



COALITIONS FOR CHANGE AND DSWD:  
**FINDING NEW SOLUTIONS  
TO SAFELY HOUSE INFORMAL  
SETTLER FAMILIES**



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# FINDING NEW SOLUTIONS TO SAFELY HOUSE INFORMAL SETTLER FAMILIES

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In November 2014, around 200 Informal Settler Families (ISF) voluntarily moved from their homes in dangerous waterway areas in Metro Manila to safer areas within the city. The transfer of these families represented the culmination of an activity that began in mid-2013 by the *Coalitions for Change* (CfC) program, a Partnership between the Australian Embassy and The Asia Foundation.

Reforms under CfC are designed and implemented based on realistic assessments of the political uncertainties and

pertinent social issues. CfC's flexibility in pursuing its objectives and remaining problem-driven is one of its most innovative features.

This paper details the iterative process Coalitions for Change undertook to identify and introduce an initial policy to help the government move ISF to safer areas. It also outlines key lessons which will inform a larger pilot program for resettlement, and which may be of interest to others working with ISF.

## AN ENORMOUS CHALLENGE AND A REALISTIC ASSESSMENT

In 2011, the Aquino administration announced a Php 50 billion fund (AUD 1.5 billion) to provide on-site or in-city housing for an estimated 100,000 ISF living in areas vulnerable to flooding in Metro Manila.

By 2013 however, progress in relocation was slow and it became evident that this goal was ambitious within the context of existing policies and programs. For example, most ISF communities had only cleared the first of a 13 step process for in-city

relocations, which involved submitting a housing project proposal with supporting documents, including an official request for financing, land data, and cost estimates. In addition, CfC estimated that the National Housing Authority (NHA), the main agency tasked to build homes, had historically produced only about 3,000 houses per year. This rate is significantly short of the requirement to build 20,000 homes per year to move all ISF by the end of the Aquino administration in mid-2016.

## RENTAL ASSISTANCE FOR ISF IN DANGER AREAS

Rental assistance, as defined in the Department of Social Welfare and Development (DSWD) *Guidelines on the Interim Shelter Fund for ISFs in Danger Areas*, is a stop-gap measure to move ISF to safe and temporary housing.

Through the Interim Shelter Fund, DSWD distributed a fixed subsidy (Php 18,000 per ISF) for a temporary housing rental payment, while families awaited the government's permanent resettlement. The ISF assisted were:

- a. Those residing on top of or within the three-meter easement of major waterways, as identified and jointly validated by the local government, Department of Interior and Local Government (DILG) and DSWD;
- b. Those living along waterways with urgent government infrastructure flood-control projects; and
- c. Those who voluntarily vacated their homes to move to safer areas.

Upon confirming eligibility, DSWD disbursed the cash grant to the families in two payments. A "*kasunduan*" (written agreement) between the family and the DSWD formalized the arrangements and conditions for the provision of the cash grant. DSWD monitors compliance to the agreement in coordination with the local government.





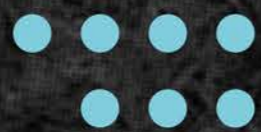
## FROM AN EDUCATED GUESS TO VALIDATED LEARNING.

After a series of initial meetings, CfC established a partnership with the Department of Social Work and Development (DSWD) in April 2014. Discussions were also held with the World Bank who was working on a similar rental housing concept. In May, CfC and DSWD held a workshop to design the rental housing pilot program and policy, and from June to July consultations were held with ISF communities, landlords, and local governments in Pasig, Manila, Caloocan, and San Juan. The results fed into the joint DSWD-CfC technical working group.



Coalitions for Change held discussions with informal settlers living in danger areas along the Metro Manila waterways.

## THE SEARCH FOR SOLUTIONS



In mid-2013, Coalitions for Change began to explore other solutions, including working with the NHA to speed up housing production in specific areas to provide demonstration projects, and working with local governments to gain access to the Php 50 billion fund. Unfortunately, after testing these options, CfC determined that none of the options considered were both technically sound and politically possible.

In August 2013, discussions with economist Toby Monsod led CfC to recognize that government policies and programs were overly focused on home ownership as the main solution to address ISF resettlement. Monsod

and other researchers including Marife Ballesteros had written about the poor performance of housing programs and the implicit links between housing and resettlement, and pointed out that housing choice does not only involve tenure but also location and characteristics of dwelling<sup>1</sup>. Furthermore, tenure choice, location, and dwelling type vary among households as a result of lifecycle stages, household characteristics, occupation, and other economic circumstances. In other words, the government's traditional policies and programs with a 'one size fits all' approach did not reflect other equally important factors that determine housing tenure choice.

<sup>1</sup>Monsod, Toby. *Is Government Really Solving the Housing Problem?* UP School of Economics Discussion Paper 2011-04. 2011 and Ballesteros, Marife. *Housing Policy for the Poor: revising UDHA and CISFA*. PIDS. 2009.



## POLICY REFORM IMPROVES LIVES.

In September 2014, DSWD issued *Guidelines on the Interim Shelter Fund for ISF* that included the provision of 'rental assistance' for ISF who voluntarily vacated their homes in danger areas and transferred to safer areas. This was the first time rental assistance was included in the resettlement program options, and in contrast with public rental housing and other rental assistance, the

Interim Shelter Fund did not entail upfront capital outlay costs and incurred no future liabilities on the government. It was determined to be administratively feasible through the DSWD and used existing working relationships among DSWD and local governments. By November 2014, about 200 ISF voluntarily moved from their homes situated in danger areas to safer settlements.

## NEXT STEPS

CfC acknowledges that considerable work is still needed to make this activity a fully viable and sustainable resettlement program, and these lessons have been considered in planning a larger pilot program. CfC is seeking government and

donor support for this pilot program to determine how this activity can be scaled effectively and efficiently to complement traditional housing and resettlement programs.

# LESSONS LEARNED

1

### The need for problem-driven solutions.

Too often development interventions identify and pursue a specific solution without assessing the changing environment. In this activity, CfC remained focused on moving ISF into safer areas using the Php 50 billion fund, and pursued various solutions with national and local government agencies and civil society. While faced with impasses, CfC learned from these experiences, which eventually led to a breakthrough in the provision of rental housing assistance.

2

### The benefit of an iterative process and learning by doing.

Coalitions for Change uses a combination of scientific evidence, experience, and imagination to achieve reform. Proposed solutions, even when unsuccessful, form part of a larger process of iteration, and learning is then applied to successive ideas. In this activity, CfC used existing working relationships with DSWD and local governments from previously tested concepts to eventually achieve a successful policy solution.

3

### The necessity of harnessing local leaders and champions of reform.

Coalitions for Change recognized the voice of local leaders within the bureaucracy and in the communities, and harnessed their capacity to identify and pursue this reform. DSWD, other government offices, and community leaders all acted as champions for the reform by raising issues, shaping the reform, and advocating for its adoption in their respective organizations.

4

### The importance of intellectual humility.

An accompanying trait of the willingness to learn from one's own experience is the ability to learn from others. When CfC tested a concept, it listened to the concerns and issues raised by stakeholders. In DSWD, the staff helped determine how to operationalize the rental housing concept. Within the ISF communities, families shared their preferences and comments on the proposed schemes. Finally, local government staff advised what was operationally and politically feasible. CfC's ability to be challenged, admit mistakes, acknowledge obstacles, and make adjustments were all key elements in bringing about the successful rental housing reform.

5

### The value of technical competence.

While CfC recognizes the importance of the political dimension of reform, technical expertise is an equally important factor. In this activity, the Australian Embassy-supported 'Socio-Economic Profiling' research of the University of the Philippines Planning and Development Research (UP-PLANADES) provided valuable baseline data on ISF to inform the rental housing design.



Partners from the DSWD and the local government



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