery plan, the government released a four-pillar socio-economic strategy covering the following areas and amounting to at least PHP 2.57 trillion: financial aid, improvements to healthcare, monetary actions, and job creation. This includes the *Bayanihan to Recover as One Act*, a law which allocates emergency funding of PHP 5.58 billion for public transport service contracts and PHP 1.32 billion for bike lanes and sidewalks.

COVID-19 has highlighted the need for better active transport infrastructure and policies, more green spaces, and stronger government financial support for public transport. However, the continued spread of the virus and widespread lockdowns have also affected implementation of the PUV Modernisation Program and any urban freight initiatives.

### NUMP: a driving force behind the Philippines' sustainable urban mobility efforts, despite challenges in communication and coordination

The National Urban Mobility Policy (NUMP) is being implemented in coordination with the Department of Transportation and the National Economic and Development Authority, providing guidance on sustainable urban mobility indicators and active and public transport measures. However, it appears that the implementation of NUMP is running parallel to the government's other measures, and it is unclear if it is being used as a consistent strategy or the driving force.

For the success of the policy, effective communication is key, as better-known Transport Oriented Development plan supported by JICA have been cited more widely by the public than the NUMP supported by MobiliseYourCity. Nonetheless, the NUMP has still played a significant role in raising awareness and building the capacities of authorities and civil society.

Despite the challenges, the government's efforts to improve sustainable urban mobility are crucial, particularly in light of the pandemic's impacts on transportation and the environment. Greater consistency in the implementation of NUMP measures and communication efforts could help to further drive progress in urban mobility policies in the Philippines.

## Leveraging the required funds for implementation is still a major challenge

Some measures identified in the NUMP are experiencing challenges in securing continuous funding from national and local government agencies, due both to more pressing issues (e.g., COVID) and a prioritisation of heavy infrastructure projects (e.g., rail, roads) over other programs and policies (e.g., reallocation of road lanes for biking and walking). This is reflected in the budget for road-transportation for 2022, of which only 10% has been allocated to active transportation. However, an increase in the transport budget relative to previous years has been made possible by an active civil society movement.

## Political commitment needs to be secured across electoral cycles

Political commitment faces difficulties related to national and local elections, potentially leading to the loss of institutional knowledge in partner agencies (e.g., several key staff and offices in the Department of Transport will depart with the existing administration). This potential barrier is currently being addressed through engagement and communication with several transport agencies (e.g., NEDA).

## Sustainable Urban Mobility Data Collection Toolkit supports the monitoring of NUMP Implementation

In 2022, the Sustainable Urban Mobility Data Collection Toolkit developed in 2021 continued to play a crucial role in informing the planning of urban transport systems and monitoring the implementation of the National Urban Mobility Policy (NUMP). The toolkit provides recommendations on methodologies, tools, and governance aspects for collecting urban transport data, enabling stakeholders at the national and local levels to make informed decisions. The collection of such data is particularly important for policymakers as they work towards sustainable urban mobility amidst the pandemic's impacts on transportation and the environment.

## MobiliseYourCity partners continue to support sustainable urban mobility in the Philippines

MobiliseYourCity partners continue to provide support to the Philippines in 2022 through the Urban ACT project. This project builds on the work previously done by Transfer III as part of MobiliseYourCity, focusing on finding solutions to support cities in financing sustainable urban transport measures. Additionally, MobiliseYourCity Asia is hosted in the Philippines, providing a regional center of knowledge and expertise on sustainable urban mobility.