

Building the Capacity of the Local Government Units in Housing Development

Case of Palawan



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Shelter Situation Analysis

Basic General Data

Geography and Administration

The Philippines is an archipelago of 7,107 islands with a total land area of approximately 300,000 square kilometers. It is bounded by the Philippine Sea on the east, South China Sea on the west and the Celebes Sea on the south. It has three big island groups: Luzon, which is further divided into sixteen regions; Luzon is in Region IV where the Province of Palawan is located; National Capital Region (NCR) and Cordillera Autonomous Region (CAR), Visayas (VI to VIII), and Mindanao (IX to XIII) and Autonomous Region of Muslim Mindanao (ARMM). The busy port of Manila, in Luzon is the national capital and second largest city after its suburb Quezon City. The local climate is hot, humid, and tropical. The average temperature is around 26.5°C (79.7° F).

Demography and Health

The Philippines is the world's 12th most populous country, with a population of over 85 million as of 2005. Roughly two-thirds reside on the island of Luzon. Manila, the capital, is the eleventh most populous metropolitan area in the world. Literacy rate was 92.5% in 2003, and about equal for males and females. Life

expectancy is 69.91 years, with 72.28 years for females and 66.44 for males. Average household size is five while population density is 290 persons per square kilometer.

Economy

According to the National Economic Development Report of 2004 the Philippine economy grew at a respectable pace over a period 2001-2003. The gross national product (GNP), adjusted for price changes, steadily grew from 3.0 percent in 2001 to 4.7 % in 2003. GNP expanded at an average of 4.5% while GDP rose on an average of 4.0%.

The key growth driver were: services related to telecommunications, call/contact centers, business process outsourcing, software development; trade sector brought about by strong personal consumer spending; the steady growth of the agriculture sector and remittances of overseas Filipino workers, the latter of which contributes to making the government's current account balance to become positive.

Unemployment has stayed high, as the number of jobs generated has not been adequate to absorb the influx of labor entrants. To address the unemployment problem, the economy has to expand at a faster pace to address the aspects of growth that are undermining long-term-sustainability.

Regional development is also somewhat uneven, with the main island Luzon and Metro Manila gaining most of the new economic growth at the expense of the other regions.

Shelter Related Facts and Figures

Housing Situation

Targets vs. Accomplishments

Housing construction relative to the huge housing need (3.6 million in 2001 – 2004) has been modest. Against a target of 1.2 million units of housing assistance the sector, through the National Shelter Program, was able to provide 882,823 units or an accomplishment rate of 73.6 % as of June004 (Table 1). Of the total output, 493,496 units (60%) went to socialized housing while 389,327 units (40%) went to formal housing.

Table 1 Housing Targets and Accomplishments

Housing Package	Target Households 2001-2004	Actual Accomplishments				2001 –2004
		2001	2002	2003	2004	
Socialized (below Php 225,000)	880,000	207,940	118,987	84,716	81,853	493,496
Low Cost (Php 225,000 – Php 2 M)	320,000	54,447	74,306	114,507	146,067	389,327
TOTAL	1,200,000	262,387	193,293	199,223	227,920	882,823

Source: Housing and Urban Development Coordinating Council (HUDCC). Figures as of June 2004

Magnitude of Informal Settlers

The table hereunder details the magnitude of informal settlers all over the country with National Capital Region having the highest percentage, followed by Southern Luzon –Bicol Region with 201,536 households where Palawan Province is situated. Sad to say that the province has no data at present to determine the number of informal settlers in the locality.

Table 2: Magnitude of Informal Settlers

REGION	NO. OF INFORMAL SETTLERS (Households)	% to Total
GRAND TOTAL	1,408,492	100.00
LUZON	1,074,061	76.26
National Capital Region	726,908	51.60
Northern Central Luzon (regions 1-3)	145,617	10.30
Southern Luzon and Bicol Region (regions 4 & 5)	201,536	14.30
VISAYAS (regions 6&7)	180,842	12.80
MINDANAO (regions 9-14) and ARMM	153,589	10.90

Source: HUDCC

TABLE 3 Housing Need, 2005 – 2010

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

Source: HUDCC

According to the MTPDP 2004to 2010, the government is expected to provide shelter assistance to 1,145,668 households for the period 2005-2010., approximately 30 % of the total housing need for this period. For Palawan,

Enabling Laws and Policies

There are lot of laws and policies related to housing which were formulated in the Philippines to support its constitutional mandate to provide every homeless and landless Filipino a decent shelter to live and mandate the local government units to take an active role in providing basic social services to include shelter.

These are:Executive Order No. 90 of 1986 mandates NHA as the sole housing agency for shelter production with focus on the lowest 30% of the urban population. Republic Act 7279, Urban Development and Housing Act of 1992 provides, that NHA, together with local government units, shall jointly identify sites for possible socialized housing development. It also directs the NHA, and the LGUs, to coordinate with each other to formulate and make available various alternative schemes for the disposition of lands to the program beneficiaries, which can either be through transfer of ownership in fee simple, or lease with option to purchase, usufruct, or such other variations. RA 7835 – Comprehensive Shelter Financing Act of 1994 gave NHA the task to implement resettlement program, medium rise public and private housing, and the local housing program, in accordance to the National Shelter Program in joint undertaking with the LGUs.

The Medium Term Program and Development Plan (2004-2010) provides the national framework and strategies to include shelter whereby the LGUs are tasked to take lead roles in its implementation RA 7160, the Local Government Code of

1991 directed the LGUs to prepare its comprehensive land use plans and provide basic social services such as health, education, welfare, housing, etc. to its constituents.

It is very apparent from the above stated laws and policies that NHA is overloaded with responsibilities being the main actor for housing production. It perceives the local government units to be its partner in the undertaking as they are mandated to look into its local shelter situation and to plan and implement the necessary programs and projects to solve its housing problems.

Actors in Shelter Delivery and their Roles

Housing delivery in the Philippines involves the participation of stakeholders such as the government sector led by the Housing and Urban Development Coordinating Council. The figure below shows how the different stakeholders work with each other in housing delivery.

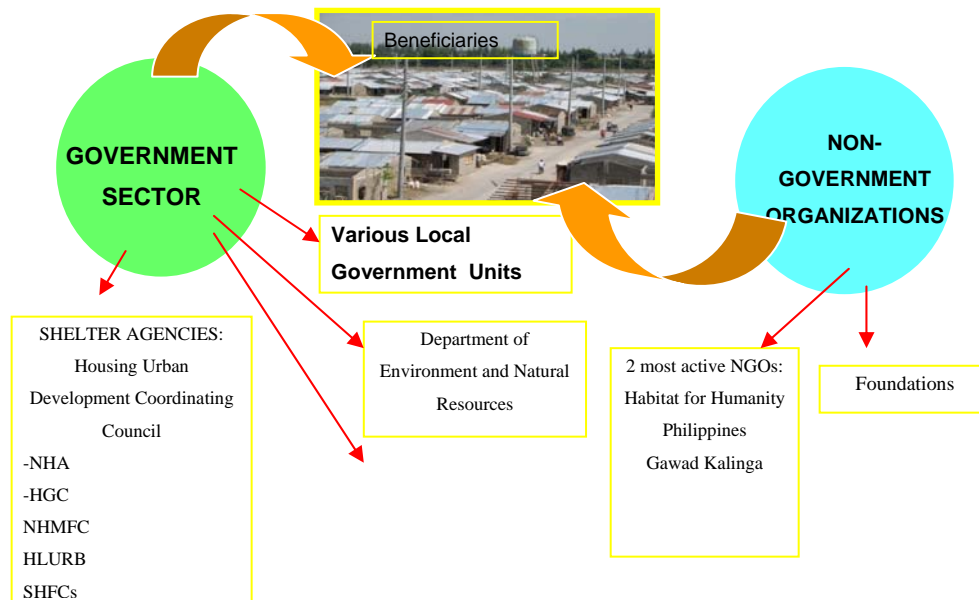


Figure 1: Actors in Housing Delivery

Still part of the government sector are local government units which have been empowered by virtue of the Local Government Code of 1991 and Republic Act 7279 to take the lead role to plan and implement appropriate housing programs and projects for its constituents.

Other stakeholders include the private sector and non-governmental organizations. Examples of these are the Habitat for Humanity Philippines and the Gawad Kalinga. Both organizations require “sweat equity” as counterpart by prospective household beneficiary. A lot of foundations have also been established whose primary task is to originate loan mortgages of home owners association for the informal settlers.

The last participants of housing delivery are the home partners or the beneficiaries themselves. It is believed that any effort by the shelter sector will be futile without the cooperation and active participation by the people themselves.

In Palawan, it is only HDMF and NHA who have office in the province aside from the GSIS and SSS. All the other agencies can be found in Manila or other places in Luzon where the regional offices are located. This situation is detrimental to a faster delivery of housing related services to the province because of the fact that people have to go to Manila for their needs and requirements. All the other stakeholders are present in the locality.

Shelter Design

Various planning laws govern the country’s planning and construction industry such as the National Building Code, the Structural Code, the Sanitary Code, the Electrical Code, and the Accessibility Law. Other relevant laws which provide guidelines in planning for affordable and decent housing are Batas Pambansa (BP) 220 and 957 which prescribes the minimum sizes both for lots and housing unit in multi-family dwellings. It also prescribes guidelines and procedures to be followed by housing and real estate developers in their shelter design and development efforts. These laws are applied nationwide to include Palawan province.

Additional planning considerations are existing local zoning regulations and ordinances formulated by each local government unit. For example in the City of Puerto Princesa in Palawan, an ordinance has been passed whereby plot sizes in housing subdivisions must not be lower than 120 square meters.

Organisation

The NHA is being headed by a general manager, with an assistant general manager. It is governed by a set of Board of Directors from several government

agencies and is the policy making body of the NHA. It has a workforce of some 1,600 employees deployed all over the country

The NHA Project Team in Palawan Province is under the Southern Luzon and Bicol Region Area Management Office. It has nine personnel at present, five are permanent and four are hired on casual basis. It is headed by a project manager, and has an architect, an engineer, an estate management staff, one collector, a community relations officer and three perform administrative functions. As a project team, it is tasked to plan and implement projects along sites and services, resettlement, community based tenurial assistance program to include community mortgage program(CMP) and land tenure assistance program(LTAP). Estate management activities are also undertaken such as sales and lot disposition, tenurial services to include transfer of titles from the NHA to fully paid beneficiaries. As part of investment recovery efforts being a government corporation, collection of monthly amortizations and other fees and charges are done by the project office.

Shelter Problem

National Level:

Demand for housing continues to grow as the Philippine population continue to grow rapidly. Government resources are, however, limited and scarce. Efforts at the central level are often geared towards meeting the priorities set forth by the decision makers as in the case of the northrail and southrail linkage projects they have at present. In effect, projects being proposed at the regional and local levels suffer. Although the national government is expected to establish or lay-out the country's comprehensive and integrated shelter programs and policies, the local government units, being the direct link between the central government and the people, must take an active role in ensuring that the people's basic needs, and one of which is shelter, are met.

Effective programs are better implemented at the local level under a decentralized framework where national agencies and private sector groups, as well as NGOs, work to support the LGUs housing projects for various clientele.

Apparently, there are some laws enacted to decentralize and devolve some of the national governments functions and responsibilities to local government units wherein housing is included.

Republic Act 7160 (Local Government Code of 1991) and RA 7279 (Urban development and Housing Act of 1992) gave powers and authority to the local government units to identify, plan and implement programs and services to improve the quality of life of its constituents. However, from its passage on said years, only few local government units responded.

Local Level:

The Province of Palawan, a narrow archipelago of 1,700 islands located at the western border of the Philippines is the country's largest province having a land area of more than 1.7 million hectares. It is one of the island provinces comprising Region IV which is part of NHA's Southern Luzon and Bicol Region. Due to its being peaceful and generally typhoon and earthquake free, the province is becoming a melting pot of migrants from various parts of the Philippines and other countries. The influx of settlers account for the high population growth rate of 3.64% annually, which is 1.28% higher than the country's growth rate of 2.36%. It has a population of 755,412 as of year 2000. It is composed of twenty three (23) municipalities and one (1) city which is recently classified as highly urbanized city (HUC).

Out of the twenty three towns, thirteen municipalities are classified as urbanizing and have growth rates above the 3.64% provincial record. Sad to say, the Provincial government and the municipalities comprising it, to this date, seem not to care for the shelter concerns of their respective localities such as land tenure, provision/improvement of basic facilities and amenities ,e.g. do drainage, roads, water,etc. They do not have data relative to housing such as housing need, magnitude of informal settlements as well as settlers, lands available for housing, etc. Said local governments, seemingly, are taking a passive stance probably due to lack of knowledge, interest, consciousness or awareness about their responsibilities to their constituents about their shelter situation, other related concerns and issues.

On the other hand, of the thirteen urbanizing localities identified, it is only the city government of Puerto Princesa which have implemented its own housing projects. This is because of its rapid urbanization and high population growth rate of 7.22%. The local chief executive though has declared his vision of a slum free by 2010 and has created its local housing board lacks the legal document to support its objectives as in a local shelter plan approved by the city council. The city government through the city housing office has implemented 42 projects with 7,136 beneficiaries while the NHA for its part has undertaken 61 projects with a total of 7,895 beneficiaries from 1994 to 2008. The figure shows the distribution of NHA projects in the whole province.

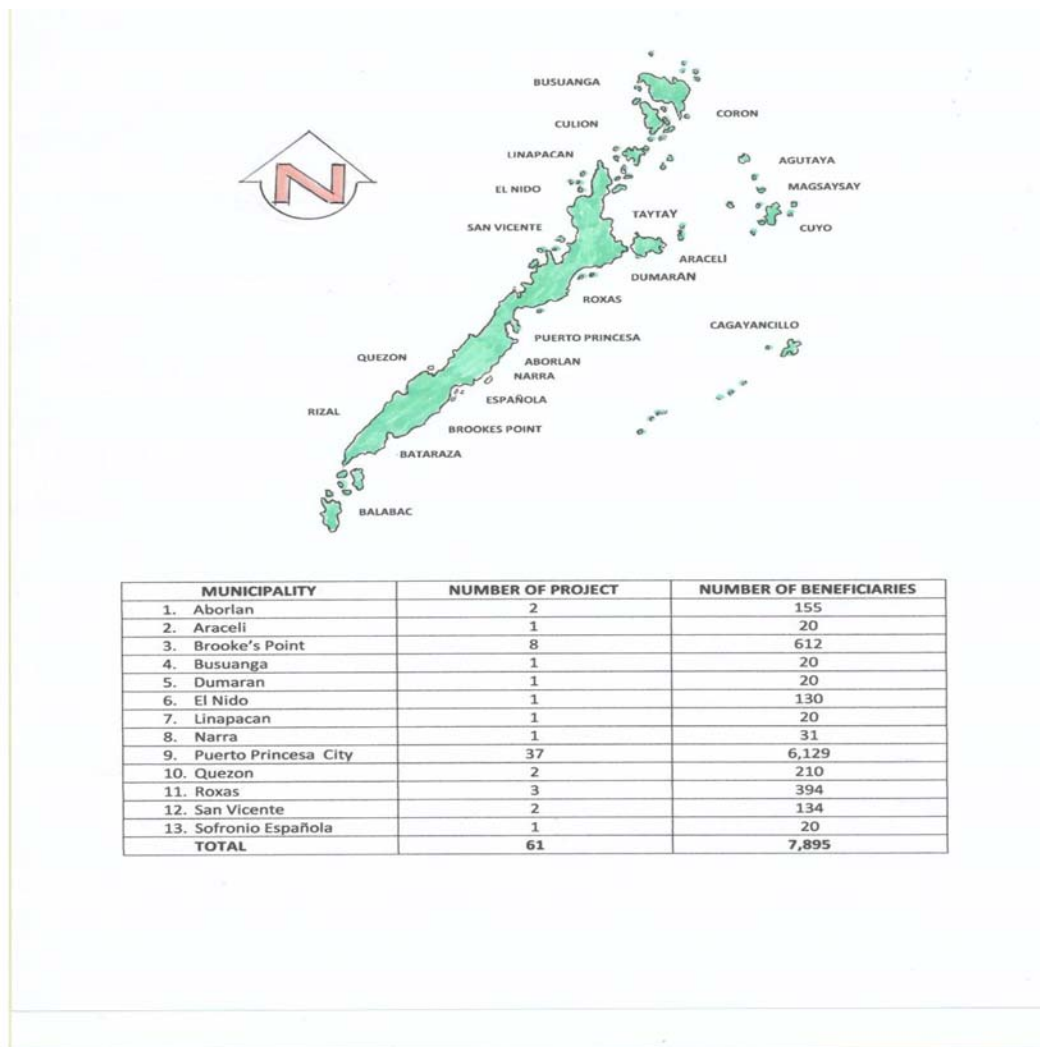


Figure 2: NHA Projects in Palawan

Given the increasing growth rate vis a vis the low priority afforded by the national government to local government units outside Metro Manila, there is a pressing need for the respective local governments in this Southern part of the country, especially that it is being considered as the last frontier due to its very big land area and vast natural resources, to look into their own capacities and resources to address its shelter concerns and issues at this early period of time to prevent it from becoming a site of having unplanned settlements in the future. It is best that at this very early stage, local governments can plan appropriately and comprehensively how they will utilize its lands and resources.

Proposal for Change and Improvement

Given the above stated problem this paper intends to come up with short and long term plans that would help these local governments to look into its shelter situation and find out what they can do to help their constituents resolve their shelter problems to include land tenure concerns, improvement of basic services and amenities and better housing units depending on the present community situation.

The NHA has an outstanding Memorandum of Agreements with both the Province and the City government. It is stated thereat that NHA shall provide technical assistance in its housing development efforts. This particular instrument can be utilized by the Palawan Office to initiate activities towards the objective of creating awareness among the identified local government units to take a look and assess its housing situation and ultimately come up with a local shelter plan. The Palawan Office as part of its technical assistance to local governments shall undertake projects and activities related to capacity building of its concerned staff.

In coordination with NHA main office staff and other concerned agencies, the following initial activities shall be undertaken:

- Orientation sessions about the LGUs' roles and responsibilities on shelter provision as mandated by law. This will probably be a two day session to be conducted for the LGU staff from the identified municipalities whose functions are necessary and has relationship to shelter, examples of whom

are the municipal engineer, planning officer, the assessor, register of deeds, community leaders and existing concerned NGOs if there be any.

- Advocate for the creation of a local housing board in the municipalities identified at the same time, encourage the housing board of the city government to convene and undertake its function in accordance to its creation. The Puerto Princesa City's local housing board was created already, but does not function and has not even convened since then.
- Advocate for the Formulation of a local shelter plan – this is the ultimate goal that this proposal would like to undertake in consultation with the concerned municipalities and with the help of other concerned agencies such as HUDCC who is the umbrella organization.

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