Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

EIGHTEENTH (18th) CONGRESS
First Regular Session

HOUSE BILL NO. 156

Introduced by REP. JOSE CHRISTOPHER Y. BELMONTE

EXPLANATORY NOTE

In the 16th Congress, House Bill No. 3975 entitled "An Act Establishing an On-Site, In-City or Near-City Policy in the Provision of Resettlement Sites for Informal Settler Families in Accordance with the People's Plan, Amending for this Purpose Republic Act No. 7279, Otherwise Known as the 'Urban Development and Housing Act of 1992'" was originally filed by Rep. Ibarra Gutierrez III and this Representation. The said measure was passed by the 16th Congress on the 3rd Reading.

In the 17th Congress, the same measure was filed by this Representation as House Bill No. 160 and by Rep. Alfredo "Albee" Benitez as House Bill No. 82. House Bill No. 5347, a consolidation of these bills, was passed in the 3rd Reading.

Having been transmitted to the Senate for appropriate action in the previous Congresses, the bill has yet to be enacted in order for the Philippine Government to fulfill its mandate to initiate a program of land reform coupled with securing affordable housing and basic services to the underprivileged. Article XIII (Social Justice and Human Rights) of the 1987 Constitution, explicitly provides for this directive for the government.

"SECTION 9. The State shall, by law, and for the common good, undertake, in cooperation with the public sector, a continuing program of urban land reform and housing which will make available at affordable cost decent housing and basic services to underprivileged and homeless citizens in urban centers and resettlements areas. It shall also promote adequate employment opportunities to such citizens. In the implementation of such program the State shall respect the rights of small property owners."

"Section 10. Urban or rural poor dwellers shall not be evicted nor their dwellings demolished, except in accordance with law and in a just and humane manner.

No resettlement of urban or rural dwellers shall be undertaken without adequate
consultation with them and the communities where they are to be relocated.”

The *Urban Development and Housing Act of 1992* provided a solution to the problem of informal settlement. The new law gave homeless Filipinos housing through the combined efforts of the government and the private sector. It also emphasized the need for providing safe, accessible and permanent homes to families living in danger areas.

However, the passage of the *Urban Development and Housing Act* has failed to address the housing problem of the Philippines. As of 2015, there are almost 5.5 million Filipinos who are in need of housing. Furthermore, a study by the University of Asia and Pacific predicts that by 2030 the housing backlog may reach up to 6.5 million.¹

In the National Development Authority’s 2017 Socio-economic Report, only 142,444 households were given housing assistance by our Key Shelter Agencies.² If this trend continues, the housing problem in our country will only continue to pile-up in the coming years.

This shows the crucial issue of sustainability in the different government housing programs with regard to relocation of informal settlers.

In 2011, the Philippine Government allocated Fifty Billion Philippine peso (Php50, 000,000,000.00) for a five-year resettlement program aimed to ensure safe and flood-resilient permanent housing solutions for 104,219 informal settler families (ISFs) living in ‘dangerous areas’ in the National Capital Region. The main highlight of this program was the Joint Memorandum Circular that will be used as a major framework for the housing projects to be done.

The Joint Memorandum Circular signed by implementing government agencies is a major milestone in achieving the sustainability needed for informal settlers. It adopted the policy of on-site or, in situations where this is not possible, in-city or, if still not possible, near city resettlement sites. It also added the adoption of a “People’s Plan” where the proposal is done by the community being relocated.

The adoption of an “on-site, in-city, near city” housing policy on resettlement safeguards the access of informal settlers to their employment and their market for their business. The standardization of the “People’s Plan” not only empowers the community but also ensures a constant participation and partnership with informal settler families. Both of this innovation will surely enhance the sustainability and the continuity of the resettlement program.

In view of the foregoing, the passage of this bill is earnestly sought.

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²NEDA Socioeconomic Report 2017
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HOUSE BILL NO. 156

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AN ACT

ESTABLISHING A LOCAL GOVERNMENT RESETTLEMENT PROGRAM THAT IMPLEMENTS AN ON-SITE, IN-CITY OR NEAR-CITY STRATEGY FOR INFORMAL SETTLER FAMILIES IN ACCORDANCE WITH A PEOPLE'S PLAN AND MANDATING THE RELOCATING LOCAL GOVERNMENT UNIT TO PROVIDE OTHER BASIC SERVICES AND LIVELIHOOD COMPONENTS IN FAVOR OF RECIPIENT LOCAL GOVERNMENT UNIT, AMENDING FOR THE PURPOSE REPUBLIC ACT NO. 7279, AS AMENDED, OTHERWISE KNOWN AS THE "URBAN DEVELOPMENT AND HOUSING ACT OF 1992"

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. Short Title. – This Act shall be known as the “Local Government Unit Led On-site, In-City or Near-City Resettlement Act”.

SEC. 2. Section 3 of Republic Act No. 7279 is hereby amended to read as follows:

"SEC. 3. Definition of Terms. – For purposes of this Act:

"x x x

"(w) x x x; [and]

"(x) ‘Zonal Improvement Program or ZIP’ refers to the program of the National Housing Authority of upgrading and improving blighted squatter areas within the cities and municipalities of Metro Manila pursuant to existing statutes and pertinent executive issuances.";
“(Y) ‘ADEQUATE AND RESPONSIVE CONSULTATION’ REFERS TO THE STANDARD OF CONSULTATION WITH THE AFFECTED INFORMAL SETTLER FAMILIES (ISFS) WHICH SHALL REQUIRE THE FOLLOWING:

“(1) EFFECTIVE DISSEMINATION OF RELEVANT INFORMATION AND DOCUMENTS INCLUDING LAND RECORDS, HOUSING BUDGETS, THE PROPOSED PLAN OR PROJECT, ALTERNATIVE HOUSING OPTIONS, AND COMPREHENSIVE RESETTLEMENT PLANS;

“(2) REASONABLE TIME FOR THE PUBLIC TO REVIEW AND COMMENT ON THE PROPOSED PLAN OR PROJECT;

“(3) PROVISION BY THE GOVERNMENT OR NONGOVERNMENT ORGANIZATIONS OF LEGAL, TECHNICAL, AND OTHER APPROPRIATE ADVICE TO AFFECTED PERSONS ON THEIR RIGHTS AND OPTIONS;

“(4) PUBLIC HEARINGS THAT PROVIDE AFFECTED ISFS AND THEIR ADVOCATES WITH OPPORTUNITIES TO COMMENT ON THE PROPOSED RESETTLEMENT ACTION PLAN OR PRESENT ALTERNATIVE PROPOSALS AND TO ARTICULATE THEIR DEMANDS AND DEVELOPMENT PRIORITIES; AND

“(5) MEDIATION, ARBITRATION, OR ADJUDICATION BY AN INDEPENDENT BODY VESTED WITH CONSTITUTIONAL AUTHORITY SUCH AS A COURT OF LAW, AND AS MAY BE APPROPRIATE, IN CASE NO AGREEMENT IS REACHED ON THE PROPOSALS OF THE CONCERNED PARTIES;

“(Z) ‘CIVIL SOCIETY ORGANIZATIONS OR CSOS’ REFERS TO NONGOVERNMENTAL ORGANIZATIONS (NGOs), PEOPLE’S ORGANIZATIONS (POS), COOPERATIVES, TRADE UNIONS, PROFESSIONAL ASSOCIATIONS, FAITH-BASED ORGANIZATIONS, MEDIA GROUPS, INDIGENOUS PEOPLES MOVEMENTS, FOUNDATIONS AND OTHER CITIZEN’S GROUPS FORMED PRIMARILY FOR SOCIAL AND ECONOMIC DEVELOPMENT TO PLAN AND MONITOR GOVERNMENT PROGRAMS AND PROJECTS, ENGAGE IN POLICY DISCUSSIONS, AND ACTIVELY PARTICIPATE IN COLLABORATIVE ACTIVITIES WITH THE GOVERNMENT;
“(AA) ‘IN-CITY RESETTLEMENT’ REFERS TO A RELOCATION SITE WITHIN THE JURISDICTION OF A LOCAL GOVERNMENT UNIT WHERE THE AFFECTED ISFS ARE LIVING;

“(BB) ‘INFORMAL SETTLEMENTS’ REFERS TO:

“(1) RESIDENTIAL AREAS WHERE HOUSING UNITS HAVE BEEN CONSTRUCTED BY SETTLERS ON LAND WHICH THEY OCCUPY ILLEGALLY; OR

“(2) UNPLANNED SETTLEMENTS AND AREAS WHERE HOUSING IS NOT IN COMPLIANCE WITH EXISTING PLANNING AND BUILDING REGULATIONS;

“(CC) ‘INFORMAL SETTLER FAMILIES’ OR ‘ISFS’ REFERS TO FAMILIES LIVING IN INFORMAL SETTLEMENTS AS DEFINED IN THIS ACT;

“(DD) ‘ATTACHED CORPORATIONS’ REFERS TO THE GOVERNMENT HOUSING AGENCIES ATTACHED TO THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT, NAMELY: NATIONAL HOUSING AUTHORITY, NATIONAL HOME MORTGAGE FINANCE CORPORATION, HOME DEVELOPMENT MUTUAL FUND, AND SOCIAL HOUSING FINANCE CORPORATION, AS PROVIDED UNDER SECTION 22 OF REPUBLIC ACT NO. 11201, OTHERWISE KNOWN AS THE ‘DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT ACT’;

“(EE) ‘NEAR-CITY RESETTLEMENT’ REFERS TO A RELOCATION SITE WITHIN THE JURISDICTION OF A LOCAL GOVERNMENT UNIT, CLOSER TO THE ORIGINAL LOCATION OF THE AFFECTED ISFS, WITH MINIMAL TRANSPORTATION COST BASED ON THEIR INCOME PROFILE AND ADJACENT TO THE LOCAL GOVERNMENT UNIT THAT HAS JURISDICTION OVER THEIR PRESENT SETTLEMENTS;

“(FF) ‘NONGOVERNMENT ORGANIZATION’ OR ‘NGO’ REFERS TO A DULLY REGISTERED NONSTOCK, NONPROFIT ORGANIZATION FOCUSING ON THE UPLIFTMENT OF THE BASIC OR DISADVANTAGED SECTORS OF SOCIETY, AS DEFINED UNDER REPUBLIC ACT NO. 8425 OR THE SOCIAL REFORM AND POVERTY ALLEVIATION ACT’, BY PROVIDING ADVOCACY, TRAINING, COMMUNITY ORGANIZING,
RESEARCH, ACCESS TO RESOURCES, AND OTHER SIMILAR ACTIVITIES, AND ORGANIZED AND OPERATED EXCLUSIVELY FOR SCIENTIFIC, RESEARCH, EDUCATIONAL, CHARACTER-BUILDING AND YOUTH AND SPORTS DEVELOPMENT, HEALTH, SOCIAL WELFARE, CULTURAL OR CHARITABLE PURPOSES, OR A COMBINATION THEREOF, AND WHOSE NET INCOME DOES NOT INURE, WHETHER PARTLY OR AS A WHOLE TO THE BENEFIT OF ANY PRIVATE INDIVIDUAL, PURSUANT TO SECTION 34(H)(2)(C)(1) OF REPUBLIC ACT NO. 8424, AS AMENDED, OTHERWISE KNOWN AS THE ‘TAX REFORM ACT OF 1997’;

“(GG) ‘OFF-CITY RESETTLEMENT’ REFERS TO A RELOCATION SITE DEVELOPED OUTSIDE AND NOT ADJACENT TO THE LOCAL GOVERNMENT UNIT WHERE THE AFFECTED ISFS ARE RESIDING;


“(II) ‘SOCIAL PREPARATION’ REFERS TO THE PROCESS OF ESTABLISHING SOCIAL, ORGANIZATIONAL, AND INSTITUTIONAL NORMS AND MECHANISMS. SUCH NORMS AND MECHANISMS WILL: (1) ENABLE THE BENEFICIARIES TO COPE WITH CHANGES; AND (2) IN PARTNERSHIP WITH CONCERNED INSTITUTIONS AND STAKEHOLDERS, ENCOURAGE THE SETTLERS NOT ONLY TO WORK AMONG THEMSELVES FOR THE PURPOSE OF DRAWING UP AND
UNDERTAKING THEIR HOUSING PROJECT PROPOSALS, BUT ALSO TO
ACTIVELY AND MEANINGFULLY PARTICIPATE IN HOUSING
PROJECTS UNDERTAKEN ON THEIR BEHALF, THUS RESOLVING
COLLECTIVE ACTION PROBLEMS AMONG COMMUNITY MEMBERS
AND COORDINATION PROBLEMS WITH GOVERNMENT AND OTHER
ENTITIES.”;

SEC. 3. Section 22 of Republic Act No. 7279 is hereby amended to read as follows:

“SEC. 22. Livelihood Component. – To the extent feasible, socialized housing
and resettlement projects shall be located near areas where employment opportunities
are accessible. The government agencies dealing with the PROVISION OF SKILLS
AND LIVELIHOOD TRAINING, development of livelihood programs, and grant of
livelihood loans, NAMELY: DEPARTMENT OF LABOR AND EMPLOYMENT,
DEPARTMENT OF SOCIAL WELFARE AND DEVELOPMENT,
DEPARTMENT OF SCIENCE AND TECHNOLOGY, TECHNICAL
EDUCATION AND SKILLS DEVELOPMENT AUTHORITY, AND
PHILIPPINE TRADE AND TRAINING CENTER shall give priority to the
beneficiaries of the Program.”

SEC. 4. Section 23 of the same Act is hereby amended to read as follows:

“SEC. 23. Participation of PROGRAM Beneficiaries, FORMATION OF
BENEFICIARY-ASSOCIATION, MAINSTREAMING SOCIAL PREPARATION,
AND FORMULATION AND IMPLEMENTATION OF A PEOPLE’S PLAN. – The
local government units, in coordination with the Presidential Commission for the Urban
Poor and concerned government agencies, shall afford Program beneficiaries or their
duly designated representatives an opportunity to be heard and to participate in the
decision-making process over matters involving the protection and promotion of their
legitimate collective interests which shall include appropriate documentation and
feedback mechanisms. They shall also be encouraged to organize themselves [and
undertake self-help cooperative housing and other livelihood activities] INTO AN
ASSOCIATION FOR ACCREDITATION AS BENEFICIARIES OR
AWARDEES OF OWNERSHIP RIGHTS UNDER THE RESETTLEMENT
PROGRAM, COMMUNITY MORTGAGE PROGRAM, LAND TENURE
ASSISTANCE PROGRAM, AND OTHER SIMILAR PROGRAMS IN
RELATION TO A SOCIALIZED HOUSING PROJECT ACTUALLY BEING
IMPLEMENTED BY THE NATIONAL GOVERNMENT OR BY THE LOCAL
GOVERNMENT UNITS. They shall assist the Government in preventing the
incursions of professional squatters and members of squatting syndicates into their
communities.

"In instances when the affected beneficiaries have failed to organize themselves or
form an [alliance] ASSOCIATION within a reasonable period prior to the
implementation of the program or projects affecting them, consultation between the
implementing agency and the affected beneficiaries shall be conducted with the
assistance of the Presidential Commission for the Urban Poor and the concerned
nongovernment organization UNTIL AN ASSOCIATION IS FORMED IN
PLACE.

"THE ASSOCIATION, IN CONSULTATION WITH THE
PRESIDENTIAL COMMISSION FOR THE URBAN POOR, SHALL, WITH
OR WITHOUT THE SUPPORT OF CSOS, FORMULATE A PEOPLE'S
PLAN.

"THE ASSOCIATION, WITH THE ASSISTANCE OF CSOS AND
GOVERNMENT AGENCIES INCLUDING THE NATIONAL ANTI-
POVERTY COMMISSION, PRESIDENTIAL COMMISSION FOR THE
URBAN POOR, NATIONAL HOUSING AUTHORITY, CITY OR MUNICIPAL
SOCIAL WELFARE AND DEVELOPMENT OFFICE, SOCIAL HOUSING
FINANCE CORPORATION, LOCAL GOVERNMENT UNITS, AND OTHER
RELEVANT AGENCIES OF GOVERNMENT, SHALL AGREE ON,
DEVELOP, AND IMPLEMENT THE PEOPLE'S PLAN.

"IN ACCORDANCE WITH THE PROTECTION GUIDELINES PROVIDED
UNDER SECTION 28 OF THIS ACT, A RELOCATION ACTION PLAN
SHALL BE AN INDISPENSABLE COMPONENT OF THE PEOPLE'S PLAN.
THE RELOCATION ACTION PLAN SHALL INCLUDE THE FOLLOWING
OBJECTIVES:

"(A) ENSURE SAFE, AFFORDABLE, DECENT, AND HUMANE
CONDITION OF RELOCATION, INCORPORATING THEREIN
APPROPRIATE DISASTER RISK REDUCTION MANAGEMENT AND
CLIMATE CHANGE ADAPTATION STANDARDS;

"(B) PROVIDE ADEQUATE SOCIAL PREPARATION; AND
“(C) PREVENT FORCED EVICTION: PROVIDED, THAT PRIMARY CONSIDERATION SHALL BE GIVEN TO THE HOUSING FINANCIAL SCHEME SUGGESTED IN THE PEOPLE’S PLAN.”;

SEC. 5. Section 26 of the same Act is hereby amended to read as follows:

“SEC. 26. Urban Renewal and Resettlement. – [This] URBAN RENEWAL AND RESETTLEMENT shall include the rehabilitation and development of blighted and slum areas and the resettlement of Program beneficiaries in accordance with the provisions of this Act. On-site development shall be implemented [whenever possible] AFTER ADEQUATE AND RESPONSIVE CONSULTATION WITH THE AFFECTED ISFS, AND IN ACCORDANCE WITH THE PEOPLE’S PLAN FORMULATED PURSUANT TO SECTION 23 OF THIS ACT, in order to ensure minimum movement of occupants of blighted lands and slum areas. “[The] WHERE DEMOLITION OR EVICTION IS ALLOWED IN THE AREA OCCUPIED BY THE PROGRAM BENEFICIARIES PURSUANT TO SECTION 28 OF THIS ACT, AND ON-SITE RESETTLEMENT CANNOT BE UNDERTAKEN BY REASON THEREOF, THE IN-CITY resettlement of the beneficiaries of the Program from their existing places of occupancy shall be undertaken only [when on-site development is not feasible and] after compliance with the procedures AS ALSO laid down in Section 28 of this Act AND IN ACCORDANCE WITH THE PREFERENCE OF THE AFFECTED ISFS AS CONTAINED IN THE PEOPLE’S PLAN.

“SHOULD IN-CITY RESETTLEMENT NOT BE FEASIBLE, NEAR-CITY RESETTLEMENT SHALL BE CONSIDERED. OFF-CITY RESETTLEMENT SHALL ONLY BE RESORTED TO WHEN DIRECTLY REQUESTED BY THE AFFECTED ISFS THEMSELVES, AND MUST SATISFY THE REQUIREMENTS OF ADEQUATE AND RESPONSIVE CONSULTATION PRIOR TO RELOCATION.”

SEC. 6. Section 29 of the same Act is hereby amended to read as follows:

“SEC. 29. Resettlement. – THE LOCAL GOVERNMENT UNITS SHALL BE CHARGED WITH THE PRIMARY RESPONSIBILITY OF IMPLEMENTING RESETTLEMENT OF AFFECTED ISFS IN THEIR RESPECTIVE LOCALITIES, IN COORDINATION WITH THE DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT AND ITS ATTACHED CORPORATIONS. Within two (2) years from the effectivity of this Act, the local
government units, in coordination with the [National Housing Authority] DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT AND ITS ATTACHED CORPORATIONS, shall implement the relocation and resettlement of [persons] ISFS living in danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and in other public places such as sidewalks, roads, parks, and playgrounds. The local government unit, in coordination with the [National Housing Authority] DEPARTMENT OF HUMAN SETTLEMENTS AND URBAN DEVELOPMENT AND ITS ATTACHED CORPORATIONS, shall provide relocation or resettlement sites with basic services and facilities and access to employment and livelihood opportunities sufficient to meet the basic needs of the affected families. FOR THIS PURPOSE, THE LOCAL GOVERNMENT UNIT MAY PURCHASE LANDS OUTSIDE ITS JURISDICTION.


"IN INSTANCES WHEN THE RELOCATION OR RESETTLEMENT SITE IS LOCATED IN ANOTHER LOCAL GOVERNMENT UNIT, THE LOCAL GOVERNMENT UNIT THAT IMPLEMENTS THE RELOCATION OR RESETTLEMENT AND THE CONCERNED NATIONAL GOVERNMENT AGENCIES SHALL, THROUGH A MEMORANDUM OF AGREEMENT, PROVIDE THE OTHER BASIC SERVICES AND FACILITIES ENUMERATED UNDER SECTION 21 OF THIS ACT, INCLUDING A LIVELIHOOD COMPONENT FOR THE BENEFICIARIES BEING RELOCATED, TO THE RECIPIENT LOCAL GOVERNMENT UNIT WHERE THE RELOCATION OR RESETTLEMENT SITE IS LOCATED.

LOCAL GOVERNMENT FINANCE SHALL FORMULATE THE
IMPLEMENTING RULES AND REGULATIONS ON THE COST-SHARING
MECHANISM NECESSARY TO FULLY IMPLEMENT THE PROVISION OF
SUCH OTHER BASIC SERVICES AND FACILITIES.

"IN ADDITION TO THE FUNDING SOURCES PROVIDED UNDER
SECTION 42 OF THIS ACT, THE ALLOCATION FOR THE BASIC
SERVICES AND FACILITIES MAY BE TAKEN BY THE LOCAL
GOVERNMENT UNIT IMPLEMENTING THE RELOCATION OR
RESETTLEMENT FROM THE TWENTY PERCENT (20%) OF THE
INTERNAL REVENUE ALLOTMENT APPROPRIATED FOR
DEVELOPMENT PROJECTS AS MANDATED UNDER SECTION 287 OF
REPUBLIC ACT NO. 7160, OTHERWISE KNOWN AS THE ‘LOCAL
GOVERNMENT CODE OF 1991’.”

SEC. 7. Implementing Rules and Regulations. — The principles, policies and provisions
of this Act shall be incorporated in the National Shelter Program.

The Department of Human Settlements and Urban Development and the Department
of the Interior and Local Government, in consultation and coordination with appropriate
government agencies, CSOs, NGOs, representatives from the private sector, and ISFs, shall
promulgate a new set of implementing rules and regulations within sixty (60) days from the
effectivity of this Act. The implementing rules and regulations shall be consistent with the
provisions of this Act, particularly with the amendments, parameters, and standards introduced
to Sections 22, 23, 26, and 29 of the “Urban Development and Housing Act of 1992”, and shall
include the following:

(a) A People’s Plan template to guide ISFs in the development of their own People’s
Plan: Provided, That such template shall be a complete pro forma People’s Plan: Provided,
however, That such a template shall be used to benchmark the minimum standards in a People’s
Plan; and

(b) A guide to effective implementation of the People’s Plan, including details on the
necessity of the issuance of internal memoranda by concerned agencies.

The implementing rules and regulations issued pursuant to this section shall take effect
thirty (30) days after its publication in two (2) national newspapers of general circulation.

SEC. 8. Repealing Clause. — All laws, decrees, executive orders, proclamations, rules
and regulations, and other issuances, or parts thereof which are inconsistent with the provisions
of this Act are hereby repealed, amended or modified accordingly.
SEC. 9. Separability Clause. – If, for any reason, any part, section or provision of this Act is held invalid or unconstitutional, the remaining provisions not affected thereby shall continue to be in full force and effect.

SEC. 10. Effectivity. – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,