

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 3936



Introduced by REP. KAKA BAG-AO

EXPLANATORY NOTE

Article XIII on Social Justice and Human Rights of the *1987 Philippine Constitution* provides that:

"*Section 9.* The State shall, by law and for the common good, undertake, in cooperation with the private 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 resettlement areas. It shall promote the adequate employments of such programs that 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 located."

In 1992, the *Urban Development and Housing Act* was enacted, a law which sought to execute the provisions on urban land reform and housing of the Constitution. The law laid down a national urban development and housing framework, with one of its primary objectives being the upliftment of the conditions of underprivileged citizens in urban and resettlement areas by providing decent and affordable housing, without compromising access to basic services and employment opportunities.

More than two decades have passed after the passage of the Urban and Development Housing Act, and the problem of provision of affordable, adequate and accessible housing still needs to be addressed. One of the crucial issues identified with the relocation programs of the government is sustainability. Beneficiaries of relocation programs have a tendency to return to their original location, on the grounds that their relocation site is far off from their livelihood, and/or lack of access to basic utilities such as water or power.

This bill aims to adopt an "on-site, in-city, near-city" policy in the relocation of Informal Settler Families (ISFs). It mandates that resettlement sites should primarily be on-site, but should the same not be possible, in-city relocation should be sought, and as a last resort, near-city. Resettlements shall only be undertaken in accordance with a "People's Plan", a proposal coming from the community to be relocated. The adoption of the "on-site, in-city" policy assures the ISFs of continued access to their employment, while the implementation of a "People's Plan" provides them with an avenue to participate as a community in the planning and implementation of their own relocation, strengthening their commitment to the program as active partners of the government, ultimately ensuring the sustainability of resettlement projects. This bill, initially filed by Akbayan Representatives Barry Gutierrez and Walden Bello, was already approved on third and final reading by the House of Representatives last 16th Congress.

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



REP. KAKA BAG-AO
Lone District, Dinagat Islands

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 3936

Introduced by REP. KAKA BAG-AO

AN ACT

ESTABLISHING AN ON-SITE, IN-CITY OR NEAR-CITY RESETTLEMENT PROGRAM FOR INFORMAL SETTLER FAMILIES, AND IN CONNECTION THEREWITH, MANDATING THAT LOCAL GOVERNMENT UNITS PROVIDE LIVELIHOOD ASSISTANCE AND OTHER BASIC SERVICES, 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 the House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* – This Act shall be known as the "On-site, In-City or Near-City Resettlement Act."

SEC. 2. *Amendatory Provisions.* – For purposes of this Act, the following provisions of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act of 1992", are hereby amended as follows:

- (a) 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 squatters areas within the cities and municipalities of Metro Manila pursuant to existing statutes and pertinent executive issuances[.] ;

(Y) "ADEQUATE AND GENUINE 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, COMMENT AND OBJECT TO THE PROPOSED PROJECT;**
- (3) PROVISION BY THE GOVERNMENT OR NONGOVERNMENT ORGANIZATIONS OF LEGAL, TECHNICAL, AND OTHER ADVICE TO AFFECTED PERSONS ON THEIR RIGHTS AND OPTIONS;**
- (4) PUBLIC HEARINGS THAT PROVIDE AFFECTED ISFs AND THEIR ADVOCATES WITH OPPORTUNITIES TO CHALLENGE THE EVICTION DECISION OR PRESENT ALTERNATIVE PROPOSALS AND TO ARTICULATE THEIR DEMANDS AND DEVELOPMENT PRIORITIES; AND**
- (5) IN CASE NO AGREEMENT IS REACHED ON THE PROPOSALS OF THE CONCERNED PARTIES, AN INDEPENDENT BODY HAVING CONSTITUTIONAL AUTHORITY, SUCH AS A COURT OF LAW, SHOULD MEDIATE, ARBITRATE OR ADJUDICATE AS MAY BE APPROPRIATE;**

(Z) "CIVIL SOCIETY ORGANIZATIONS OR CSOS" REFER 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 CITY 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" COLLECTIVELY REFERRED TO AS ISFs, REFERS TO FAMILIES LIVING IN INFORMAL SETTLEMENTS AS THE LATTER IS DEFINED IN THIS ACT;

(DD) "NEAR-CITY SETTLEMENT" REFERS TO A RELOCATION SITE IN THE CITY OTHER THAN THE CITY OF THE AFFECTED INFORMAL SETTLEMENTS: PROVIDED, HOWEVER, THAT THE RELOCATION SITE IS ADJACENT TO THE CITY WHERE THE AFFECTED ISFs HAVE THEIR SETTLEMENTS;

(EE) "NONGOVERNMENT ORGANIZATION OR NGO" REFERS TO A DULY REGISTERED NONSTOCK, NONPROFIT ORGANIZATION FOCUSING ON THE UPLIFTMENT OF THE BASIC OR DISADVANTAGED SECTORS OF SOCIETY BY PROVIDING ADVOCACY, TRAINING, COMMUNITY ORGANIZING, RESEARCH, ACCESS TO RESOURCES, AND OTHER SIMILAR ACTIVITIES, AS DEFINED UNDER REPUBLIC ACT NO. 8425, OTHERWISE KNOWN AS THE 'SOCIAL REFORM AND POVERTY ALLEVIATION ACT' AND ORGANIZED AND OPERATED EXCLUSIVELY FOR SCIENTIFIC, RESEARCH, EDUCATIONAL, CHARACTER-BUILDING AND YOUTH AND SPORTS DEVELOPMENT, HEALTH, SOCIAL WELFARE, CULTURAL AND CHARITABLE PURPOSES, OR A COMBINATION THEREOF, AND NO PART OF THE NET INCOME OF WHICH INURES 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';

(FF) "OFF-CITY RESETTLEMENT" REFERS TO A RELOCATION SITE DEVELOPED OUTSIDE AND NOT ADJACENT TO THE CITY WHERE THE AFFECTD ISFs HAVE THEIR SETTLEMENTS;

(GG) "PEOPLE'S PLAN" REFERS TO THE PLAN FORMULATED BY THE BENEFICIARY-ASSOCIATION, IN COORDINATION WITH THE PRESIDENTIAL COMMISSION ON THE URBAN POOR WITH OR WITHOUT THE SUPPORT OF CSOs, WHICH SHALL CONTAIN THE SITE DEVELOPMENT PLAN, INCLUDING NONPHYSICAL DEVELOPMENT COMPONENTS SUCH AS SELF-HELP HOUSING COOPERATIVE, LIVELIHOOD, SELF-HELP DEVELOPMENT, AND CAPABILITY BUILDING; AND

(HH) **"SOCIAL PREPARATION" REFERS TO THE PROCESS OF ESTABLISHING SOCIAL, ORGANIZATION, AND INSTITUTIONAL NORMS AND MECHANISMS. SUCH NORMS AND MECHANISMS WILL: (1) ENABLE THE SETTLERS 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 RESETTLEMENT PROPOSALS BUT ALSO TO ACTIVELY AND MEANINGFULLY PARTICIPATE IN HOUSING RESETTLEMENT PROJECTS UNDERTAKEN IN THEIR BEHALF, THUS RESOLVING COLLECTIVE ACTION PROBLEMS AMONG COMMUNITY MEMBERS AND COORDINATION PROBLEMS WITH GOVERNMENT AND OTHER ENTITIES."**

(b) Section 23 of the same Act is hereby amended to read as follows:

"SEC. 23. Participation of PROGRAM Beneficiaries OR AFFECTED ISFs, FORMATION OF BENEFICIARY ASSOCIATION, 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 AFFECTED ISFs** 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 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 COORDINATION WITH THE PRESIDENTIAL COMMISSION FOR THE URBAN POOR WITH OR WITHOUT THE SUPPORT OF CSOs, SHALL FORMULATE A 'PEOPLE'S PLAN' THROUGH A PROCESS OF CONSULTATION WHICH SHALL CONTAIN A SITE DEVELOPMENT PLAN, INCLUDING NONPHYSICAL DEVELOPMENT COMPONENTS SUCH AS SELF-HELP HOUSING COOPERATIVE, LIVELIHOOD, SELF-HELP DEVELOPMENT, AND CAPABILITY-BUILDING TRAININGS.

THE ASSOCIATION, WITH THE ASSISTANCE OF CSOs AND GOVERNMENT AGENCIES INCLUDING THE NATIONAL ANTI-POVERTY COMMISSION (NAPC), 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 INDISPENSIBLE 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.”;

(c) 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 GENUINE 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 laid down in [Section 28 of this Act] **THE SAME SECTION 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 GENUINE CONSULTATION PRIOR TO RELOCATION."

- (d) Section 29 of the same Act is hereby amended to read as follows:

"SEC. 29. Resettlement. – Within two (2) years from the effectivity of this Act, the local government units, in coordination with the National Housing Authority, shall implement the relocation and resettlement of persons living in danger areas such as esteros, railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and in public places such as sidewalks, roads, parks and playgrounds. The local government unit, in coordination with the National Housing Authority, 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.

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 TO THE RECEIPT LOCAL GOVERNMENT UNIT WHERE THE RELOCATION OR RESETTLEMENT SITE IS LOCATED.

THE HOUSING AND URBAN DEVELOPMENT COORDINATING COUNCIL AND THE DEPARTMENT OF FINANCE – BUREAU OF 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 (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. 3. *Implementing Rules and Regulations.* – The principles, policies and provisions of this Act shall be incorporated in the National Shelter Program.

The Housing and Urban Development Coordinating Council and the Department of 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 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 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. 4. *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. 5. *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.

SECTION 6. *Effectivity.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,