

Home Along the *Riles*¹, Rivers and Sidewalks



Providing security of tenure to hundreds of thousands of informal settlers and homeless Filipinos has been one of the most daunting tasks for every administration that has come to power.

President Gloria Macapagal Arroyo (PGMA), at the onset of her first term (2001-2003), promised to provide security of land tenure to 450,000 urban poor families. Through presidential proclamations, Community Mortgage Program (CMP) and other housing programs, GMA has accomplished 62 percent (280,932 families) of her housing target².

Now on PGMA's second term, housing is in her ten-point agenda unveiled during her inaugural speech in June last year (2004):

"6. The decongestion of Metro Manila by forming new cores of government and housing centers in Luzon, Visayas, and Mindanao.³"

Housing in the Medium Term Philippine Development Plan (MTPDP)

Taking cue from the president, the country's top economic managers through the MTPDP for 2005-2010, intends to meet the housing demand by adopting a "strategic framework anchored on a multi-stakeholder / tripartite, market-based, private sector and LGU-led reforms and approaches."⁴

Based on the estimates of the Housing and Urban Development Coordinating Council (HUDCC), the country's housing need stands at 3.75 million units for 2005-2010.



Housing Need, 2005-2010

CATEGORY	TOTAL
Housing Backlog	984,466
- Doubled-Up Housing	387,315
- Replacement/Informal	588,853
Settlers	8,298
- Homeless	186,334
Substandard (Upgrading)	2,585,272
New Households	
	Total 3,756,072

Source: HUDCC

The housing sector also sets the following goals under the MTPDP: a) job generation; b) shelter security of the different housing market segments; and c) the Millennium Development Goal (MDG) of improving the lives of slum dwellers.⁵

The MTPDP also included in its action plan the provision of predominantly socialized and low-cost housing units to 1,145,668 families⁶.

MTPDP Housing Target (2005-2010)

HOUSING PACKAGE	NUMBER OF UNITS	PERCENTAGE SHARE
Socialized (below PhP225, 000)	780,191	68.1 %
Low Cost (PhP225, 000- 2 M)	365,282	31.8 %
Medium (PhP2 M-4 M)	195	0.01 %
Total	1,145,668	100.0 %

Source: HUDCC

However, there are unsettling questions and inconsistencies in the government's housing framework and strategy that cast doubts on its capability to provide accessible, affordable and quality shelters to informal settlers and homeless Filipinos.

The administration as stated in the MTPDP views housing as an economic activity that has a 16.6 multiplier effect, "meaning for every P10 B worth of housing units, it can contribute a total of P166B."⁷ There is nothing wrong with this because this can generate jobs and stir economic activities as stated in the MTPDP goals for housing. However, the government has no intention of directly financing housing activities but instead calls on the private sector to take the lead. This policy direction is no different from what is happening now, wherein housing projects end up either vacant because the intended beneficiaries could not afford them or accessible only to middle and upper class families.

Even the socialized and low cost housing programs of the government classified as direct housing provision under the MTPDP are mostly accessible only to those employed and members of PAG-IBIG, Government Service Insurance System (GSIS), and Social Security System (SSS).

construction, the government plans to create an active and liquid secondary mortgage market and peg housing credits and loans at market-based interest rates⁸. Simply put, the government intends to sell existing housing loans and amortizations in the forms of mortgage-backed securities to the private sector. These approaches may succeed in generating funds for housing but again the question is who will benefit and who can access housing projects that are market-based and controlled?

So, where would the informal settlers claim their housing entitlement? The National Housing Authority (NHA) as well as the Community Mortgage Program (CMP)⁹ implemented by the National Home Mortgage Finance Corporation (NHMFC) has very limited capacity to cover the existing and incoming informal settlers in urban areas. It is true that the MTPDP aims to strengthen these programs and establish an “on-budget” amortization subsidy scheme¹⁰ but it did not specify where the needed resources would come from.

The MTPDP also endorses the institutionalization of the Socialized Housing Finance Corporation (SHFC) that would have an authorized capital of P15 Billion and would address the housing needs of the bottom 30% poor families.¹¹ However, this early, a controversy threatens the establishment of the SHFC. The NHMFC created the SHFC in 2003 to separate and protect the CMP funds, but now under a new president, the former is refusing to release the funds for the registration and operationalization of the SHFC¹².

Worse, the NHMFC came out with new CMP policies geared towards lessening community participation in transacting with the landowners and in the whole financing process of the program¹³. Meaning, the institution is bent on transforming CMP into an ordinary housing program just like the ones being administered by the NHA that has inefficient collection performance.

Demolitions

Apart from government neglect, informal settlers have to live under constant threat of being forcefully evicted from their communities. Most of the time, government agencies—local government units and private landowners order demolitions without complying with the requirements mandated by the law, specifically RA 7279 or the Urban Development and Housing Act (UDHA).

RA 7279 clearly states that evictions of informal settlers could only be done under three circumstances: a) when people are in danger zones and other public places; b) when government projects with funding are about to be implemented; and c) when there is a court order for demolition.

To protect urban poor communities from arbitrary and forced evictions, the same law laid down the following pre-requisites for demolition activities: a) 30-day notice prior to the eviction date; b) adequate consultations; c) presence of local government officials during the demolition; d) proper identification of those taking part in the demolition; e) no use of heavy equipment; f) proper uniforms for the police; and g) adequate relocation or financial assistance if the former is unavailable.







Stark poverty and lack of access to land, compounded by a lackluster government housing program and the prohibitive cost of construction materials, have deprived decent shelter to a lot of Filipinos. For the poor majority, home is a cramped, makeshift accommodation in congested, unhealthy and unsafe surroundings.





The downside of this law is that these safeguards do not cover structures and houses built after its ratification on March 28, 1992. The weird logic for the cut-off date is that after the law has been passed, there is no more reason for people to squat on private or public lands since UDHA is supposed to have solved land tenure problems by then.

In the first half of 2005, the Urban Poor Associates (UPA) monitored sixteen demolition incidents that affected 901 families or 4,505 individuals. This figure is remarkably high compared to the eight (8) demolitions also monitored by the UPA for the whole year of 2004.

Of these incidents, 12 were conducted by the government and 4 by private entities; five (5) cases were confirmed to have taken place without any consultation, two (2) were verified to have been conducted without any notice given to the affected families, and four (4) cases left the evicted families without any relocation nor any form of assistance.

Ironically, the government agencies that effected the twelve (12) demolition operations were guilty of violating the law by failing to secure Certificate of Clearance (COC) from the Presidential Commission on the Urban Poor (PCUP).

Two of the demolitions recorded were violently conducted. One was carried out by the wrecking crew of the Metro Manila Development Authority (MMDA) in Barangay Sta. Cruz in Quezon City and resulted in the burning of the housing materials and personal belongings of the residents. The other was by a court sheriff in Barangay Tonsuya, Malabon involving the 6-hectare property of the Gozon family. It was reported that without warning or consultation the sheriff, escorted by policemen and demolition crews, arrived in the community and immediately began tearing down houses. The angry residents retaliated by stoning them. Policemen claimed that some of the people fired guns. Eleven (11) persons were hurt in the said incident.

Government Projects

Based on HUDCC data, four major projects of the government, namely the **North Rail** and **South Rail** relocation programs, **Pasig River Rehabilitation**, and **Esteros Program** would necessitate the relocation of 108,358 families and would require P19 billion funding.

The long delayed \$503 million North Rail relocation program of the government funded by China's Eximbank has begun to affect the lives of thousands of families living along the "riles." Vice-President and HUDCC Chair Noli de Castro stated that 27,000 families were to be relocated along the old tracks of the Philippine National Railways (PNR) in Caloocan, Malabon, Valenzuela, Bulacan and Pampanga¹⁴. The said project should have started by fourth quarter last year but it has not kicked off yet.

However, late last year (2004), several senators led by Sen. Richard Gordon criticized the planned reconstruction of railway tracks from Caloocan City to Clark Air Base in Pampanga as too costly and even

branded it as a “white elephant”¹⁵.

The perennial problem of resources also threatens the smooth relocation of affected families. Officials estimate that P7.3 billion is needed to relocate the 40,000 families living along the railways and this amount could not be taken out from the Chinese loan. NHA already allocated P1 billion for this but the remaining amount is yet to be appropriated by Congress as part of the national budget¹⁶.

But even with this amount, NHA had a hard time looking for relocation sites for the 4,000 families in Malabon and 7,000 in Valenzuela City. Negotiations for acquiring a relocation site in Barangay Bignay in Valenzuela broke down when NHA refused to pay the price set by the landowner Santa Lucia Realty Corp¹⁷.

Later in October last year (2004), still no relocation has been agreed upon between the NHA, the Malabon residents and the local officials. The affected families rejected the NHA offer to relocate them to Barangay Panghulo and in Towerville, Bulacan. Instead they expressed their desire to be transferred to Valenzuela but its mayor, Sherwin Gatchalian, refused to accept them¹⁸.

Due to lack of adequate relocation, disagreements between the residents and government agencies, and protests of the affected families, the House Committee on Housing and Urban Development imposed a moratorium on scheduled demolitions in Malabon and Caloocan. The said order temporarily stopped the execution of notices of eviction already distributed in these areas¹⁹.

But according to UPA, authorities have begun to carry out demolitions in Malabon and Valenzuela in January this year (2005) and have so far transferred 6,902 families. UPA added that the Caloocan demolitions involving 1,300 families took place earlier during Mike Defensor’s term as HUDCC chairperson, in late 2003.

Conclusions

The government is a signatory to various human rights instruments that guarantee housing among others as a human right of every individual. These treaties mandate the Philippine government to realize this right by making housing and other related services affordable, accessible, habitable and culturally sensitive. For the vulnerable groups such as the urban poor and the homeless, the government is obligated to exert extra effort and allocate resources to fulfill these sectors’ housing entitlement.

But the reality is definitely far from the ideal.

The cash-strapped administration dutifully prioritizing its foreign and local debts, even onerous ones, has treated informal settlers with contemptuous neglect. And worse, the government in its inefficient implementation of projects and in cohort with private usurpers has been arbitrarily evicting informal communities. Those who were “lucky” enough to be moved to relocation sites





had to contend with lack of or non-existent basic services and infrastructures and higher transportation costs going to work.

The government would also be violating the right to housing of its constituents if it continues to view housing purely from an economic vantage point and allows and even encourages private capital to dominate the housing sector. This is tantamount to government abandonment of its duty to provide equitable housing opportunities to its citizens especially the underprivileged, homeless and landless Filipinos.

But to be fair, there are still times when government officials and politicians suddenly remember to care for the urban poor and order demolitions to halt to a screech particularly during election season, for obvious reasons.

Endnotes

- ¹ Railroad tracks
- ² Karaos, Anna Marie A., and Charito C. Tordecilla. Looking Back and Ahead: A Review of GMA's Housing Performance, *Intersect* Vol.19 NO.2, April-June 2004, p. 17
- ³ GMA Ten-Point Agenda, http://www.news.ops.gov.ph/pgma_10point-agenda.htm
- ⁴ Medium Term Philippine Development Plan 2005-2010, <http://www.hudcc.gov.ph/index.php?id1=2&id2=8&id3=0>, p. 62
- ⁵ *Ibid*
- ⁶ *Ibid* p. 65
- ⁷ *Ibid* p. 59
- ⁸ *Ibid* p. 62
- ⁹ CMP is a program that allows urban poor communities to borrow money from the government or access government-backed loans from the banks to purchase land. The community acting as an association has a big role in negotiations with the landowners, the government, and the banks, and in collecting contributions for amortization.
- ¹⁰ *Ibid* p. 63
- ¹¹ *Ibid* p. 67
- ¹² Karaos, Anna Marie A., Housing Program Faces Virtual Death, *Philippine Daily Inquirer*, p. A15, May 2, 2005
- ¹³ *Ibid*
- ¹⁴ *Philippine Daily Inquirer*, 27,000 Families to be moved to pave way for railway plan, p. 15, June 4, 2005
- ¹⁵ Ubac, Michael Lim, Dick Bucks Northrail; Noli defends relocation cost, p. 9, November 11, 2004
- ¹⁶ Fernandez, Butch, North Rail relocation to cost government P7 billion, *Today*, p. 2, November 26, 2004
- ¹⁷ Vicente, Julius, GMA urged to intervene in PNR project, *Today*, p. 2, July 12, 2004
- ¹⁸ Tandoc, Edson C. Jr, Northrail families told to leave site by Nov.15, *Philippine Daily Inquirer*, p. A20, October 14, 2004
- ¹⁹ Tandoc, Edson C. Jr, Displaced rail folks' woes not yet over, *Philippine Daily Inquirer*, p. A23, November 6, 2004