

Still Searching for a Roof

The Right to Housing Situation

BY JM VILLERO

THE URBAN poor communities had reason to be relieved – albeit temporarily – in the few months approaching May 2007. This being election season, there was a *de facto* moratorium on demolition operations. This time, instead of being hounded out of their makeshift dwellings, urban poor settlers were being wooed by politicians.

In at least one instance, President Gloria Arroyo herself stopped the planned removal of shanties from an area owned by the Philippine National Railways (PNR) in Sta. Mesa, Manila. Some 600 residents would have gone homeless had the demolition pushed through in April this year. But with the May 2007 national elections just a peep away, the president decreed: *don't touch the squatters*.

Election hoopla

But a stay order on a planned demolition – even one coming from the president – does not really solve the affected families' tenure problems over the land they occupy. At best, it only prolongs what would be an inevitable eviction. And from the wider angle, providing reprieve to some 600 people hardly makes a dent on the country's housing and human settlement problem. Furthermore, it ignores questions regarding the [in]habitability of the settlements and the dwellers' lack of access to basic rights such as potable water, sanitation, adequate sewage, electricity, a healthy

environment, employment, etc. It likewise leaves unanswered concerns about limited or wholly absent basic social services such as health facilities, schools, etc. It is oblivious to the fact that slum inhabitants are trapped in a markedly degraded environment that makes them highly vulnerable to diseases and prevents them from fully realizing their human potentials.

Providing housing security to a rapidly growing population, is a very serious matter. It should not only be an election gimmick. Under international human rights standards and national laws, the government has obligations to fulfill the housing security rights of its population.

Because forcible eviction is a life-and-death matter for slum settlers, buying their votes through a temporary halt on demolitions is an old election trick that is truly reprehensible. This is a challenge to institutions and organizations that pursue voter education programs: how to make housing rights and housing security an election issue, and how to put housing concerns in the candidates' platforms. An empowered and educated voting population could easily compel candidates, especially those running at the city and municipality levels, to include land tenure and decent and affordable housing among the deliverables.

Housing backlog

The Philippines has a projected housing need of more than 600,000 per year (see *Table 1, "Housing Need per Region, 2005-2010"*). But in 2006, it was only able to build some 57,684 new housing units. Such a very low accomplishment rate, coupled with a briskly growing population (1.8% annually [2006]), can only mean that the housing problem in the country is worsening. This housing shortage is more acute in urban areas, especially the National Capital Region and adjacent provinces, which remain strong magnets for rural migrants. In fact, almost half (48%) of the country's projected housing needs are in the highly urbanized areas in Regions III and IV and in Metro Manila (see *Graph 1*).

TABLE 1. Housing Need Per Region, 2005-2010

Region	Annual Backlog	Backlog + New Households ^{1/}						Total
		2005	2006	2007	2008	2009	2010	
NCR	58,412	82,182	82,434	82,689	82,946	83,206	83,469	496,928
CAR	1,309	6,494	6,589	6,685	6,783	6,882	6,984	40,416
I	5,556	25,027	25,446	25,874	26,310	26,757	27,212	156,626
II	4,078	17,725	18,032	18,346	18,667	18,995	19,330	111,094
III	12,569	71,938	73,837	75,798	77,821	79,909	82,064	461,368
IV	23,827	127,872	131,742	135,757	139,920	144,239	148,718	828,248
V	12,267	28,288	28,557	28,830	29,109	29,392	29,679	173,855
VI	16,816	36,941	37,255	37,574	37,898	38,227	38,561	226,455
VII	10,578	45,880	46,865	47,877	48,918	49,988	51,087	290,616
VIII	7,281	18,766	18,940	19,116	19,294	19,476	19,660	115,252
IX	7,642	21,824	22,133	22,449	22,772	23,101	23,438	135,717
X	5,912	18,880	19,164	19,455	19,751	20,054	20,364	117,668
XI	11,158	41,922	42,722	43,542	44,384	45,248	46,134	263,952
XII	6,661	18,033	18,270	18,511	18,758	19,009	19,266	111,847
ARMM	5,126	22,800	23,482	24,190	24,926	25,691	26,484	147,574
CARAGA	5,942	12,791	12,902	13,016	13,131	13,248	13,367	78,456
Total	195,133^{2/}	597,362	608,370	619,708	631,389	643,422	655,821	3,756,072

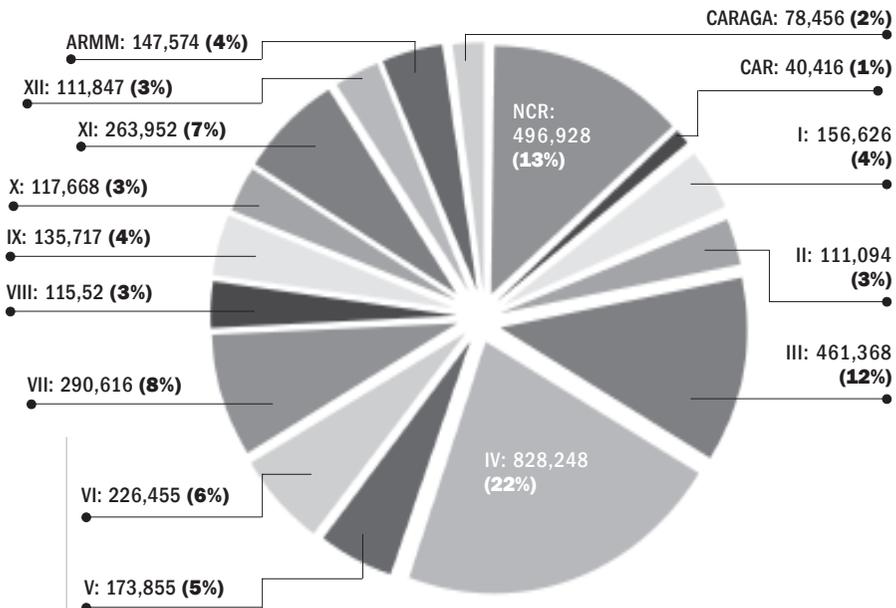
^{1/} Refers to the annual Housing Backlog plus projected yearly New Households.

Annual Backlog is the total housing backlog for the medium-term divided by six years.

Source: <http://www.hudcc.gov.ph/www/SiteFiles/File/Housing%20Databases/Housing%20Need%20Per%20Region%202005-2010.pdf>

Providing low-cost housing entails a lot of money. In May this year, the president reportedly approved an additional P50 billion, to be sourced from government financial institutions, that will go to the building of 270,000 low-cost houses. The government intends to build 100,000 low-cost dwellings per year, at a cost of P155,000 per unit. At this rate, the P50 billion will be spent in less than three years.

GRAPH 1. Total Housing Need of each Region, 2005-2010



Source: <http://www.hudcc.gov.ph/www/SiteFiles/File/Housing%20Databases/Housing%20Need%20Per%20Region%202005-2010.pdf>

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With housing accomplishments far below the projected needs, more and more lower- and marginal-income Filipinos will be forced to live in squatter settlements in the interstices of large urban centers like Metro Manila. It is estimated that the bottom 40 per cent of both urban and rural households are forced to resort to informal housing or settlements in congested areas under deprived and risky living conditions because of poverty and the absence of accessible decent housing (COA, 2005, p. 2).

As of the latest estimates (2001) based on a survey by UN-Habitat, the number of slum dwellers in key urban centers in the country has reached 20 million, representing about 44% of the country's urban population. Around 57% of these informal settlers are in Metro Manila. The government projects that by 2020, there will be around 100 million slum-dwellers in the country. Lack of funding assistance, coupled with a private sector reluctant to invest in low-cost housing, have been cited as reasons for the persistent squatting problem in the country.

Grave implications

According to the Worldwatch Institute, an international environmental and social policy think tank, this means that more and more people will be packed in severely crowded (*see Table 2 for population density, selected Philippine cities*) and highly degraded living environments where they have very limited access – if at all – to “key necessities such as clean water, a nearby toilet, or durable housing.” The growth of slums, Worldwatch said, has also grave implications for global warming.

This concern is echoed by the UN-Habitat’s executive director, Anna Tibaijuka. According to her, cities “are part of the problem and part of the solution to climate change.”

“The urban poor have to be part of the equation,” she said, stressing that “without sustainable urbanization, sustainable development could well prove elusive.”

Tibaijuka warned that “As climate change threatens to alter the face of the planet, mega-cities, many of which are located by the sea, stand to become potential disaster traps, especially for the billions of the world’s urban poor living in slums.”

TABLE 2. Population Density, Selected Highly Urbanized Cities, 2000**

AREA	PERSON/KM ² *
Philippines	255
Manila	63,243
Pasay City	25,351
Caloocan City	21,104
Quezon City	12,660
Iloilo City	8,724
Baguio City	4,389
Bacolod City	2,749
Cebu City	2,282
Lucena City	2,445
Olongapo City	1,050
Cagayan de Oro City	1,119
Davao City	469
Zamboanga City	425

NOTES:

*Estimated land area used in the computation of density is based on the 2000 estimated land areas certified by the DBM and published by the Land Management Bureau, DENR

**Estimated population for year 2000 was 76.3 million

Source: National Statistics Office. *Philippines in Figures 2007*.

Worsening living conditions

ASEAN leaders are well aware of the problems posed by the growth of slums. During the World Economic Forum on East Asia in June this year, delegates cited urban congestion as one of the key problems that the ASEAN region faces. An Asian Development Bank-commissioned study presented during the forum pointed out that as more people from the rural areas migrate to the cities looking for livelihood opportunities, pollution and traffic congestion will worsen, the quality of life in urban areas will further deteriorate, and poverty will escalate.

Indeed the problem of deteriorated living environments is already on a massive scale in the country. The Water and Sanitation Program (WSP)-East Asia and the Pacific estimates that there are at least 23 million Filipinos who have no access to basic sanitation like toilets and clean water. According to Brian Steven Smith, acting regional team leader of WSP, the Philippines ranks fourth in the region when it comes to basic sanitation problems. Worst in the region is China, followed by Indonesia and Vietnam.

Lack of political will and coordination among the different agencies caused this problem, Smith said.

Unavailability of basic sanitation is the main culprit in the uncontrolled spread of water-related diseases in the country. It is estimated that 31% of illnesses among Filipinos are water-related, such as diarrhea and E. coli. Each day, some 25 Filipinos die from diarrhea.

Moreover, the lack of proper human waste disposal systems causes the contamination of aquifers and underground water reservoirs that are sources for drinking water. This, again, poses a great health risk to the general population.

Income disparity

According to the Habitat for Humanity, the housing crisis will only worsen because of the increasing gap between the rich and the poor.

Because of the rising inequality in the Asian region, economic and development gains have not really benefited the poor, Habitat noted. In fact, it said, “in some cases, [it] has negatively affected low-income urban residents.”

It warned that uneven economic growth in the Asian region will have severe economic, social and political impact.

Brisk business

Contrary to popular notions, the housing business in the country is bracing – for those who have the means. The outlook from the commercial housing sector is very upbeat. CBRE-Philippines, a leading player in the commercial housing market, forecasts that there will be “continued growth in the Philippine housing sector.”

The real estate sector has been showing momentum since 2004, and it has not lost steam since then.

The housing demand is largely fueled by remittances from OFWs (which reached an estimated \$12.76 billion in 2006) and Filipino immigrants, as well as by the housing requirements of urban professionals. These sectors seek housing packages in the P1.5 to P2.5 million price range.

The outlook is so bright, apparently, that market analysts predict a double-digit growth in the short- to medium-term.

At the expense of the poor

But the commercial housing sector’s good fortune comes at the expense of the very poor, primarily because vigorous demand for pricier and higher-scale housing spikes real estate value.

Escalating land value means increasing numbers of families – even those who have access to government financing – will be bumped off the real estate market. As for the marginalized sector, who have no access at all to flexible financing, acquiring a piece of land will be next to impossible.

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As the Habitat report notes, “one of the most disturbing trends present throughout the region is the rise of wealth and income inequality” which, according to the study, “affects shelter conditions directly in that those with wealth effectively drive up urban land prices.” In the rural areas, meanwhile, “land holdings concentrated in a few hands is a chief contributor to landlessness and poverty.” This, says Habitat, is probably one of the reasons why there is a massive exodus from the rural areas towards the urban centers. But in trying to flee the crushing poverty in the provinces, the rural people only end up in slums, where crushing poverty and deprivation await them.

“Rapid urbanization and rising urban land prices have increased the number of slum dwellers,” Habitat said.

Scams

The bright outlook has also attracted those who want to profit through dishonorable means. There have been news reports that overseas Filipino workers (OFWs) are falling victims to all kinds of questionable investment schemes, including housing scams. Reportedly, some people have been duped into buying, through “pre-selling” schemes, real estate and townhouses or condominium units that remained unfinished.

Because the units are “pre-sold,” when construction does not push through, buyers are often not fairly refunded.

When this happens, buyers have nowhere to go for restitution, primarily because there are questions of jurisdiction over the cases. Some were referred to the justice department, for the filing of estafa charges. But it is the opinion of the justice secretary that the final jurisdiction rests with the Housing and Land Use Regulatory Board (HLURB).

HLURB, however, does not have punitive powers and can only order the seller or developer to return the money. It is unclear what recourse is available to the buyer should the developer fail to return the money.

Left on their own

But housing scams like these that victimize the OFWs will not be solved merely by ironing out jurisdiction issues.

At the root of this problem is a market-oriented environment where the government leaves its citizens at the mercy of the private (business) sector. When government housing projects are not attractive enough, those with the capability, no matter how limited, will opt for housing provided by the private sector, i.e., by commercial developers.

Yet, instead of expanding and improving its housing and human settlement program, the government is encouraging the participation of private/commercial developers and financial institutions in housing construction and financing. Lesser government role in the provision of housing and housing finance is the first among the four priority strategies identified in the Medium-Term Philippine Development Plan for Shelter to achieve the government's housing goals.

Giving the business sector greater role in the provision of housing and allowing market forces to blindly dictate the availability and affordability of dwelling units certainly will have negative effects on the Filipinos' efforts to realize their housing rights. As already noted, increased housing demand in the private/commercial sector pushes land prices beyond the reach of the poor, further depriving them of the opportunity to secure a piece of land on which to build their dwellings.

The duty of providing affordable and acceptable housing and habitable settlements, especially for the poor majority, should never be relinquished by the state.

Bloated accomplishments

The government's housing accomplishments, already way below the moderate targets, should not be taken at face value. The latest audit report available from the Commission on Audit (COA)

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concludes that the housing program of the government “could not be considered effectively implemented” (COA, 2005). The audit report noted that

1. the government was unable to meet the targeted housing needs;
2. there was weak coordination among housing agencies; and
3. there were inadequate policies for land banking and for disposition/distribution of available housing units.

From 2001 to 2004 (the period covered by the audit), the government had a modest target of 1.2 million out of the total estimated 3,624,000 housing units needed. But the audit found out that “of the total target, only 892,216 units were *reportedly* accomplished as of September 2004” (*emphasis supplied*). Foremost among the reasons for this below par accomplishment is the weak coordination among the housing agencies.

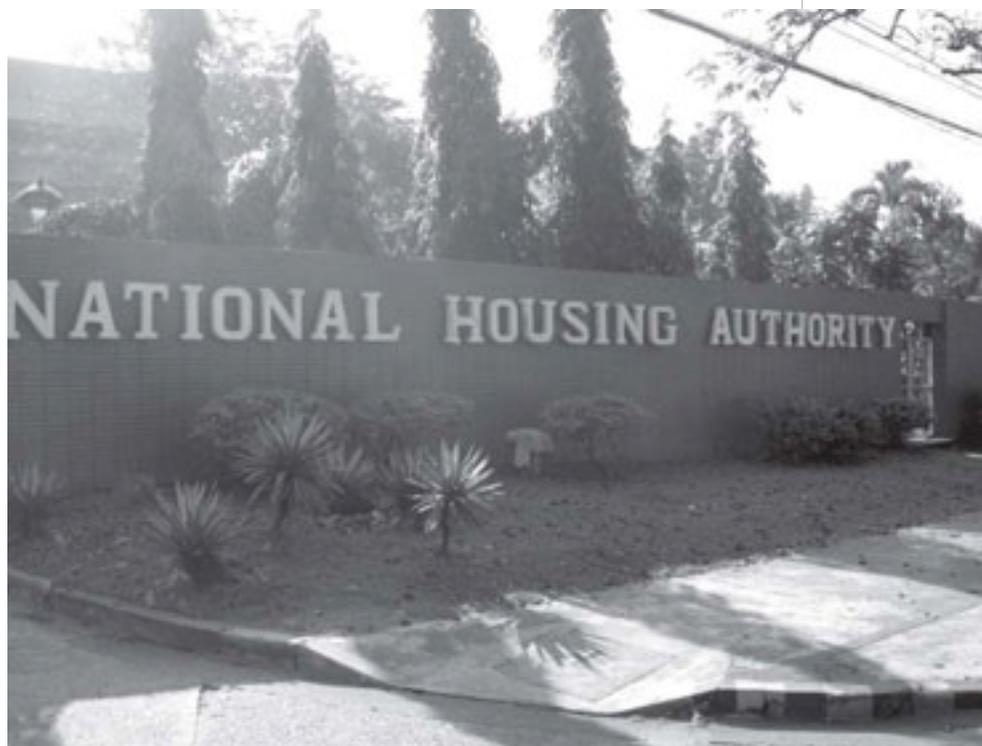
More damning is the COA’s conclusion that

This reported accomplishment may even be considered bloated as HUDCC failed to establish performance indicators to accurately measure overall performance as evidenced by double or triple reporting of a single accomplishment. (COA 2005, p. 4)

The audit team reported that there was no way the Housing and Urban Development Coordinating Council (HUDCC) could effectively monitor its performance because the housing agency had “no established criteria to measure [its] performance.” The report pointed out that in reporting its accomplishments, the HUDCC used performance indicators that “var[ie]d from year to year[, thereby] affecting the accuracy of the reported figures and hindering a comparative analysis of its performance” (p. 74).







confusing. HUDCC alone cannot reconcile its own accomplishment statistics; nor does it use a uniform lexicon in its accomplishment reports. For example, in its cumulative accomplishment report covering 2001-2006, it reported having assisted 33, 411 Northrail families [see Table 3A, *Housing Accomplishment of the Arroyo Administration (2001-2006)*]. Then in a latter report, it stated that as of July 30, 2007, a total of 23,011 families affected by the Northrail project have been relocated to 16 resettlement areas [see Table 3B, *PNR Rail Systems Relocation and Resettlement Program Accomplishment (as of July 30, 2007)*].

TABLE 3A. Housing Accomplishment of the Arroyo Administration (2001-2006)

	HOUSEHOLDS ASSISTED	
	2006	TOTAL (2001-2006)
Housing Production	15,390	87,962
Northrail ^{1/2}	14,513	33,411
Southrail	0	8,003
Esteros	0	218
Pasig River	0	2,904
Resettlement Assistance to LGUS	877	13,767
NHA Administered Resettlement	0	1,159
Mt. Pinatubo Resettlement	0	28,500
Slum Upgrading	1,338	19,354
Sites and Services	2,061	8,279
Core Housing (NHA)	927	5,622
Medium-Rise Housing (NHA)	105	1,745
Community Based Housing	0	0
Housing Financial Assistance	0	3,570
Provision of Housing Facilities	600	2,641
Other Local Housing Projects	9,287	18,582
TOTAL	29,708	147,755

^{1/2} Does not include households which availed of the 'Balik Probinsya' program (19,012); were given housing financial assistance (3,337); or were relocated to other places (450).

Source: <http://www.hudcc.gov.ph/www/SiteFiles/File/Housing%20Databases/Arroyo,%202001-2006.pdf>

Table 3B. PNR Rail Systems Relocation and Resettlement Program Accomplishment (as of July 30, 2007)

AREA	FAMILIES RELOCATED
Northrail Project	23,011
Section 1: Caloocan City - Malolos City, Bulacan	
Section 2: Malolos City, Bulacan - Clark, Pampanga	
Rail Linkage Project (Southline)	13,585
Manila, Makati & Taguig Segment	9,692
Laguna area	3,893
Total	36,596

Source: <http://www.hudcc.gov.ph/index.php?p=59>

If, at the level of monitoring and reporting, the main housing agency of the government cannot be trusted to be efficient and serious, then it is difficult to expect efficiency and seriousness at the implementation stage.

Empty houses

Building dwelling units is just a step towards solving the country's housing backlog. The existence of a housing unit does not necessarily mean one more family has been rescued from an insecure settlement. As the auditors found out,

Not all completed units were distributed/awarded or disposed of. An accumulated total of 66,694 units remained undisposed or undistributed by the implementing agencies as of September 2004 due to inadequate policies for disposition of available units...[A]nother 19,179 acquired units remained on hand[,] defeating the purpose for which these units were generated. Of the 19,179 acquired units for disposition, documentary requirements of 8,571 units are still being completed[,] while disposition papers of 855 units are already in process. These conditions not only wasted [the] government's limited resources but likewise deprived qualified beneficiaries of decent housing. (COA 2005, p. 4)

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According to the auditors, the agencies implementing the government's housing program "do not have [a] timeline for the disposition of generated lots/housing units." Delays in the disposition of housing units were noted; there were cases where the available units were distributed only after 55 to 459 days. Thus, as of June 2004, there were 66,694 lots/units that were available but were not awarded to the beneficiaries. Another 19,172 acquired units remained undisposed, thus "defeating the very purpose for which these units were generated (COA 2005, p. 64)."

Inadequate planning

The COA audit also noted that the housing agencies' plans were "inadequate," citing the following as illustrative cases:

- In five NHA [National Housing Authority] projects, only 2% to 60% of the total number of affected families were included in the NHA's target. Moreover, it appears that the affordability level of the projects vis-à-vis the paying capacity of the targeted beneficiaries was not considered in prescribing the floor prices for socialized housing units[, thus] contributing to the accumulation of unawarded units and low collection efficiency. The prescribed floor prices of P629.40 to P2,130 were not affordable to the lowest 30% of the urban wage earners the NHA intends to serve.
- Of the total 10,882 hectares of land acquired by the NHA as of June 2004, 614 remained idle, undeveloped and without any intended beneficiaries[,] of which 287 were acquired during the period 1995 to 2003. Included in this inventory are 48 hectares of land with existing tenancy problems.

Slowpoke

Indeed, the government's housing program leaves much to be desired, especially its program for the families that have been forcibly

uprooted from various squatter communities because of the Northrail-Southrail project. While the government has endeavored to provide relocation and resettlement for those evicted, the implementation has been fraught with a lot of controversies (as reported in previous issues of *In Focus*).

For one, the pace of resettlement has not kept up with the haste by which the communities have been torn down.

As of February 7, 2007, the government reported that it has already relocated some 214 families to the 28-hectare Southville resettlement site. The site can accommodate up to 6,000 families.

This very low resettlement rate speaks much about the efficiency of the government program.

Buffoonery

In a much-publicized visit to the Southville resettlement site on February this year, the president awarded three housing units and 179 certificates of lot allocation (CELAs). Compare this to the rate and speed by which squatter neighborhoods have been demolished and the staggering number of families that have lost their homes, and it becomes apparent how ridiculously inefficient the government's resettlement program is.

When dwellings are demolished by the tens of thousands, making a show out of awarding three housing units is at once an exercise in buffoonery and a nauseating joke visited upon the wretched.

As for CELAs, these do not even count as shelters. The certificate does not, strictly speaking, make one a lot owner because it only points to a tiny slice of land where a family may build its shelter.

Unaffordable "low-cost" housing

One obvious weakness of the government's so-called low-cost housing program, aside from the flaws already pointed out, is the unrealistic pricing scheme.

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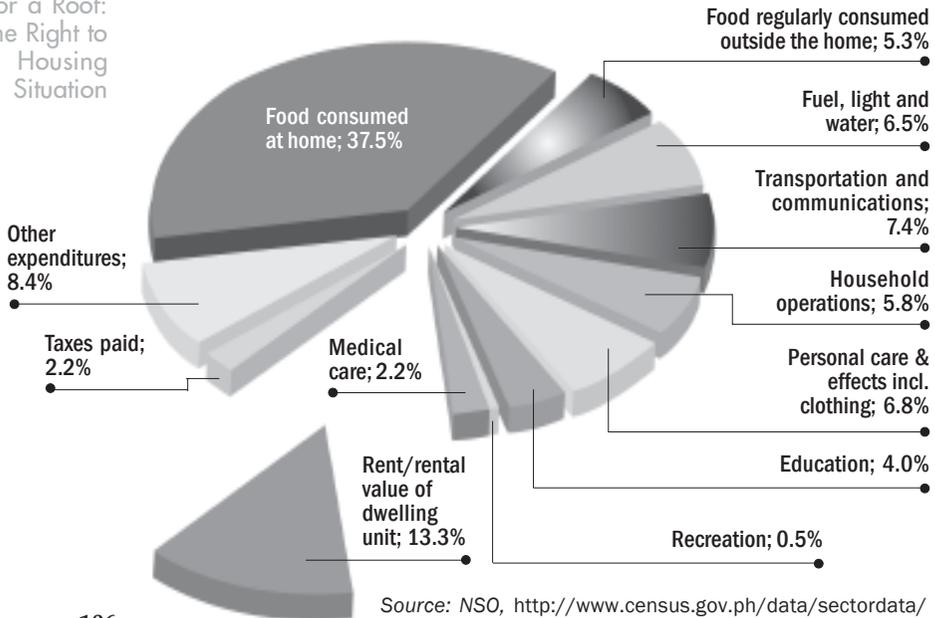
In its Medium-Term Philippine Development Plan on Shelter (2004-2010), government planners themselves admit that “government resources...are limited and most public programs tend to produce complete shelter packages largely unaffordable to the poor.”

The COA audit disclosed that the NHA’s pricing scheme was beyond the means of the intended targets of the program. The NHA’s prescribed floor prices for the socialized housing projects, which range from P629.40 to P2,130.00, “were not affordable even to the lowest 30% income earner it intends to serve under Executive Order No. 90,” the audit reported.

As the auditors pointed out, the lowest 30% population has an average income that range between P8,026 and P55,001 per year. Based on calculations by the National Statistics Office (NSO), the average low- to middle-income Filipino family spends about 13.3% of its income for housing/dwelling unit (see Graph 2). Considering this expenditure pattern, the families targetted for the socialized housing scheme can only afford a monthly amortization of about P88.95 to P609.59.

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GRAPH 2. Expenditure Pattern of Filipino Families (2000)



Source: NSO, <http://www.census.gov.ph/data/sectordata/2003/fie03fr19.htm>

Unrealistic pricing scheme

But the projects developed by the NHA require a monthly payment of P629.40 to P2,130.00. This is way beyond the means of the intended beneficiaries. The only affordable housing project, according to the audit report, was a resettlement project in Bagong Silang, Caloocan City. The problem is, the P50.00/month housing project is available only to original tenants.

The P50/month amortization in Bagong Silang is a special case. Most of the government's socialized housing projects are priced several times over. For example, a planned medium-rise building that will accommodate the informal settlers in Barangay 636 in Nagtahan, Manila would have a monthly amortization of P1,200.00.

This unrealistic pricing scheme contributed to the NHA's arrears, which ranged from three months to five years (amounting to P1,929,509 at the time of the audit). It also contributed to the agency's very low collection efficiency (11.66%). Because the housing units were unaffordably priced, dwellings remained unawarded and idle in several government housing projects. At the same time, thousands of families who were already awarded housing are now facing eviction because they could not scrimp enough money to pay the amortization.

The government auditors pointed out that this not only wasted government resources, it also defeated the very purpose and objective of the government's housing program.

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TABLE 4. Affordable Monthly Amortization Scheme Based on Family Expenditure Pattern

TOTAL NUMBER OF FAMILIES	%	AVERAGE ANNUAL INCOME	AFFORDABILITY LEVEL ^{1/2}	MONTHLY AMORTIZATION		
				MRH	TOWER VILLE	BAGONG SILANG
35,556	0.2	P 8,026	P 88.95			P50.00**
329,012	2.2	P 16,040	P 177.78			
836,651	5.5	P 25,434	P 389.50			
1,170,541	7.8	P 35,143	P 415.86			
1,388,507	9.1	P 44,968	P 498.39			
1,196,126	7.8	P 55,001	P 609.59			
Subtotal: 4,956,393	32.6					
1,983,219	12.9	P 69,319	P 768.28		P629.40	
1,496,280	9.8	P 89,599	P 993.05		P909.27	
Subtotal: 8,435,892	55.3			P750.00 - P2,130.00		P841.00 - P1,117.00
2,431,060	15.9	P 122,080	P 1,353.05			
2,382,193	15.6	P 191,913	P 2,127.03			
1,528,433	10.0	P 337,256	P 3,737.92			
492,077	3.2	P 939,397	P 10,411.65			
15,269,655	100.00	P144,039				

^{1/2}—based on the latest available Family Income and Expenditure Survey (2003) findings, (13.3% allocated for housing amortization / rent / rental value of dwelling)

**offered to original tenants only

Sources: COA (2005, pp. 42-43.); NSO

Outside the housing market

The housing “market” is composed of three broad sectors, based on financial capability (COA, 2005):

1. The poor or marginalized sector, which cannot afford to pay for any type of housing. Also referred to as the informal sector, this sector does not really figure in the housing market. Because they are unemployed, seasonally employed, or engaged in marginal forms of employment, those in the informal sector are not amortizing members of the Home Development Mutual Fund (popularly known as Pag-IBIG Fund), the Government Service Insurance System (whose

membership is composed of government employees), or the Social Security System (for private sector employees and those who are self-employed). They have no access to flexible and/or easy-term financial assistance. Needless to say, they have no sources of steady income with which to sustain a monthly housing amortization.

2. The low-income sector, which has “low affordability” but can pay for housing if provided with the right package and some measure of financial assistance.

3. The middle- to high-income sector, which can afford to borrow at market rates.

Strictly speaking, the country’s housing market is largely geared towards the second and third sectors. These are the families that have some means of paying for housing, no matter how limited this means may be for some, especially for those in the low-income bracket. Access to housing financing usually comes in the form of membership in GSIS, SSS or the government-run Pag-IBIG fund. So when the government talks of providing housing, it is generally referring to the two sectors that can afford to amortize.

In October 2006, President Arroyo issued Memorandum Circular No. 112 for the conduct of a Housing Fair for Employees in the Public Sector. The housing fair, which ran until April of 2007, sought to “enable government employees to avail of affordable housing units as non-wage benefits” and to encourage the general public to avail of affordable housing.

Offered for sale through the housing fair were foreclosed/acquired properties of shelter agencies (Pag-ibig Fund, Home Guaranty Corporation or HGC, National Home Mortgage Finance Corporation or NHMFC) and government financial institutions, such as Bangko Sentral ng Pilipinas (BSP), GSIS, SSS, Land Bank of the Philippines (LBP) and Philippine Deposit Insurance Corporation (PDIC) “at a very low cost, with minimum interest rate of 6% and maximum repayment period of 30 years.”

Some 3,122 families reportedly availed of housing units through the Fair.

Another contract with China

Another government initiative that broadly hints at the government's priorities is a planned feasibility study for mass housing that targets government and private sector employees in the "low-salary" bracket, which the report identified as soldiers, police and teachers.

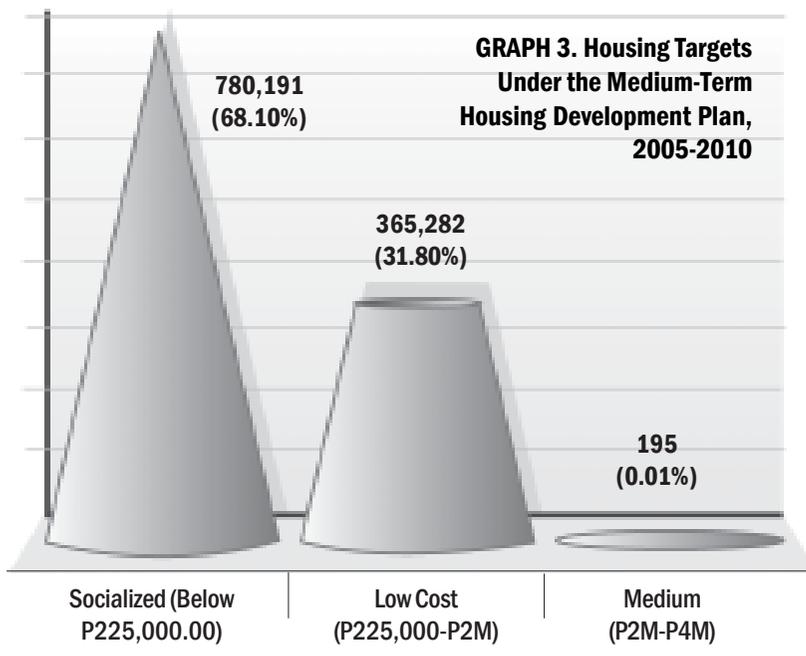
The study shall be funded by the People's Republic of China. In a ceremonial turn-over on April 30, 2007, Chinese Ambassador Li Jinjun presented to Vice President Noli de Castro (who also heads the HUDCC) a check amounting to US\$270,000 to fund the said study. The amount was sourced from the grant covered by the Agreement on Economic and Technical Cooperation which was signed January 2007 by the National Economic and Development Authority (NEDA) and China's Ministry of Commerce.

The study output will be a project proposal for a low-cost institutional housing project that will be submitted, again, to the Chinese government for funding. The housing packages to be offered under the project would each run up to P700,000. It will be piloted in areas which the government has proclaimed as housing sites. Identified areas include the San Miguel Property in Bulacan; Silang, Cavite; and other military camps.

The proposal is expected to be ready by the third quarter of 2007.

According to reports, this grant from the Chinese government marks the start of the Philippines-China Housing Development Program. The government hopes that through this program, the estimated 3.7 million housing need in the country will be reduced by 2010.

Between 2005 and 2010, the Arroyo administration intends to build a total of 1,145,668 housing units: 780,191 under the socialized scheme; 365,282 low-cost houses; and 195 medium priced units (see *Graph 3*). Curiously, this 6-year target is lower than the 1.2 million goal it set for its first four years in office (2001-2004).



Source: Medium-Term Philippine Development Plan on Shelter, 2004-2010

But what about the marginalized?

At face value, a housing project that will benefit civil servants is of course highly laudable. Certainly, it would answer the housing problems of a number of families. But this project calls attention to the government's seeming blindness to the more urgent human settlement crisis that plagues the marginalized sectors of society, those who are at the lowest rungs of the economic ladder and whose capacity to pay even for socialized housing is very weak or totally nonexistent.

As urban poor dwellers have pointed out, housing amortization, no matter how low, is still beyond their capacity. Bulk of the urban poor dwellers' earnings (if there are earnings at all), go to household expenses like food, fuel, light and water. Setting aside money for a housing unit, when that money can be used to assuage hunger, is just too much to ask of them.

Even housing officials admit that indeed, the government's shelter

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program is way beyond the reach of the poor. According to Felix Salino, HUDCC coordinator for Southern Mindanao, only families with regular income can avail of these houses. He concedes that, even if the government's housing program is very affordable, "it can accommodate only a few."

"How can a family pay for a house if family members are not even earning enough income in the first place?" asks Alfred Depala, spokesperson of KADAMAY in Southern Mindanao.¹⁷

Providing shelter security is not simply about construction of dwelling units. For those whose paying capacity is severely impaired, housing security programs should start by providing the depressed sectors with enabling programs and an environment conducive to human development. Such programs should increase the poorest sector's capacity to avail of the government's socialized housing project. Primarily, this means providing employment opportunities to the vulnerable sector. It also means delivering basic social services that are sorely missing in the disadvantaged communities, because the absence of these basic services severely impair the poor sector's capacity to provide for daily needs. Relatedly, increasing the daily wages of minimum income earners would increase their capacity to enrol in the government's socialized housing scheme.

Controversies

This mass housing contract with China should also be viewed against the backdrop of the scandal and controversy raging over other bilateral agreements which the Arroyo government has entered into. Among these are the ZTE broadband deal with China, the Japan-Philippines Economic Partnership Agreement (JPEPA), and other recent "deals" between the governments of the Philippines and China.

Peasant groups, fisherfolk organizations and agrarian reform advocates, for example, are protesting an agricultural agreement that would allow the use of some 1.24 million hectares of farm lands for bio-fuel needs of China. Aside from the grave implications on the country's sovereignty and patrimony, these various

agreements have been tainted by corruption and lack of transparency and consultation with the people. On closer examination, these deals contain onerous conditions that, in the long run, will work against the interests of the nation.

In fact, the ill effects of these agreements are already being shouldered by thousands of poor Filipino families. The controversial Philippine National Railway (PNR) rehabilitation project, funded by a multi-billion peso loan from China, has, by last count, displaced at least 29,000^{2/} families from Metro Manila and Bulacan. The forced eviction of thousands upon thousands of squatter families from their settlements along the railway tracks – some of whom had lived in the area for more than 50 years – was unprecedented in Philippine history. It earned the country the distinction of being one of the worst violators of housing rights, an “award” conferred by the Geneva-based Centre on Housing Rights and Evictions (COHRE).

Desperate circumstances

In April this year, COHRE representatives and housing rights experts from Cambodia, Indonesia, Australia and South Africa, together with the Urban Poor Associates (UPA), visited the residents of Southville relocation site in Cabuyao, Laguna. They also visited families evicted from their homes along the waterways (*esteros*) and railroad tracks (*riles*) in Metro Manila.

In a press statement released after the visit, Dan Nicholson, Coordinator of COHRE’s Asia and Pacific Programme, said that all the members of the fact-finding mission “were visibly moved by the desperate circumstances of the affected communities.”

He said that the Philippine government did not comply with basic international human rights standards as well as domestic laws. “We trust that the relevant Philippines authorities will look into prosecuting those responsible for breaches of the law,” he told the media.

Nicholson also accused the national and local governments of repeatedly choosing “to overlook the human rights of citizens by

carrying out arbitrary forced evictions.” According to him, “The evictions have caused thousands of urban poor to lose their homes and livelihoods, and left them destitute. It is of great concern that these evictions continue to take place throughout the Philippines.”

COHRE, UPA and the team of international housing experts urged the Arroyo government to halt all evictions along the railway lines, unless adequate relocation sites are found (with the consent of the affected communities). They also called on the Arroyo government to ensure that relocations sites are safe, secure and healthy, and that undertakings previously made by the government to affected communities are fully implemented. The housing experts also asked the government to stop all evictions along the *esteros* in Metro Manila unless it complies with domestic and international housing rights standards. Lastly, they challenged the Arroyo administration to invite the Special Rapporteur on Adequate Housing to conduct a mission to the Philippines immediately.

Back to demolitions

All these calls went unheeded.

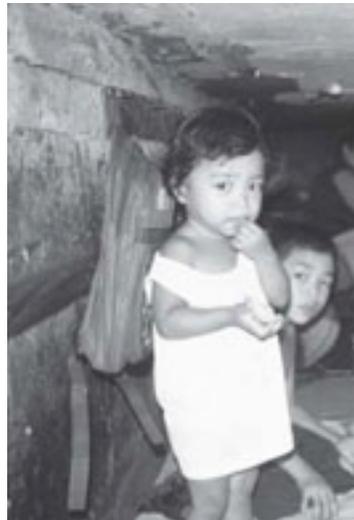
The dust kicked up by the election ruckus had barely settled when the demolition crews once again invaded the slums.

In one of the bloodiest demolitions ever, nine people were killed and at least 10 others wounded when squatters clashed with police and military men. This happened on June 25, 2007 in the upland town of Rizal, Kalinga province.

The fatalities came from the ranks of the residents, who were trying to defend their dwellings and farms, while those wounded were police officers acting as reinforcements to the demolition crew. A lawyer for the residents, Rustico Gagate, said the fatalities included an old woman and elderly men. They were all Kalinga natives who were in the village to reclaim their ancestral land.

Some 50 other residents were also brought to the hospital for treatment.







Protocols of war [against the homeless]

The disputed land is owned by “a powerful politician in the province,” reports say. The demolition was ordered after the said politician secured a court order to evict the settlers.

Two weeks after the violent demolition, an initial investigation by the Commission on Human Rights (CHR) held that the police and military “acted within the bounds of their duty when they responded to attacks of tribesmen who resisted the demolition of their shanties in a 200-hectare property in Sitio Malapiat, Brgy. San Pascual, Rizal, Kalinga.”

CHR investigators said “the police complied with the observance of the protocols of war and the rules of engagement.” Still, the report recommended further “documentation and investigation.”

The CHR further said that it would not intervene in the land dispute since the case is already pending in court.

Other casualties

The ten Kalinga tribespeople were not the only casualties as a result of demolitions. Earlier this year, on January 5, a 14-year-old boy was killed while three others were seriously injured when the demolition team from the Metro Manila Development Authority (MMDA) clashed with residents of a Muslim neighborhood in Baclaran, Parañaque City.

The victim was identified as Jamal Ampuan. Those wounded were identified by Muslim leaders as Alex Gapar, 35; Calid Camama, 27; and Anoar Abdul Latip, 13. They were brought to the San Juan de Dios Hospital where they were treated for gunshot wounds.

The MMDA Clearing Operations Group were tearing down the wooden footbridge which connected the community of some 5,000 residents to Roxas Boulevard, fronting the Redemptorist Church. MMDA operatives alleged that they were fired at and that bottles were hurled at them. The alleged attack prompted the MMDA men

to fire back. But one neighborhood leader belied the MMDA claim, saying the gunshots came from the MMDA operatives.

“Nobody fired from our community but some residents hurled bottles at the MMDA to prevent them from tearing down our bridge,” Muhammad Rasul said.

The wood-and-bamboo footbridge was the community’s only access to and from their homes, community leaders said. Residents had requested the MMDA to postpone the demolition because they were expecting Muslims from other parts of Metro Manila to visit and pray at their mosque on the day of the demolition.

Tension in a Muslim neighborhood

Tension was rife again in early June in the same Muslim community in Baclaran when the Philippine Reclamation Authority (PRA) sought the removal of makeshift dwellings to make way for a commercial center.

The Muslim residents vowed “to die fighting” especially for their mosque, which was in the area and was also slated for demolition. The 300 families living in the area were amenable to being relocated, but they said the government could not provide a suitable relocation site.

After a Pasay City court denied the residents’ petition for a restraining order, the Office of Muslim Affairs and the Saudi Arabian Embassy wrote Malacañang, asking that the “sanctity of the Grand Mosque be preserved.”

But on June 7, 2007, the demolition pushed through. The PRA however spared the mosque, pending the identification of a site for its transfer. Not all of the residents moved out, however. Some stayed in the neighborhood. On the last week of June, the Court of Appeals granted a 60-day temporary restraining order (TRO), which prevented the eviction of the residents who stayed behind at the reclamation area. The CA also ordered a stop to further demolition of the remaining shanties and the mosque.

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Bullying the dispossessed

If there's any agency that typifies the bully in the eyes of the urban poor, it is no other than the MMDA, with its thuggish demolition teams.

Early this year, members of the Urban Poor Associates (UPA) sought the help of the Manila regional trial court, seeking respite from their impending eviction from their dwellings under the San Andres Bridge 1, along South Super Highway in Paco, Manila.

The petition was filed by the *Samahan ng mga Taga Ilalim ng Tulay* Neighborhood Association (SAINT) on behalf of some 54 families who have lived for more than 14 years along Estero Tripa de Gallina.

Tired and losing hope

In their sworn statements, the petitioners said that starting October 2006, the MMDA and the Department of Public Works and Highways (DPWH) have threatened and continue to threaten to demolish their homes without offering them relocation sites.

"Our families are concerned that we might be evicted from our homes any time. We have been doing the rounds of government agencies for the last six years so that we could be relocated, but all we have received are promises. We are tired and losing hope" said one of the leaders of the affected residents.

The petitioners said that the demolition violates the Constitution and R.A. 7279 (the Urban Development and Housing Act). It also runs counter to the provisions of the International Covenant on Economic, Social and Cultural Rights (ICESCR), the petitioners maintained.

The DPWH has verbally informed the settlers that it would demolish the houses, saying it wants to repair the bridge. But it has not given the residents any written notice; nor has it conducted a dialogue with the affected residents.

Relocation: no houses, water, light, jobs

The MMDA deferred its plans to evict the residents, but it warned that it will pursue the demolition, which is part of its “Metro Gwapo” project.

True enough, last February, before the judge could render a decision on the case, the MMDA forcibly evicted 57 families living under the bridge. Tension erupted during the eviction, when a fight broke out between the barangay captain, who took the side of the bridge dwellers, and the MMDA operatives. According to Dennis Murphy of UPA, “shots were fired by the MMDA.” Everyone “ran in fear for their lives,” he recounts.

Despite appeals from the residents, the MMDA relentlessly pursued the eviction drive until it had uprooted a total of 914 families. Even the intervention of the Manila archdiocese couldn’t stop the evictions. The homeless families were offered a site in Calauan, Laguna, some 100 kilometers away. The families tried the relocation site, but according to Murphy, “a number of them have come back [because] the place has no houses, water, light or jobs.”

This non-provision of basic services such as shelters, water, electricity and employment opportunities is a common problem faced by families evicted from the city’s squatter settlements. This is the main reason why families that have been evicted from slum areas choose to go back or settle in other slum areas.

Address: under the bridge

The Estero Tripa de Gallina neighborhood is not the only under-the-bridge community in Metro Manila. Like other public spaces, bridges have become choice spots for urban poor communities. In Navotas, the bridge spanning Marara River presides over a thriving community, residents of which are known as “Bat People.” Here, several hundred families are packed in box-like hovels. Those who could not be accommodated under the bridge have opted to build floating shacks, taking advantage of the space offered by the river itself. Pieces of styro, salvaged from dumpsites, are placed

underneath these dwellings as floaters. Footbridges made of bamboo and scrap wood connect the floating shanties.

But the makeshift shelters of the Bat People are castles when compared to the living quarters of some 20 families living along Osmeña Highway in Brgy. San Antonio, Makati City.

Referred to as “Rat People,” these families live right beneath a stretch of highway which runs over a creek, staking living space on the banks of a canal. The area is dark, dank and polluted, the creek giving off a foul smell. Because the area is quite low, the residents have to stoop when they move around. Access to the underground lodgings is through a small gap on the side of the road. One has to literally crawl when going in or out of the place. There is no electricity; water has to be bought.

Nowhere else to go

No matter how inhospitable, the place offers a refuge to the families. “We have nowhere else to go,” explains one of the residents.

They used to be part of a squatter neighborhood that was demolished in 2006 because of the Southrail project. While most of their neighbors were able to secure relocation in Southville, these families weren’t accommodated because the city government of Makati refused to recognize them as residents of the city.

In May 2006, the families decided to seek help from the Commission on Human Rights (CHR). For about a month, they camped out at the grounds of the CHR office. Nothing came out of their action. Because of prolonged exposure to the elements, a number of children got sick, recalls one of the residents.

Even in this inhabitable spot, the families are still not safe from demolition crews. In fact, there have been several attempts to drive them out of the area. According to one of the residents, during one such “clearing operation,” a six-month old baby died.

“She was running a temperature, and we begged the demolition crew not to proceed with their operation,” recounts the grandmother. It was raining that day, and they knew that exposing the sick baby to inclement weather would worsen her condition.

TABLE 5. Housing Sector Priority Relocation Program

PROGRAM	NUMBER OF FAMILIES TO BE RELOCATED	FUNDING REQUIREMENT (P MILLION)
North Rail Relocation Program	37,850	7,736
Phase 1 Section 1	19,953	4,167
Caloocan North	–	127
Malabon	3,399	688
Valenzuela	4,102	831
Bulacan (Meycauayan to Malolos)	12,452	2,521
Phase 1 Section 2	17,627	3,569
Calumpit, Bulacan		
San Fernando		
Clark, Angeles		
South Rail Relocation Program	42,929	8,286
Caloocan South	1,223	226
Manila	8,597	1,590
Makati	2,843	578
Taguig	2,633	487
Parañaque	1,279	237
Muntinlupa	10,561	1,954
Laguna	15,793	3,214
Pasig River Rehabilitation Program	6,802	756
Esteros Program	21,047	2,253
TOTAL	108,358	P19,031

Source: Medium-Term Philippine Development Plan on Shelter, 2004-2010

No relief in sight

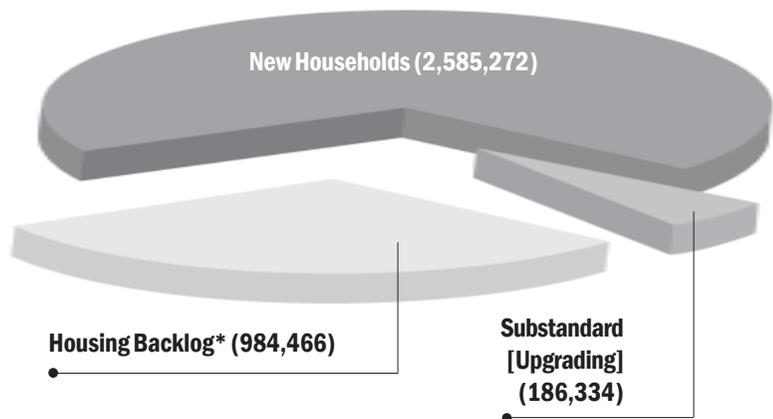
There seems to be no respite in store for the thousands upon thousands of urban poor settlers under the Arroyo administration. Under the government’s Medium-Term Philippine Development Plan on Shelter (2004-2010), more families will be forcibly evicted from their neighborhoods.

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The Housing Sector Priority Relocation Program, which is part of the medium-term development plan, targets a total of 108,358 families (see *Table 5, Housing Sector Priority Relocation Program*) for eviction. The majority of these (80,509 families, or 74.3% of the total number of target families) will be evicted because of the Northrail-Southrail Project. This means that the eviction of 29,000 families that has appalled international housing rights advocates is but the start of a wholesale war against slumdwellers.

Relocating these families will cost the government more than P19 billion.

GRAPH 4. Housing Need, by Category (2005-2010)

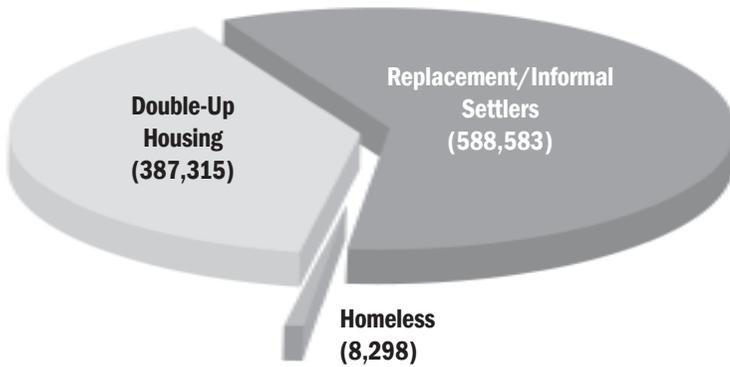


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* Note: For a breakdown of the housing backlog, please see Graph 5.

Source: <http://www.hudcc.gov.ph/www/SiteFiles/File/Housing%20Databases/Medium-Term%20Philippine%20Development%20Plan%20on%20Shelter,%202004-2010.pdf>

GRAPH 5. Housing Backlog, by Category (2005-2010)



Source: <http://www.hudcc.gov.ph/www/SiteFiles/File/Housing%20Databases/Medium-Term%20Philippine%20Development%20Plan%20on%20Shelter,%202004-2010.pdf>

Claiming the rights

Providing for the housing rights of millions of Filipinos is a task that will not be completed with an imperious flick of the wrist.

Each year, more families and households are added to the number of those that have no access to decent housing (see Graph 4). Housing programs that are not realistic will only worsen the housing crisis in the country. If the government does not look at the problem holistically, that is, as a problem that is rooted in poverty, income disparities and inequitable distribution of the fruits of development, then the housing problem will only continue to worsen. More and more people will end up in slums, sleep on the sidewalks and public parks, or build makeshift lodgings under bridges and in cemeteries. When no other shelter is accessible, the desperate poor will claim whatever space is available, even if these are in the harshest and most forbidding of places.

With such a bleak future staring at the Filipino people, claiming the right to housing and making the State accountable to its human rights obligations as well as its commitments to the Millenium Development Goals becomes more urgent than ever.

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ENDNOTES:

- 1/ KADAMAY is an organization of urban poor dwellers.
- 2/ This estimate is rather conservative and even misleading. Some groups put figures at around 80,000 families. The HUDCC provides the following statistics in its *Housing Accomplishment of the Arroyo Administration, 2001-2006* (refer to Table 3):

	NUMBER OF FAMILIES
Northrail	56,210
<ul style="list-style-type: none"> • Relocated • Aailed of the <i>Balik Probinsya</i> program • Recipients of Housing Financial Assistance • Relocated to other places 	<p>33,411</p> <p>19,012</p> <p>3,337</p> <p>450</p>
Southrail	8,003
TOTAL	64,213

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