



Building Globally Competitive Metro Areas in the Philippines

If the country's 12 metropolitan areas can hurdle the challenges posed by the global economy, they could improve their competitiveness and help the Philippines keep pace with economic development with the rest of the world.

According to Rachel B. Mallorca of the NEDA Regional Development Coordination Staff (RDCS), the Philippines should appropriately respond to the opportunities as well as the threats to its economy in order to compete globally.

To do this, the government should eliminate barriers to global markets by fasttracking the implementation of its major programs and projects on infrastructure, basic services, environmental protection, disaster risk reduction, and business and regulatory reforms.

Mallorca's views were raised in her paper *Internationally Competitive Metropolitan Areas in the Philippines: Development Challenges and Strategic Policies* delivered during the National Spatial Policy Conference in Tokyo, Japan, recently.

All About Metropolitan Areas

Wikipedia defines a metropolitan area as a large population consisting of a large city with an "adjacent zone of influence" of neighboring cities. The area is usually named after the most important or largest city within this center.

Data from the United Nations, World Bank and Asian Development Bank revealed that the Philippines is the second most highly urbanized developing country in Asia (see table below). Half of the total population in the country

now reside in urban areas. By 2021, the level of urbanization will increase by 56 percent meaning more than half of the country's population centers will be urbanized.

Given this trend, it is inevitable that other urban centers will also be part of the metropolitan areas in the near future, Mallorca said.

Among the 12 metropolitan areas in the country (see Box), Metro Manila contributes the most to the national economy. As of 2005, it contributed PhP386 billion or about 32 percent of the country's gross domestic product (GDP). Meanwhile, six metropolitan areas are located in regions with relatively high GDP shares.

Mallorca identified these regions as Batangas (Region 4A, 12.5 %); Olongapo and Angeles (Region 3, 8.5%); Iloilo-Guimaras and Bacolod (Region 6, 7.3 %); and Cebu (Region 7, 7.1 %).

These metropolitan areas are among those identified by the National Framework for Physical Planning: 2001-2030 as the country's leading industrial, financial and technological centers which serve as the main ports for international trade.

Country	Level of Urbanization (% of Total)				Average Annual Change		
	1950	1970	1990	2021	1950-1970	1970-1990	1990-2010
Singapore	100.0	100.0	100.0	100.0	0.0	0.0	0.0
PHILIPPINES	27.1	33.0	42.7	55.7	1.0	1.3	1.3
Thailand	10.5	13.3	22.2	36.6	1.2	2.6	2.5
Indonesia	12.4	17.1	28.8	44.5	1.6	2.6	2.2
Malaysia	20.4	27.0	43.0	58.4	1.4	2.4	1.5

Table: Level of Urbanization and Annual Change. From UN World Urbanization Prospects, 1992 and ADB, Key Indicators of Developing Asian and Pacific Countries, 1989, 1992.

Challenges and Strategies

Policies, programs and projects to make metropolitan areas globally competitive, as enunciated under the Medium-Term Philippine Development Plan (MTPDP) 2004-2010, include the following:

A. Provide housing, infrastructure, and basic services

Housing. This program calls for (a) allocation of land for socialized housing in land use plans; (b) improved access to unutilized and affordable housing sites; and (c) improved infrastructure support to existing housing sites. Private sector participation shall be encouraged in socialized housing, finance, and construction, including those housing programs by the Couples for Christ-Gawad Kalinga 777, and the Habitat for Humanity.

Power Supply. Records show that the Philippines has one of the highest costs of electricity in Asia. To lower electricity cost, the government will increase the country's power by increasing oil and gas exploration activities and developing renewable energy such as geothermal, wind, solar, hydro, biomass and plant-based fuels.

Water Supply. Water supplies in most metropolitan areas are inadequate. Programs will thus: (a) pursue raw water pricing and complete the groundwater resource inventory and assessment; (b) control water extraction through a moratorium in the grant of water permits in water-deficient areas and complete registration of all water pumps; and (c) monitor 18 priority rivers nationwide and reduce the biochemical oxygen demand in Pasig River and other priority rivers by 50 percent to provide adequate oxygen for aquatic life.

Infrastructure. New infrastructures have to be built while existing ones repaired or maintained. For Metro Manila alone, the transportation infrastructure program worth PhP7 billion is needed to maintain existing levels of service according to the Metro Manila Urban Transport Integration Study. Strategies for an efficient transport network to enhance mobility of people and goods, here and abroad include: (a) the development of the Luzon Urban Beltway and the South Luzon Corridor; (b) improvement of transportation within metropolitan areas; and (c) addressing critical infrastructure bottlenecks along national roads and bridges.

B. Protecting the environment and reducing risks to natural hazards

Flood Mitigation. The government will improve existing river floodways, drainage canals, esteros through riverbank protection, dredging and desilting, construction of river easements and proper disposal of garbage. Flood control and drainage facilities in all flood and sediment prone areas will also be rehabilitated and improved.

Solid Waste Management. The Ecological Solid Waste Management Act (RA 9003) shall be enforced. This Act sets the guidelines and targets for waste source reduction and minimization. It also provides for the proper

12 Metropolitan Areas in the Philippines

Metro Manila: Manila, Mandaluyong City, Marikina City, Pasig City, Quezon City, San Juan, Kaloocan City, Malabon, Navotas, Valenzuela City, Las Piñas City, Makati City, Muntinlupa City, Parañaque City, Pasay City, Pateros, and Taguig. **Metro BLIST:** Baguio City, La Trinidad, Itogon, Sablan, Tuba. **CAMADA:** Calasiao, Mangaldan, Dagupan City. **Metro Olongapo:** Olongapo, Subic. **Metro Angeles:** Angeles City, San Fernando, Mabalacat, Porac, Bacolor. **Metro Batangas:** Batangas City, Bauan, San Pascual. **Metro Naga:** Naga City, Bombon, Calabanga, Camaligan, Canaman, Gainza, Magarao, Milaor, Minalabac, Pamplona, Pasacao, Pili, San Fernando, Bula, Ocampo. **Metro Iloilo-Guimaras:** Iloilo City, Leganes, Pavia, Oton. **Metro Cebu:** Cebu City, Lapu-Lapu City, Mandaue City, Cordova, Consolacion, Liloan, Compostela, Talisay, Minglanilla, Naga. **Metro Bacolod:** Bacolod, Talisay City, Silay City. **Metro Cagayan de Oro (CDO):** CDO City, Jasaan, Vilanueva, Tagoloan, Claveria, Opol, El Salvador, Alubijid Laguindingan, Gitagum, Libona, Manolo Fortiñc, Talakag, Baungon, Malilbog, Sumilao. **Metro Davao:** Davao City, Sta. Cruz, Panabo City, Tagum City, Island Garden City of Samal, Digos City.

segregation, collection, transport, storage, treatment and disposal of solid waste; and promotion of research and development programs for improve methods of waste reduction, collection, separation and recovery.

Air and Water Pollution. Congress enacted the Clean Air Act that became the basis for the implementation of the following strategies: (a) establishment of air sheds for better management of the air quality; (b) setting up of the state-of-the-art air quality monitoring systems; and (c) pursuing urban greening in Metro Manila and other major urban centers, among others. For water, the Clean Water Act aimed to: (a) establish water quality management areas; (b) prepare national sewerage and septage management program; (c) provide discharge permits and wastewater charges for industries.

Reduced Vulnerability to Natural Hazards. To reduce disaster risks caused by typhoons, earthquakes, and tsunamis, the following measures are being implemented: (a) geohazard mapping and risk analysis to identify hazard-prone areas; (b) enactment of legislation in aid of disaster mitigation such as preventing the titling of danger zone easements, and providing incentives for developing higher elevation areas to encourage migration from flood or tsunami-prone sites; and (c) retrofitting of existing structures and upgrading of building standards to make these structures more equipped to handle earthquakes.

C. Improving Business/Regulatory Procedures

Business and regulatory procedures should be improved through the following strategies: (a) reducing red tape in government agencies; (b) implementing anticorruption efforts such as lifestyle checks and values formation; and (c) implementation of the Government Electronic Procurement System to serve as the primary source of information on all government procurement.