

# thinking **CITY-WIDE** in **ILOILO CITY**, Philippines

**NOTES ON A VISIT TO ILOILO CITY, MARCH 31 - APRIL 2, 2009**

*Between March 31 and April 2, 2009, a small group of community leaders and their support groups from Mongolia, Nepal, Fiji, Burma and other parts of the Philippines traveled to Iloilo City. This exposure visit was part of the Regional Community Workshop on People's Process (30 March - 4 April, 2009) - a gathering of some 90 urban poor community leaders from twelve Asian Countries, organized by ACHR and hosted by the Homeless People's Federation Philippines (HPFP).*



*In Iloilo, the visitors spent a very brief but very intense two days with the network of urban poor communities and local government agencies that are tackling the city's serious problems of land, housing, infrastructure, livelihood and disaster rehabilitation in ways that are unusually collaborative, unusually comprehensive in their scope and advance planning, and unusually rich in the central involvement of the communities who experience these problems directly. In the past few years, thinking and working in ways that are truly city-wide have become standard operating procedure in Iloilo, and there are already some remarkable achievements to show for this new way of working. For that reason, the city makes a terrific case-study for the kind of city-wide processes the ACCA Program is trying to promote. The following report gives a brief picture of the work going on in Iloilo, and has been drawn from the "Dagyaw" Newsletter prepared by the Iloilo City Urban Poor Network and from notes taken by Tom Kerr, who joined the trip to Iloilo.*

- **CITY-WIDE Savings** : Almost every community in the city now has a savings group, no matter which federation they may be part of. HPFP takes the role of helping communities start savings and gives them orientation and training in account keeping and community finance management.
- **CITY-WIDE Urban Poor Network**, which links together the city's three poor community federations, provides a platform for discussion and enables the city's poor communities to tackle common issues with their collective strength, instead of in isolation as individual communities or as competing and territorial federations.
- **CITY-WIDE Partnership between the urban poor and the city government**, in which poor community leaders and their networks are part of the city's formal planning process, and involved in urban development issues which affect them - like housing, land tenure, relocation and disaster rehabilitation.
- **CITY-WIDE Settlement Upgrading** : The urban poor community network and the city government are working together and combining their resources towards a common goal of making Iloilo a city where everyone has secure, safe land, decent housing and access to basic infrastructure and social services, even in a context with extremely limited resources.
- **CITY-WIDE Disaster Rehabilitation** : The city government and the urban poor community networks are also working closely together to ensure the most vulnerable families affected by Typhoon Frank move to safe, secure land and new houses as communities, and to plan for the inevitability of future disasters by relocating communities in danger zones to safer land and building up the city's protections against floods and storms in ways that don't displace and impoverish people but give them new opportunities for a more secure future.
- **CITY-WIDE Relocation strategies** : In which a city-wide alliance of urban poor federations works closely with the city to plan ahead for resettling poor communities, so nobody gets forcefully evicted, all relocations are voluntary and inside the city, no more than 4-6 kms away, and all relocations come with secure land title, which they obtain after repaying the inexpensive land on installments.
- **CITY-WIDE Housing and upgrading finance strategies**, in which outside resources for specific projects or used by specific federations are revolved into a common fund which is open to all poor communities in the city.

For more information on the work going on in Iloilo City, contact Sonia Cadornigara (Visayas Regional Coordinator for the Homeless People's Federation Philippines) at [scadornigara@yahoo.com](mailto:scadornigara@yahoo.com)

### NEW WEBSITE OF THE HOMELESS PEOPLE'S FEDERATION PHILIPPINES :

The federation's new website was launched officially during the regional community workshop in Manila, on April 3, 2009. The site is full of reports, news, photos, art-work, in-depth stories - and even some poetry - by federation members from around the country.

[www.hfpfi-pacsii.org](http://www.hfpfi-pacsii.org)

## A bit about ILOILO CITY

Iloilo is a centuries-old provincial city of about 800,000 people, located on the palm-fringed south-eastern coast of the island of Panay, in the western Visayas region, right in the heart of the Philippines archipelago. To get there from Manila, it takes a day and a half by sea, or one hour by air. Iloilo is a city that seems to be lost in a time warp: a charming little port city on the Panay Gulf, proud of its reputation as "the Gateway to the Western Visayas," its fiestas, its heritage cathedrals and its city hall - the only one in the Philippines located in a shopping mall! If you squint, you can almost imagine yourself back in the 1940s or 50s, with the city's arcaded buildings, its dimly-lit shops offering glass cases of sweet buns, its street-side roast chicken (*lechon manok*) stalls, it's sleek long jeepneys filled to bursting, and the golden oldie pop songs you hear wafting on the air from radios.



**But Iloilo has some problems that are definitely contemporary:** the city's population has more than doubled in the past decade, and more than a third of its citizens cannot find or afford proper housing and are forced to live without any tenure security in squatter settlements along the rivers, canal, roads and the coastline, where the increasing incidences of typhoons, floods, landslides make these areas doubly dangerous.

### THE POOR IN ILOILO : 28% of the city's urban population

<b>TOTAL POPULATION OF ILOILO CITY</b>	<b>800,000 people</b>
<b>INFORMAL SETTLEMENTS</b> : Number of households living in slums and squatter settlements without any formal land tenure <ul style="list-style-type: none"> <li>• In danger zones (along shorelines, waterways and roads) : 6,700 households</li> <li>• On privately-owned land : 3,000 households</li> <li>• Total : 6,700 + 3,000 = 9,700 households</li> </ul>	<b>9,700 households (58,200 people)</b>
<b>FORMAL SETTLEMENTS WITHOUT TITLE</b> : Number of households living in regularized settlements where the plots have been formally awarded to the household in on-site and resettlement, but with no land titles yet. <ul style="list-style-type: none"> <li>• On <b>GOVERNMENT</b>-provided relocation sites and on-site developments Number of households living in danger zones</li> <li>• on <b>PRIVATE</b> land, where the communities have regularized their status either through donated land, direct purchase land, or acquisition through the CMP</li> <li>• Total : 12,700 + 2,700 = 15,400 households</li> </ul>	<b>15,400 households (92,400 people)</b>
<b>FORMAL SETTLEMENTS WITH TITLE</b> : Number of households living in settlements with secure tenure or land title, but are still considered as urban poor, based on incomes and/or poor housing and living conditions.	<b>11,900 households (71,400 people)</b>
<b>TOTAL URBAN POOR POPULATION (28% of the city's urban population)</b>	<b>37,000 households (222,000 people)</b>

**Flood Control Project** : For several years now, the city has been developing a major project to protect the city against the serious floods that happen every year during the typhoon season. The project will improve the city's drainage systems to more efficiently and quickly drain the rainwater and flood waters during typhoons. This involves renovating existing rivers, dredging canals and waterways, lining them with

concrete dikes, embankments and maintenance roads, and developing some new ones (like the Jaro River Floodway, a giant concrete channel which will divert flood waters from the Jaro River into the Iloilo River, and then into the sea). The flood control project is being financed by a big loan to the national government from Japan.

- **3,500 poor families were "tagged" in 2002 to be relocated, as part of the project :** As part of the project, about 3,500 poor households squatting along the canals and low-lying areas in two cities (which get flooded every year anyway!) are being gradually relocated to city resettlement sites. The city purchased one big 16.2 Hectare resettlement site (cheap farmland) within the city (in Barangay San Isidro) specifically for relocating families displaced by this flood control project. The Homeless People's Federation and the Iloilo City Urban Poor Network are both on the committee to plan this project, so there has been an unusual level of collaboration on the planning and preparation of the relocation component of the project.



**Typhoon Frank in June 2008 :** Iloilo gets its share of typhoons every year, situated as it is on the southeastern coast of Panay Island, but the typhoon that hit the city in June 2008 was "the storm of the century". There were flash floods and landslides, 80% of the city was under water, houses built along rivers and canals were washed away and 24 people died. Some 1,500 houses were totally destroyed, another 5,000 badly damaged and a total of 53,000 families were affected. Because so many poor families (especially those living along the rivers and canals) were made homeless by the storm and floods, and had to stay without privacy or security in evacuation centers, the city government decided to open up the 16.2 Hectare relocation site at San Isidro for housing these typhoon-affected families, whose needs were deemed more urgent than the flood project relocatees.



**They know their bamboo in Iloilo :** Bamboo is a material which the earth seems to give in abundance on the island of Panay, and it is Iloilo city's cheapest, most versatile and most characteristic building material. Where Manila's vast slums are heavily and grimly built of cement block and corrugated iron, Iloilo City's slums are built exuberantly of bamboo and thatch. Every shack is a piece of elaborate basketry, with filigreed window grilles, wall panels woven in a hundred different patterns, airy slatted floors and cantilevered benches built out from the house fronts and enclosed with latticework to catch breezes. But it's not only in slums - bamboo is everywhere in the city: fences, cattle-sheds, wedding awnings, tables and chairs, handicrafts, restaurants.

Bamboo is a material people here seem almost universally skilled with, and the bamboo houses people build for themselves in the city's poor communities are not much different than the houses villagers build for themselves in rural areas.

### **A note on INFORMAL TRANSPORT in Iloilo :**

There are three main forms of public transport within Iloilo City, all of them private, but there is some regulation by the city :

- **Jeepneys:** Iloilo has a special design of jeepney, a very long, sleek and low-slung version compared to the boxy jeepneys in Manila. These ply the main roads and go only on fixed routes, with fares depending on distance.
- **Motorcycle taxis** (locally known as "tricycles") : These are motorcycles with covered side-cars attached, in which about 6 passengers can squeeze: two behind the driver and four squashed inside the side car which has two back-to-back seats . The fares are all negotiated and fairly known for certain routes. The minimum fare is 7 pesos, and the ride is cheaper when there are more to share the fare. For example if four persons ride a 40 Peso distance, it will be 10 Pesos per person. But if someone makes the same trip alone, he will have to pay the "special rate" of 40 pesos! May says that most of

these vehicles are owned by their drivers, but there are some that are rented out by the day. It costs about 60,000 Pesos (\$1,250) to buy a motorcycle.

- **Pedicabs ("Sikad", which means "kick" in Ilonggo):** These are pedal versions of the motorcycle taxis, also with a tiny side car in which two or three people can squeeze. It costs about 4,000 - 5,000 Pesos (\$100) to buy a Sikad, or 30 Pesos per day to rent one from its owner. Minimum fare is 5 pesos, and these ply only the quieter roads, and are perfect for navigating the narrow, winding lanes inside informal communities.



**Welcome dinner with the Mayor :** For our welcome dinner with the Mayor, the Honorable Jerry Treñas, we were treated to a performance of "Little Pearly Shell" lip-synched by eight strapping men in grass skirts and padded bras, from the Sooc Project 5 Homeowners Association.

- **Mayor Jerry Treñas speaks :** We are very happy with our partnership with the Homeless People's Federation and other community networks and civil groups in Iloilo.... After the typhoon in June 2008, we recovered quickly and the process of building a new community for flood-affected families began in earnest at San Isidro, where about 2,000 houses will be built for homeless and typhoon-affected families. *With communities working together, a lot can be accomplished!*
- **Mr. Ben Jimena, Iloilo City Tourism Officer, speaks :** (Showing the video films and powerpoint he uses to sell the city to investors). Iloilo is "The Next Big Thing"!
- **Mahendra from Nepal :** We have been working for twelve years in Nepal and it is still very hard to work with the local authorities in the various cities. But here it works very well. So we have much to learn from you!
- **Police escort during our entire visit to Iloilo!** During all our travels to see projects around the city, in three hired vans, Mayor Treñas arranged for us to be accompanied by a full police escort: two gentlemen in sharp blue uniforms on big white motorcycles, complete with flashing lights and sirens, as though we were VIPs!

### **Sonia sums up the Homeless People's Federation's work in Iloilo so far :**

*(Sonia Cadornigara is the regional coordinator for the Homeless People's Federation Philippines and one of the federation's senior national leaders. She lives in a long-established squatter settlement along the coastline in Iloilo, where her family runs a small seafood grille on the beach - a beautiful spot which looks out across a sea dotted with white and blue fishing boats towards the green hills of Guimaras Island in the near distance.)*

**We have been working with the support of our local government here since 2002**, when we invited our newly-elected Mayor Jerry Treñas (who was elected in 2001) to come with us to Davao, for the HPFP's launch of the Secure Tenure Campaign in the Philippines, with the UN-Habitat. We went *together*. Before that, there were no linkages at all between the urban poor and the local government in Iloilo! At that event in Davao, the City of Iloilo made a commitment to promote secure land tenure in Iloilo - a commitment it has taken very seriously and followed energetically.

- **Our partnership with the local government is a very big achievement for the people here.**
- **It always helps a lot when you've got a good mayor on your side.** Mayor Treñas is now in his last term, which will end in 2010, after which he will not be allowed to run again (a mayor can serve a maximum of 3 consecutive 3-year terms). So we have to be faster to put these efforts into "black and white" and institutionalize this very close partnership between the city and the urban poor, so that we can continue with the collaboration with the new city administration after 2010. That is the challenge of the federation. The question of who is governing always affects the way we are able to deal with the government.

**"The poor stay the same, but the local government keeps changing. This, unfortunately, is a reality we always have to deal with."**

**Savings in Iloilo :** There are 477 savings groups in the city, with 4,289 members. Before, we were ignored by the city government! But to show them how we can be not only beneficiaries but partners in the city's development, we started saving. And with this saving, we had our own funds in our hands, we had money in

our hands when we went to negotiate. This was one way to make change, and to change the mind set in the local government. They thought poor people only came to beg - but we came with our organization and our own savings to offer.

<b>SAVINGS in poor communities in Iloilo</b> (as of December 2008)			
	<i>HPFP Savings groups</i>	<i>Other groups</i>	<i>Total</i>
<b>Number of savings groups</b>	<b>477</b>	<b>86</b>	<b>563</b>
<b>Number of communities</b>	<b>12</b>	<b>13</b>	<b>25</b>
<b>Number of members</b>	<b>4,289</b>	<b>807</b>	<b>5,096</b>
<b>Total amount of savings mobilized</b>	<b>19,388,836 Pesos</b> (US\$ 403,935)	<b>384,000 Pesos</b> (US\$ 8,000)	<b>19,772,836</b> (US\$ 410,892)

- **Surveys** : We have surveyed all the poor households in the city.
- **Exchanges** with other cities in the Philippines and with other countries in Asia and Africa (through ACHR and SDI).
- **Land acquisition through the savings program** : The Iloilo federation's first land acquisition project was a "direct purchase" of land at Kabalaka (with 72 plots), where the first 20 houses [2]have already been built (with financing by CLIFF, through the Urban Poor Development Fund - UPDF).
- **House construction - 20 + 172 housing units under way** : The federation has completed its first 20 houses (at Kabalaka), and is in the process of constructing another 172 houses for typhoon-affected families at the 16.2 Hectare municipal relocation site in San Isidro. Both sets of houses are being financed by low-interest loans from the federation's UPDF, with revolving loan capital provided by CLIFF (DFID and SIDA through Cities Alliance, managed by Homeless International in UK).
- **Community-led upgrading** : With a \$30,000 grant from ACHR (which also went into the UPDF), ten communities around the city planned and implemented pilot upgrading projects costing between \$1,000 and \$3,000 (in the form of loans to the communities - *not grants!*). These upgrading projects include street lighting, household solar electricity panels, a raised bamboo walkway, an earthen dike, a perimeter wall, land-filling and lane paving and land acquisition. The most recent project approved and to be implemented soon is a community-managed drinking water filtration system.
- **Building partnerships** with academics (3 local universities – University of San Agustin , University of the Philippines in the Visayas and Western Visayas College of Science and Technology - who send volunteers and interns to work with the federation's programs), with technical assistants (PACSII technical team, YPs, the Philippine Institute of Civil Engineers), and with key government agencies at local and national level (NHA, HUDCC). The mayor has now assigned an engineer to help the federation with its housing, land and upgrading projects.
- **Bringing the city's three urban poor federations to work together under a single network** : The Iloilo City Urban Poor Network (ICUPN)



**Disaster intervention** : Typhoon Frank, which hit Iloilo City in June 2008, was one of the most devastating storms of the century, and nearly 80% of the city was underwater. After the storm, the federation has intervened in several ways to help typhoon-affected families whose houses had been damaged or completely destroyed :

- **Helped with initial relief, surveyed affected families.**
- **Built 66 units of transit housing** for homeless storm-affected families waiting to move into new housing on the 16.2 Hectare relocation site at San Isidro (city provided basic services there).
- **Provided house materials loans worth 5,000 Pesos (\$105) to 500 poor families** (in the form of materials, not cash) to repair their storm-damaged houses (using funds from Misereor, SDI and Jersey



Overseas Aid). After surveying the city's worst-hit communities, the federation worked with the Iloilo City Urban Poor Network (ICUPN) and local government to identify and prioritize the most needy families for these materials loans to repair their house. The loans are repayable within 12 months (maximum), repayable through their savings groups (beneficiaries have to be savings members). The principal loan amount all returns to the UPDF, and the interest goes not to the UPDF but to the housing association as an incentive. All the labor will be done by the family, and represents the household contribution. The three main improvements people made were toilets, kitchens and roofing. Elaborate process for involving the local community and even the barangays in determining what materials are needed and procuring those materials at the cheapest possible rates.

- **Relocation housing for typhoon-affected families in danger zones :** The federation has planned and is now building 172 housing units (3 types, according to people's affordability) at the San Isidro Relocation Site, for canal and river-side squatters who have to be relocated to make way for the city's flood control project. Many of these households were also badly affected by flooding caused by Typhoon Frank, because their houses were in danger zones along these waterways. These houses are not free, but are being financed by low-interest loans (3% - 6%) from the UPDF, and built with the involvement and labor of the people who will live in them. These houses, which will be built of cost-saving interlocking compressed earth blocks (which the federation is now manufacturing themselves, on site) will cost 85,000 Pesos (\$1,770), 130,000 Pesos (US\$ 2,708) and 175,000 Pesos (US\$ 3,650). The selection of families for this housing project was all done by the federation and the Iloilo City Urban Poor Network (ICUPN) in collaboration with the communities themselves.

**Tackling problems city-wide :** We started with our first project of purchasing land for housing at Kabalaka. We started with this one good thing, and that good thing spread, built confidence, gave people the energy to start saving and set up their own homeowners associations so they could also own their own land one day. And it made it easier for us when we joined together with the other federations into a single network, and dealt with the problems of the flood control project and the storm. In this way, the good things and the confidence kept multiplying. We weren't thinking about only one or two projects any more. And gradually we began to tackle the problems of the whole city.

## 16 Municipal relocation sites around Iloilo

### **POLICY: Nobody has to move more than 4-6 kms in any relocation**

**All relocations in Iloilo are "in-city" :** At a time when most cities in the Philippines are evicting people from their inner city slums and dumping them in remote resettlement sites that far outside the cities and far from people's jobs and support systems, Iloilo is a pioneer in finding ways to make relocation less traumatic and less impoverishing by following a policy which includes :

- **no eviction without relocation**
- **all relocation is INSIDE the city, so nobody ever has to move more than 4 to 6 kms from their original settlement**

**LAND BANKING : 16 municipal relocation sites around Iloilo :** Besides the big 16.2 Hectare relocation site at Barangay San Isidro, which was specifically developed for relocating families displaced by the city's big flood control project, there are another 15 municipal relocation sites scattered around the city. Over the years, the city has purchased these pieces of land from private land-owners (mostly inexpensive farmland, but all within the city limits) and "banked" them by declaring these properties to be for "social housing", set aside to accommodate the present and future needs of relocation and social housing. May says there are now about 16 of these resettlement sites around the city - some full already and some still empty.

- **Land tenure terms :** The idea is that once these relocation sites are filled, the families living there will form homeowners associations and pay for the land from the city, on installments ("amortization"), and once the land repayment is finished (in 12 years), people will get individual land title deeds for their plots. But because the terms of repayment must be approved by the City Council, the city has been slow to start this repayment process, and land repayments have not begun yet on any of the relocation sites. So people are still just living there for free - some for 10 or 15 years, waiting for the city to make up its mind about the repayments. But they have their allotment papers, and so are more secure than in their former squatter settlements. As May says, nobody minds that the city is so slow in deciding how the repayment works, since they are all shouldering the burden of other costs, like house building, infrastructure, etc.
- **The big drawback: minimal or no services at these relocation sites:** Some relocation sites, especially the newly acquired sites, have minimal or no services at all, and the idea is that these services (like paved roads, land filling, drainage, water and electricity, community centers, playgrounds)

will be developed incrementally over 3 – 5 years, depending on the city's budget. Meanwhile, the people living on these new sites live in conditions which are pretty bad.

- **Still a need for more participation in the resettlement planning process:** The Homeless People's Federation is campaigning for greater participation by households and communities in the relocation process, especially through savings and housing.

## THIS POLICY DIDN'T COME OUT OF THE BLUE!

Iloilo City's unusually progressive land banking and relocation policies were not the inventions of any single forward-thinking municipal official or a good mayor! They are the product of years of growing collaboration between the city government and the urban poor, and they emerged from the increasing participation of the city's urban poor organizations in the city's planning process :

- The HPFP sits on the planning committee of the city's flood control project, known as the **Resettlement Monitoring Task Force (RMTF)**.
- The HPFP and the ICUPN sit on the city's Multi-Sectoral Council, which is chaired by the Mayor and discusses all issues having to do with the urban poor housing, land, relocation, disaster rehabilitation and livelihood.
- The HPFP and the ICUPN are the key working partners of the Iloilo City Urban Poor Affairs Office, and are members of the Technical Working Group, which deals with relocation, under the Office of the City Mayor.
- **Sonia : "We know everything!** Because it is government and communities on these committees together, and because the communities listen to us, it's easy to explain what's happening. No secrets, no surprises. There is a good flow of communication."

**Sonia : People are part of government in Iloilo. It's not separate!** We don't just "participate," we sit as equals with city officials in the planning process and we take part in setting plans which affect our communities. It's a big change of relationship. The level of participation and decision-making on urban poor related agenda is much different when communities have their own resources to share with the city. We are much involved, not only as partners but stakeholders."

## Meeting at one of the SMALLER GOVERNMENT RELOCATION SITES

at Barangay San Isidro, Lapaz, near Albacia

**(244 households):** There are a total of 244 households living in this relocation site, including 101 house plots that were developed with simple houses by the City's Department of Social Welfare, and 143 vacant house plots that were allotted to relocated families, who then built their own houses. The people living here come from different barangays around the city, and include both evicted families and people affected by calamities.

- **Two housing associations here, both with women presidents :** The community is now divided into two housing associations (both with women presidents!), which will eventually be the legal bodies through which the residents will purchase their land plots from the city.



**QUESTION from Fiji: Do people own the land?** Benfred Tacuyan (*President of Iloilo City Urban Poor Federation, Inc. (ICUPFI)*) answers: Not yet. Technically, they don't own the land yet, but they all have formal allotment papers. Like all the other city relocation sites, the people here will get individual land title only once they have paid the city for the land (in installments over 12 years), according to repayment terms which have not yet started and have not yet been worked out and approved by the City Council. Everyone knows that the process of determining the repayment package is going on, and they have been staying here for 15 years now! So people feel secure.

**Typhoon Frank damage here:** Many houses in this community were damaged by the storm: blown away roofs, collapsed houses, etc. There are 30 families in this community who got 5,000 Peso housing materials loans from the HPFP. We visit one house which got the materials loan to rebuild their roof and build a

bamboo floor where they used to have only an earth floor. A woman from the Barangay San Isidro office speaks about the process of determining who needed this assistance most urgently - a process which involved quite some collaboration between the communities, the HPFP, the ICUPN, the city government and the barangays.

**Savings** : This community is not part of the HPFP, but the federation's Kabalaka Area Resource Center (ARC) helped the people start savings groups here, and a majority of community members are involved in the savings groups.



### **How to get the fence-sitters and wait-and-seers involved?**

**"It's like bringing ants to sugar"**

*QUESTION from the Mongolians : What if people in the community don't save, don't join in the activities? How do you get them involved?* Benfred Tacuyan (President of Iloilo City Urban Poor Federation, Inc.) answers: There are always people in the community who have a more passive attitude, who don't save, who "wait-and-see" what is going to happen. With the savings groups like the ones in this community, these wait-and-see people are joining, little by little - *slowly* - as they see more and more things happening. And as they see that being part of the savings group brings clear benefits. The visible benefits work like an incentive to draw these passive wait-and-see people into the process. If you sprinkle a little sugar in your palm, the ants will always come. It's like that with saving also.

**QUESTION from Mongolia : What happens if people cannot make the loan repayment?** (*Woman president of the housing association answers*) We try to help them! We have so many in the community who save and don't take loans - they have their savings. So we don't believe when people say they cannot pay - they can make payments from their savings. Or if they don't have enough savings to make their payment, we have an internal agreement (a "group guarantee" system) within the community that the group will help make the loan repayment if one member cannot pay, and we will then deduct the amount from their savings or work out some arrangement for repaying with them. That is the purpose of savings: so you have something set aside for emergencies.

### **RELOCATION : "Moving as a community, not as individuals"**

*QUESTION from Nepal : What is the role of the community federations in the process of relocating people to these city relocation sites?* Benfred Tacuyan answers: As much as possible, the federation tries to start working with the communities at their "point of origin", before the relocation actually happens, to help them prepare, to discuss their problems. We call this *social preparation*. Let them understand their situation and understand it first. And then we challenge them to start saving together, *so that they can move as a community, with the strength of their togetherness, and not as individuals*. That's our main intervention in the resettlement process.

- **There is no forced eviction in Iloilo - only voluntary relocation.** Because when a crisis comes - whether it is a disaster or an eviction - people understand that with the crisis comes an opportunity to improve their situation, to move away from dangerous areas and to transfer to places where they can get permanent, secure land tenure, in close coordination with the local government.
- **And we need this togetherness at the relocation sites,** because there are many problems that the communities will have to tackle together - problems like lack of toilets, water supply, drainage, paved walkways, etc.

**QUESTION from Burma about livelihoods here** : Benfred answers: It's not easy for people to earn in these resettlement sites, after having to relocate. We are working on that, trying to use the savings process to help people augment their incomes, especially with small vending, food and handicraft businesses.

**Unexpected links between Fiji and Iloilo : Same names, same populations.** We learn in the discussions that Iloilo is the name of Fiji's current president (President Ratu Josefa Iloilo) and that the total population of Fiji is about the same as the population of Iloilo City (800,000 people)!



## Visit to one of the communities affected by the Iloilo City Flood Control Project at BARANGAY BENEDICTO

This is a large and long-established low-income community of about 3,500 households, many of whom have lived here since 1949. The community is near the Jaro River, an important natural drain for the city which frequently floods in typhoon season. The Iloilo City Flood Control Project includes plans for the banks along the Jaro River to be cleared of squatters, so they can build a concrete dike and roadway along the river. Some of the families in this community (only those living on the river banks) will be relocated, as part of the Flood Control Project.



**Some are squatters on public land, some are land-owners :**

The houses on the river-side of the main road running through this big settlement are squatters on the 15-meter-wide Jaro River easement (public land), and they will all be relocated to the 16.2 Hectare City Relocation site, as part of the flood control project. Only the families living on the river banks will be relocated. The households on the other side of the road are not squatters, they have more secure tenure - many own their small plots of land - they will stay here.

- **Very bad floods every year - but especially bad during Typhoon Frank last year : A cycle of danger and insecurity.** Most of these river-side squatters, whose houses are built of bamboo and blocks on the steeply-sloping banks of the river, are badly flooded *every single year!* The river floods, and the fast-rushing water covers the houses and washes many of them away. And every time, the people have to run to safety on higher ground or stay in evacuation centers for a while, losing all their belongings. And then they have to come back and start from scratch - rebuilding or repairing their houses all over again. Every year. It is a terrible and impoverishing cycle of danger and insecurity. These are real danger zones! But as Sonia says, "People are used to doing this, they have no other option." But the flood levels and force of the water was much greater during Typhoon Frank, when almost all the houses were submerged up to the 2nd floor.

**New option to move to a safer place only 4 kms away :** These river-side squatters will all move to the 16.2 relocation site at San Isidro, which is less than 4 kms away. They will move voluntarily, as a community. And at the new site, they will no longer be squatters in fear of floods and eviction, they will be in a safer place and will eventually have land title to 40-60 square meter plots of land. All the families have already agreed to relocate, have organized themselves and are ready for the move.

- **They already have a savings group, which they started in April 2008.** All the squatter households in the river easement who will be relocated are members of the savings. They started organizing a year ago, with survey and savings, with support from HPFP and ICUPN.
- **Will dismantle their own houses, as part of the voluntary resettlement process.** Many will recycle their housing materials to make new houses.
- **Different housing options at the 16.2 resettlement site :** Some will get only the plots and build their own houses, some will opt to get "free" houses from various charities (which come with restrictions!), and 17 households from this community will be part of the HPFP's CLIFF Phase 2 houses project (172 houses).



## The big 16.2 Hectare Relocation Sites at SAN ISIDRO, JARO

**Land :** The 16.2 Hectares of land at San Isidro was privately-owned farmland purchased by the City, in early 2000, specifically for relocating households displaced by the city's big flood control project. There was budget in the project specifically for this.

- **This was supposed to be a 32 Hectare relocation site.** The city purchased the first 16.2 Hectares of land at 390 Pesos per square meter. But by the time they negotiated to buy another 16 Hectares of adjacent land, the land price had jumped up to 575 Pesos per square meter. Too expensive, so the process stalled, and they decided to start with the 16.2 Hectares for the time being.
- **Nearby relocation: Nobody has to move more than 4 kms away.** All the people who will be relocated to this site live in communities that are close by. Nobody has to move more than 4 kms away from their original settlements, so everyone can keep their jobs and most kids can stay in the same schools.
- **This is part of the city's policy of nearby and in-city relocation,** which is in turn an outcome of two things: a strong urban poor community network and a good local government which work together! .
- **There will be about 2,000 house plots (60 square meters each) on the 16.2 Ha relocation site.**
- **But after Typhoon Frank hit in June 2008,** it was decided to use some of the plots in this large resettlement site for families whose houses were washed away in the storm, since their housing needs were judged to be more urgent. So finally, the site will have two sets of relocatees: some families affected by Typhoon Frank and some families relocated for the Iloilo City Flood Control Project.
- **People will have to pay for this land :** People relocated to the San Isidro site will have to pay for their land - *it's not free land*. After living on the site for a 10-year grace period, people will have to pay for their land in monthly installments over a 12-year repayment period, in a plan that will have to be approved by the City Council. This payment schedule will be calculated to cover only the City's cost of purchasing the land - no profit or interest.
- **The city government will provide certain social amenities on the site :** a day-care center, a police station, a clinic, a playground, and is exploring the possibility of putting up a new elementary school here.
- **Land already filled, but not any infrastructure yet.** The city filled this farmland by 1.5 meters, to bring it above flood level, but even then, the land had some flooding during Typhoon Frank. But it's pretty good land and should have little problem of floods.

### People have the choice of several different housing schemes on offer :

*People who will be moving first to the 16.2 Hectare relocation site are mostly Typhoon Frank affected families - many of whom used to stay at evacuation centers (mostly in public school gyms, without any privacy!) but now have been moved to the transit housing on site. They will have the choice of what kind of house scheme they would like to join. But everyone gets the same 60 square meter plot[3].*

- **HPFP (172 units, costing 70,000 - 150,000 Pesos/unit)** The city has given 1.5 Hectares of this land to the HPFP, who will construct 172 houses (using CLIFF financing, with loans through UPDF). One idea has been discussed to allow the UPDF to manage the whole repayment process and people will make their land repayments to the UPDF, instead of the City. The mayor likes this idea of "putting land in the UPDF", but it will have to be approved first by the City Council. All these 172 families are households tagged for the Flood Control Project, but many also got very bad damage in during Typhoon Frank. Since there were so many other organizations giving "free houses" after the typhoon, the HPFP decided to continue to focus on flood control project-affected families.
- **The Italian Government (120 units of "free houses")**
- **Gawad Kalinga (400 units costing 80,000 Pesos/unit)** This Catholic NGO will build 400 tiny "pre-fab" row house units of 20 square meters, and give to people free (with only labor equity), but people will not get full ownership of these houses and there are lots of rules people will have follow if they move in (no pets, no cooking outside, no expanding or altering the houses in any way, no going outside without being "properly dressed", no gambling, no drinking, etc.)
- **National Government's Department of Social Welfare and Development (DSWD) (500 units costing 80,000 Pesos/unit), with Habitat for Humanity as contractor,** will be building pre-fab steel-framed houses, which will be given to families free.
- **Self-build :** Some families will opt to build their own houses, using materials salvaged from their former houses.

## **The Iloilo City Government's THREE STRATEGIES for dealing with the urban poor housing problem :**

*After a delicious Ilonggo style lunch made by the community women at the federation's airy, all-bamboo site office in San Isidro (pumpkin in coconut milk, mixed vegetables, beef curry with potatoes and carrots, rice), we had a discussion with Mr. Rony Firmeza, who is not a city bureaucrat but was appointed by the Mayor to chair the Iloilo City Urban Poor Affairs office, which is directly under the Office of the City Mayor. A few excerpts of Mr. Firmeza's comments :*

**(Mr. Rony Firmeza)** We have adopted three strategies for dealing with the problems of urban poor housing in Iloilo :

- **Strategy 1: Networking and linkages to solve problems the government can't solve alone.** I believe that the local government unit is not enough to solve problems of housing and poverty. These problems are too big for any local government to handle by themselves. So we need to develop linkages at the local level with people's organizations, and at the national level with NGOs and national people's federations and the various line agencies of the national government (like NHA, HUDCC, etc), and at the international level with organizations like ACHR and SDI. In the same way, the Iloilo City Urban Poor Network (ICUPN) has been set up to link together the various poor community federations in the city, and to act as a big brother to track the various kinds of development happening in the city, which affect the poor.
- **Strategy 2: Land acquisition and land banking for present and future social housing needs :** We have been able to acquire parcels of private land around the city, bit by bit, long before any eviction crises and long before any scheduled need for relocation, when the land was still vacant and inexpensive. We then declare these properties to be for "social housing", to accommodate the present and future needs of relocation and housing for the poor. We now have about 16 of these relocation sites around the city, including this one where we are now at San Isidro. In this way, the city has been able to build up a bank of good land for housing and relocation, so that nobody has to move out of the city and people can move from situations of insecurity to security and permanence, when relocation becomes necessary because people are living in danger zones or evicted from private property, or when their settlements come in the way of some important city infrastructure project.
- **Strategy 3: Getting poor communities themselves to participate centrally in the housing and relocation process.** How to get the full participation of poor people themselves in solving these problems of land and housing and poverty? We believe that unless poor communities - and their larger networks - take part actively in finding solutions to these problems, our city government programs will all ultimately fail, no matter how good our intentions may be.

**With these three strategies guiding us, we just started working in 2002.** We had no guidebooks, and nobody to tell us how to proceed. One good practice led to another, and we learned with the urban poor network as we went along. And eventually, the ball got rolling.

**When Typhoon Frank hit in June 2008,** the HPFP and PACSII were able to obtain funds to finance the construction of transit housing, and to provide materials loans to help the most seriously affected families to repair their houses. And because of this, and because of the good linkages that were already in place between the city, the poor people's federations and the other groups in the city, we were able to respond to the needs after the storm very quickly.

***We came to realize through the experience of Typhoon Frank that working together to find permanent, secure and safe solutions to problems of poor people's housing and preparing for and dealing with disasters are not very different. When you find safe, secure places for all people in the city to live, you are also insuring against the worst effects of storms and floods on the lives of the city's most vulnerable citizens.***

**The most beautiful houses on the site :** Here at the 16.2 Hectare relocation site, the government will be building 500 houses here, and the Italian government will be building another 120 units of "free housing." But I believe that the HPFP's CLIFF-financed houses will be the most beautiful houses on the site!

## The HPFP's housing construction project at San Isidro, Jaro (172 units)

This is the first big housing project of the Homeless People's Federation in Iloilo. The federation has so far built only 20 houses at Kabalaka, but these first houses have helped the federation develop their people-managed design and construction strategies that will be greatly scaled up for the 172 houses they are now preparing to build at the San Isidro relocation site.



- 100% community managed and built :** All planning, procurement, construction, logistics, accounting and management done by communities, using an elaborate system of management in which every aspect of the process is taken up by various committees and internally monitored (the flow charts they show us make your head spin!). No professionals involved, except for the four young architects on the PACSII technical team, who have helped conduct a series of community planning and house design workshops with the communities, first for the 20 houses at Kabalaka, and then with the 172 households who will be moving to San Isidro. As Sonia says, *"All the materials procurement is being done by community people. It is a very hard process working on this big scale. But we have to manage properly, because this is just the beginning, and we have many more houses to build."*
- Who are these 172 households?** All of them are families whose houses were "tagged" as being in the way of the Iloilo Flood Control Project, and many were subsequently badly affected by floods during Typhoon Frank. Most were unorganized and did not belong to any federation. Qualified applicants were organized by HPFP and ICUPN, and they have now formed their own homeowners' association and have started their own saving schemes. All of them have made a decision to take part in the HPFP's community-built and managed housing project, rather than any of the other "free" housing schemes at the resettlement site. But all of them are saving in their community savings groups.

### This Houses financed by CLIFF :

- Phase 1:** 20 houses (at Kabalaka, including 10 row house units for vulnerable families)
- Phase 2 :** 172 houses (at the 16.2 HA relocation site at San Isidro) Phase 2 has three house types, which people will chose according to their affordability :

### Housing types and loan packages, at the San Isidro Relocation Site (based on income)

(Loans from UPDF, with finance capital from CLIFF Phase 2) Exchange rate: US\$1 = 48 Pesos

	House Type A	House Type B	House Type C
Total number of units (Total 172 units)	41 units	88 units	43 units
Household income	P 2,500 - 5,999 / month	P6,000 - 11,999 / month	P12,000 - 25,000 / month
Loan amount	P70,000 (\$1,460)	P110,000 (\$2,292)	P150,000 (\$3,125)
Household contribution (in the form of labor or cash)	P15,000 (\$313)	P20,000 (\$417)	P25,000 (\$521)
<b>Total house cost</b>	<b>P85,000 (US\$ 1,770)</b>	<b>P130,000 (US\$ 2,700)</b>	<b>P175,000 (US\$ 3,650)</b>
Interest rate (annual)	3%	6%	6%
Monthly loan repayment	P468 / month	P1,080 / month	P2,220 / month
Loan Repayment term	16 years	12 years	7 years

**Layout planning and house designs :** The PACSII technical team helped develop the layout plan and house designs, through a series of "dream house" and layout planning workshops with the community people who will move here.

**Infrastructure will be developed incrementally, and provided free by the government :** The development of roads, drainage, water and electricity supply systems on the new site will be done by the local and national government, incrementally, and is supposed to start in late 2009. So far, the only physical

development on the site is land-filling (1.4 meters) to bring the low-lying land to just barely above flood level. No formal electricity or water supply on the site yet. There is an approved budget of 15 million Pesos (US\$ 312,500) from the National Housing Authority (NHA) for infrastructure here.

<b>Other commitments to infrastructure development at the San Isidro Relocation site</b>			
<i>Source of funds</i>	<i>Amount</i>	<i>Aspect of site development funded by source</i>	<i>Status of fund availability for implementation</i>
1. PAGLAUM Fund (General Appropriations Fund from the Office of the President)	P50 million	General site development, including CLIFF site, likely for major roads and drains, etc	Fund available by second quarter of 2009
2. National Housing Authority	P15 million	Major roads and drains development for most of DSWD site	Funds available; bidding for works ongoing
3. Department of Agriculture	P10 million	Construction of provincial road adjacent to site (existing "Abandoned Road")	Approved for implementation
4. Office of Congressman Raul Gonzales	P2 million	General site development, likely for minor roads and drains, etc.	Budget approved
5. National Electrification Administration under the EPIRA (Electric Power Industry Reform Act)	P10 million	Electrification/power supply provision for entire site	Budget approved
6. MIWD – Metro Iloilo Water District	P2 million	Installation of water supply mains for entire site	Budget approved

#### **House-building :**

- **All the houses are built together by the community members, and allotted only at the end, by a lottery.** Nobody knows which house will be theirs, during the construction process.
- **The labor equity system :** The federation has worked out a system for helping families reduce the cost of their houses by contributing to the labor cost, either in cash or physical labor. Families who could not afford to provide cash have the option to send one or more family members to work each day, and their payment is deducted from the household contribution amount, at the rate of 180 Pesos per day (for unskilled work) and 250 Pesos per day (for skilled work). On the other hand, if a family doesn't want to contribute labor, they can put in cash instead, and that money will be used to help employ someone else to provide the labor, at the same rate.
- **Elaborate system of 100% community management for the whole construction process,** with task-based committees to purchase materials, manage building supplies, manage finances, deal with logistics and communications and coordinate the whole process. All this is supported by the HPFP and the PACSII technical team, through an almost constant stream of workshops, exposure visits, exchange learning and support.

#### **A primer on INTERLOCKING COMPRESSED EARTH BLOCKS (ICEBs) :**

*After some exploration and experimentation, the HPFP has decided to build their 172 houses using interlocking compressed earth blocks, which they are making themselves, and which they are confident will dramatically reduce the cost of the houses.*

- **The technology** and the block-making machines come from Thailand, but the block-making system was introduced by a local NGO (JF Ledesma Foundation, based in San Carlos City on neighboring Negros Island). The blocks are made of lime soil and cement according to a recipe that was developed specifically for the properties of the local soil. May says that the local soil turns out to be very good for this kind of block - some soils are not appropriate. Their first test blocks were



very strong, and they make a beautiful goldish-tan colored brick. The blocks are then laid (on a proper concrete foundation) in tightly-interlocking courses, with some steel rebar laced through the cavities at the center of the blocks, to tie the walls, windows, doors and corners together structurally.

- **Each block weighs 7 kilos and takes 28 days to cure.**  
The formula includes 1 part cement to 10 parts of lime soil and a little bit of water. The federation and PACSII technical team had to do a lot of tests with slightly different combinations of these ingredients to find the right one. Once pressed, the blocks sit on a rack for one day, then are cured in a moist area under plastic sheeting for 7 days in the sun, and they are left to cure or air dry for at most another 21 days. After that, they are ready to be built with.
- **The bottom line: the compressed earth blocks are much cheaper than burned brick or conventional concrete blocks.** Plus, there is no need to plaster the walls, inside or out, so that also saves a lot in the house costs. The only tricky part is that the blocks have to be protected from too much exposure to water, or they can break down. So that means having roofs with widely-overhanging eaves, and using the blocks only above ground or above flood levels.
- **Much cooler than burned brick or concrete block:**  
Houses made from these compressed earth blocks are also cooler inside, because the soil blocks have better thermal qualities for a hot climate like Iloilo's.



**In November 2008, after the purchase of ICEB machines in Thailand, the HPFP set up a block-making yard right on the 16.2 Hectare relocation site at San Isidro,** where the blocks will be used to build the federation's 172 houses. There are 12 people employed in the operation (5 women, 7 men), who are paid according to how many blocks they produce at 2.75 Pesos per block. They have one aggregate-crushing machine and three block-making machines and can now produce around 900 blocks per day, working only one shift during the day. As soon as they get 24-hour electricity access, they will add another evening shift, and should be able to increase production to 1,400 blocks / day.



**Block costs :** It costs 13 pesos to make each block. That cost includes 2.75 Pesos (labor) and 10.25 Pesos for materials, electricity and overheads.

**Each house will require an average of 4,000 blocks** (3,000 for the smaller house type and 5,000 blocks for the bigger house type).  
170 houses x 4,000 blocks = 680,000 Blocks total!

**ICEB Model house at the PACSII Office :** At the end of the day, before having a fabulous dinner of grilled seafood at Sonia's beachfront restaurant, we spent a little while having coffee at the PACSII Office, which is located in a house which used to be a Vincentian Seminary, within the grounds of the parish church, near Kabalaka. In this big, tree-filled compound, the PACSII technical team and the federation are building a big model house, to test and showcase the interlocking compressed earth blocks. This house, which is almost finished (but for the roof), cost around 700,000 Pesos (\$14,600) to build, and is almost finished, but for the roof (which will use another innovative building material - micro-concrete tiles). When it's finished, this handsome building will be a guest house for federation visitors.

**PACSII Technical Support Team :** Now includes 5 people. Besides May Domingo, a senior architect who's been working here about three years (and is about to leave for Syria, with her husband Jon, and daughters Kelly and Louisa) the other four are all recent architecture school graduates volunteering as interns -Christopher, Alcor, Vhal and Carl. Engr. Camarista, a civil engineer from ICUPAO, assigned to the CLIFF project also works closely with them.

## People-built, people-managed TRANSIT HOUSING at the 16.2 Hectare Relocation Site (66 units):

The HPFP built 66 units of transit housing for homeless storm-affected families whose houses were destroyed by the typhoon, waiting to move into new housing on the 16.2 Hectare relocation site at Barangay San Isidro. The 18-square meter houses are built very simply of wood frames, with plywood walls, doors and windows and tin sheet roofs. Although the HPFP gathered the funds to build these transit housing units from different sources (from Misereor, Jersey Overseas Aid through HI, and SDI), the ICUPN worked together to build the units, in close collaboration with the city.



- **The city provides basic services here**, in the form of community toilets, bathing and washing areas and a community kitchen.
- **People have stayed there since September 2008** (3 months after Typhoon Frank). From here, people will transfer to their new houses on the same site, once they are complete (under the various housing schemes), and others will move into their transit housing units.
- **Lively place!** Although the houses are temporary in building materials, they are roomy and have good cross ventilation, and the place is filled with life. People have all planted vegetable gardens in the front of their houses, which are now in full bloom, and some have even set up small shops. Lots of kids playing, flowers, laundry hanging out, people cooking outside, talking (*breaking all the Gawad Kalinga rules!*).
- **Started their own community organization and savings group last week (12 April, 2009), with support from the HPFP.**

### Some transit housing residents speak :

- **Woman community member speaks :** The situation after the typhoon was very hard for us (*crying a little*). We lost everything - our house, our clothes, our belongings, our furniture, our appliances. We only had time to run to higher land with our children!
- **Man community member speaks :** When we are cooking here, we share the pot with our neighbors almost every day. It's like that here. Everyone is like brothers and sisters. Now we have our savings group, and our main project is to try to increase our income and jobs. Also the health of our kids.
- **Woman savings group leader speaks :** When we were living in the evacuation center (*crying also!*), it was just a big gymnasium, we had no privacy at all. Now we have our own room - it's small and it's not permanent, but it's our own space and we have privacy. Before the storm, some families here were earning their living "illegally", but now they've changed to a new way. Their lives changed after surviving the disaster storm and after coming together here to make our new community. We've just started our community organization last week!

## Community-managed UPGRADING projects in Iloilo (using ACHR grant)

About three years ago, ACHR gave a grant of \$30,000 to Iloilo to implement a series of community planned and implemented upgrading projects, none costing more than \$3,000. The idea of the intervention was not simply to provide some much-needed basic services in ten of the city's settlements, but to use the small upgrading projects to strengthen the city-wide collaboration between urban poor groups, to build people's confidence through implementing small upgrading projects they plan and construct themselves, and to use the process to develop city-wide strategies for determining upgrading priorities and strengthen the partnership between the poor and the city, by using the small projects to negotiate further improvements from the city.

**Loans instead of grants :** ACHR's idea originally was that the money would be used as small grants of less than \$3,000 each. But the network in Iloilo were firm in their rejection of the idea of any "free money." They decided instead to use the money as a revolving loan fund for small upgrading projects, which would be channeled to the communities and then repaid to the UPDF, where it would be revolved in other

upgrading projects. They didn't like the idea of grants, reasoning that free money created dependency, tensions and inequity and that it was more fair if everyone had to pay for whatever improvements they made in their communities. But they did agree to giving these small upgrading loans without interest!

## 1. STREET LIGHTING at ALBACIA (57 households)

- Total cost 57,500 Pesos (US\$ 1,200)



This is a small community of 57 poor households who work as laborers, vendors, tricycle ("Sikad") drivers and in low-level formal jobs. The people were squatters on a piece of private land nearby, but were evicted when the land owner decided to develop some upscale housing on that land. The same land owner offered the people this land for relocation, where they have now been staying for 14 years.

**The street lighting project :** The community's top priority was street lighting, since the community was very dark and unsafe for people (especially women) coming home at night. The project involved putting up 18 street light posts to light the main walkway that goes through the community. The whole system is turned on

in the evening by a switch that is near the community entrance. Community people did all the work together, working mostly on Saturdays and Sundays when everyone was free, contributing their labor free, and so all the loan money went into materials. The project was supervised by a wiry older man in the community (who earns his living by climbing up coconut trees and cutting the coconuts), who acted as foreman. It took the people only four months to finish the project. The people negotiated to get the electricity for the street lights provided free by the barangay (electricity for houses is metered and paid for by each family).

- **It's much, much cheaper when people do it!** When the Barangay puts up a street lighting post, it charges 50,000 Pesos from its budget for a single post. When the community people at Albacia did it, it cost them only 3,166 Pesos per post. That's just 6% of the cost of the barangay's post, and the reinforced concrete posts and the lights are exactly the same. Sonia says that since the project was finished, and the costs have become widely known, the Barangay has been a bit shamed.

**Barangay Captain felt ashamed!** (*Sonia*) When he saw our project, and saw how much cheaper and faster we could do the same thing he is supposed to do, he was ashamed! It was like a slap in the face. It was as if we had insulted him, as if we had accused him of not doing his job, or not doing it properly. Because it was so clear: we could build 18 street light posts for the same amount the Barangay spends on building just one, with all its corruption and misspending of budget. Now people could clearly see this and see the difference. But you have to be careful of this, because if we aren't diplomatic, we can make an enemy of the guy, and nobody wants that.

- **Started savings.** The street lighting project brought the community together and gave them a new sense of their power to solve their own problems. Before starting the walkway, they started a savings group, with support from the HPFP, since that was one of the rules for getting loans for the upgrading projects. But in the process, people see the benefits of saving and have continued after the upgrading project was finished. Most members save 100 - 200 Pesos weekly.
- **Paved walkway next :** After the street lighting project was finished, the community also negotiated to get funding from the I.L.O. to pave their walkway with "temporary" concrete tiles (temporary in case they have to move again, they can bring the tiles with them!). Before, it was only mucky muddy pathways. But this upgrading project was implemented as a "community contract," according to I.L.O. rules, in which community members were paid to do the work, and the materials and technical guidance were provided by I.L.O. Sonia says that where the street-lighting project was free of bickering and mistrust, this one caused a bit of trouble, with people wondering who was getting paid what and who was getting more benefit than others out of the project. A very different vibe than when the community managed and worked voluntarily.
- **Other infrastructure needs :** There are a few hand pumps in the community, but their water is only for washing - it cannot be drunk without boiling, and so most people have to buy their drinking water from vendors.
- **Trying to buy their land using CMP (Community Mortgage Program) :** The Albacia community currently occupies 1.5 hectares of land, and the land owner is willing to sell it to the community for 8



million Pesos (US\$ 166,000), which works out to 530 Pesos per square meter. The people have formed a homeowners association (Purok Albacia Dwellers Association) and have been negotiating to buy the land through CMP. But there are problems slowing the process down: this land was formerly tenanted agricultural land, and the former tenant is claiming to be the legal owner of part of the land.

- **A feast of fresh coconuts at the end of our visit:** On the way out, we pause for a break at a point where people have built some benches in a shady spot on the lane they have beautifully paved. The electricity pole foreman brought us all huge green coconuts, which he just cut down from the trees. For the Mongolians, this was their first taste of fresh coconut water drunk right from the shell, and they loved it!



## 2. RAISED BAMBOO WALKWAY at PROJECT 5, Barangay Sooc (207 households)

Total cost : US\$ 895



This is another one of Iloilo City's large municipal relocation sites. This one is divided into different "Projects" - Project 1, Project 2, Project 3, etc. This one (Project 5) is very close to the city's garbage dump. 207 households here. The streets are laid out in a simple grid. Very poor community of relocatees, many working as scavengers and recycling businesses around the dump site. Like the other relocation sites, the people here have not yet started to pay the city for their house plots, but all have allotment papers. We meet with a group of community members in the small, unfinished community center, in the center of the community.

**Problem of low-lying land and no infrastructure :** The land was never filled here, and is low-lying rice paddy land. During the rainy season, this community is almost always under-water for most of the season. During typhoons, the water can come up to people's chests. So very difficult to get to the houses. Also, kids falling in to the water.

- **Raised Bamboo walkway - 1 kilometer in length (Cost 43,000 Pesos - US\$ 895) :** Two years ago, the people got together and built a raised bamboo walkway throughout the community, to allow people to come and go from their houses during the rainy season. They used all their own labor, but got a loan from the UPDF (using part of ACHR's \$30,000 upgrading grant). Everybody did the work together. It took only about 1 month to finish the walkway, mostly with everyone working on the weekends.
- **QUESTION : What about people who don't save or don't take part in building the bridge?**  
Answer: When we see people walking every day on the walkway they refused to help build, we might feel like pushing them off! But we have more heart than that, and instead we keep encouraging them to save. And gradually, as they see with their eyes what working together can achieve, they start joining in the savings and the activities.

**Ms Cybil Vasquez, the savings group leader here, speaks:** I have seven children. When we moved here four years ago, things were not like this! There were no roads. These were all rice fields before, and it is very bad land for housing! Sometimes, the floods here were so bad we had to be evacuated to stay in a school. During Typhoon Frank, the flood waters were over our heads! Many problems, especially for our children.

- **Savings group started three years ago, now with 287 members from 180 of the houses** (majority women) and 153,000 Pesos collective saving. Some members save weekly, some save daily. They learned to save from the HPFP, but are not part of the HPFP. They also have a children's savings group, where children save 1 peso per day in the



summer and then withdraw the money when school starts, to pay for their books and uniforms. People are saving less nowadays, though, because their earnings are bad, and people have to first buy rice for their families. 40 members have taken loans, and they repay their loans daily. The group decided to charge 5% monthly interest on loans, and people are allowed to borrow an amount that is maximum of twice their savings. If someone borrows 1,000 Pesos, they will have to repay 35 Pesos per day. The interest is used for office supplies, and to add to the capital for other loans. Somsook gave them a grant of \$200 for our community fund lending capital when she visited a few years ago (2006).

- **Now starting land and housing savings** - a special savings that they don't withdraw from.

**Sonia speaks :** This land was purchased by the City government. There was no infrastructure at all - no roads, no water, no electricity! The roads were so muddy and so many flooding problems. Sometimes the kids couldn't go to school because of the water. When the federation came here, we saw the way people were living in such bad conditions and we said "*start savings!*"

- **We challenged the people here:** "Do you want to wait and suffer like this for five years for the government to give you concrete roads and drains? What do you want to do to improve your own situation? Why don't you build your own bamboo bridge, to resolve this problem now, yourselves?" So that is what they did - they built a beautiful raised bamboo walkway throughout the whole community. And this made the community much stronger. After building the bamboo walkway, the savings grew very fast, and they decided to use their savings as a revolving fund for giving small loans, instead keeping it in a bank. They set their own criteria for loans and set the interest rates themselves. The interest rates of 5% per month may seem high, but they feel it is cheaper than the money lenders, and the interest goes into increasing their loan fund, so everybody benefits. They do their *community banking* every day, from 7:00 - 10:00 AM, in their small savings office right in the community. People can come in to deposit their savings, to withdraw money or to ask for a loan.
- **The important thing is that the people here set the savings system in ways that work for them.** The federation only gave them some orientation in saving and some training in book-keeping. The community then took over the process. They don't have very much money to lend, but the process makes people work together and set priorities together. They know who has problems, who has borrowed, who is repaying and who isn't. No secrets. It's not outside money, it's their own money!
- **Sonia : The same thing is happening in every community in this city!** There are now 18 community associations doing savings, outside of the HPFP member communities. The role of the Iloilo City Urban Poor Network (ICUPN) is just to help start this process, to provide some hands-on training in book-keeping, accounts, savings collection, etc. Then we leave the communities alone to develop their own savings. It's their responsibility, not ours!
- **Sonia : Saving is the key that unlocks access to other funds :** Membership in the savings is becoming an important prerequisite for participating in various development projects and programs from outside now. In some of the programs coming from outside, only those doing savings can take part. For example, the I.L.O.'s community contracting project (to build paved walkways or clean out canals, etc.), the ICUPN decided to give these grants to communities with active savings groups. The savings group means people are prepared to work together and to manage money together, and that always makes the outside projects go better. So the savings is a key to other funds.
- **The bamboo walkway project persuaded the city to lay concrete roads in the settlement ;** Now, the city is building a concrete roads here, so part of the bamboo walkway has been dismantled, but other parts are still being used (though a little broken down now). People aren't repairing the walkway any more because the city is in the process of building the concrete roads now.
- **QUESTION : In some places, we see that the footbridge is falling apart and not being repaired. Why are the people letting it go like that?** (Sonia) They have been repairing the walkway for the past two years, but now that the city is building concrete roads through the whole community, they are letting it go. No need to waste money and effort on repairing any more. In many places, the footbridges have been removed and replaced already by concrete roads.
- **Next plans :** Start a community water purification plant, to provide clean drinking water. They will take a loan from the ACHR upgrading fund to do this. Problem: the water supply here is very bad and if people drink it, they get diarrhea. If they buy drinking water from suppliers, it costs 30 pesos for a big bottle. If they can set up their own plant, it will cost just 12 pesos per bottle.



### 3. EARTH DIKE + PERIMETER WALL at KABALAKA HOA (72 households) :

- Total cost 140,000 Pesos (US\$ 2,900)

**Earth dike and perimeter wall :** The small canal running alongside the Kabalaka Homeowners Association (the HPFP's first land acquisition and housing project), often floods during the rainy season, so the community here decided to use a small loan from the ACHR/UPDF upgrading fund to build an earthen dike along the canal to protect the community from flooding, and also to build a perimeter wall at the back of the property. The people built the earth dike using bags of material called "Item 101" which is a cheap mixture of sand and soil. Truckloads are delivered to the community, and the Association members and their families, including women and children, spend their weekends filling thousands of old cement and rice sacks with the material.



**20 houses almost finished here :** The HPFP's first-ever housing project is in this community, and so far 20 houses have been built. 10 of these houses are more elaborate 2-story detached houses and ten are low-cost row-house units, which according to the original community plans have been allotted to "vulnerable" families, as identified by the Parish (elderly people, families with children overseas, broken families, families with disabled children, etc.)

- **It took about 6 months to design and one year to build the houses.** Design process started in June 2007, construction began in Jan 2008, and houses are almost finished now (April 2009).
- **How they got the price of these 10 row-house units to be so cheap :** May Domingo and the PACSII technical team helped the people develop these house designs, through a series of many design workshops, which went into a fine level of detail - they even had a special workshop to design the windows and beautiful wooden shutters, which are made by a disabled people's workshop using wood scraps left over from their school furniture making contracts. The houses include a number of cost-saving interventions. The people provided part of the labor as equity, and they built all the houses together. The "core house" units - which are made of simple concrete block walls - are built enough to be occupied, but without any finishes, so people can later plaster and fill in the lower floors, which have been left open. Each house has a second-story terrace for hanging clothes, but these terraces are staggered (back and front) to reduce the cost of reinforced beams and columns.

**House repayment terms for the 10 row-house units :** The row house units cost 150,000 Pesos (US\$ 3,130), and are financed by loans from the UPDF. Monthly loan repayments are 1,300 Pesos (US\$ 27) per family, paid through their savings group to the UPDF.

- **Land repayment :** The families also have to pay for their land, and work out the land repayment with the Kabalaka Homeowners Association, which bought this land very cheaply many years ago.
- **Land cost and payment per family :** The total land cost 2.7 million Pesos (US\$ 56,250) and includes 7,145 sq. meters of land. Repayment per family varies according to the cash equity paid (initial deposit); the remaining balance is payable in 5-years at 6% annual interest.



**Everyone wants 2-story houses for floods now :** May tells us that after the typhoon and floods, everyone in Iloilo wants a 2-story house. Having experienced the terrible flooding that affected almost the entire city (where the water levels rose above single-story roofs!), Ilonggos - both rich and poor - are now very keen to have 2-story houses, so that when floods storms happen again, they can escape up to the second floor, and if necessary to the roof, if the waters rise so high.

Other upgrading projects being supported by loans from the \$30,000 upgrading fund :

4. **Pathway improvement at West Habog Habog (38 households ) : Total cost 140,000 Pesos (US\$ 2,916)**

5. **Solar home lighting at Taytay Zone 2 (15 families) : Total cost 139,500 Pesos (US\$ 2,906)**

6. **Land acquisition by the Association of Disabled Persons in Iloilo (200 households, mostly polio victims) : Total cost 120,000 Pesos (US\$ 2,500)**

## SEPARATE BUT TOGETHER :

### Three poor community federations work together under one city-wide network

1. **HPFP-Iloilo (Homeless People's Federation Philippines)** is the Iloilo branch of the national federation. HPFP has 12 member community associations in Iloilo and has community savings mobilization as its main thrust and organizing tool.
2. **ICUPFI (Iloilo City Urban Poor Federation, Inc.)** is a government-organized network of 42 member community associations and is mainly composed of communities on government-provided land, both on-site and relocation.
3. **IFCA (Iloilo Federation of Community Associations)** is an NGO-organized federation of about 35 member community associations and is predominantly composed of communities which have acquired or are in the process of acquiring land through the national Community Mortgage Program (CMP).

**The ICUPN (Iloilo City Urban Poor Network)** is the umbrella network that links all three of these federations under one umbrella. The ICUPN had its first general assembly in November 2005.

**Benfred Tacuyan speaks (President of ICUPFI)** All funds from outside are shared by all the communities in our ICUPN network, no matter which federation they come from. We think city-wide now, not separate. We are one now. We have our different federations, and our own advocacy styles, but we want to be city-wide, so we decided to join together five years ago.

**Linking together around the issue we can all be unanimous about :** (*Sonia*) Believe me it's no easy thing bringing three poor community federations together into one network! Our advocacy styles are different, our systems are different, our affiliations are different. Totally uniting is just not possible, so we decided to pick the issues we have in common, the issues we can all be unanimous about - like security of tenure, land, housing, savings. And then we work together and support each other as a network only on those key issues. Otherwise, we do our own thing, we don't go together on all the issues. But we respect each other - that's important.

- **It didn't happen with the click of a hand!** It took us five years to bring these three federations together into a unified network! There was a lot of distrust at first. "You sell out to the UN, to SDI!" they said about our federation. "HPFP is the only federation that gets money from outside, and you just want to show all our numbers so you can get more money!" It took a long time to build trust among us.
- **The mayor helped.** He said, "I only want to talk to one community network, I don't want to have three different meetings with three different federations - what a headache!"



**Using the ICUPN for giving scholarships :** There is a scholarship fund in Iloilo (with resources gathered by civic groups like Rotary, Lion's Club and rich businessmen) which gives about 100 university scholarships to clever, poor students each year. It used to be that Benfred's federation managed this scholarship fund, and only students who were from families in that federation got the scholarships. But since the federations came together under one network, they now open these scholarships to families in all the federations. This is just one small example of how the city-wide thinking is being entrenched in many aspects of how more and more programs which touch the poor are being dealt with collectively, by the whole urban poor network.

## TAKING OWNERSHIP OF EXTERNAL AID and INTERVENTIONS : Outside acts are all welcome, but this show belongs to Iloilo . . .

**Outside resources and interventions welcome, but the community network sets the terms :** One of the striking things about the city-wide process in Iloilo is the way the community network makes use of all the various interventions and opportunities which come from outside in their own way - and somehow transform all these different goodies (which come with their own rules, limitations and targets) into part of their ongoing process. Rather than being pushed around and divided and made to march in different directions by these outside interventions (which is what usually happens), the poor communities in Iloilo have built the strength and the vision and the togetherness to manage to take ownership of all these outside goodies, and make them their own! For example :



- **ACHR's upgrading grants :** When ACHR granted \$30,000 to the ICUPN to organize a process of selecting and implementing small, community-managed upgrading projects around the city, the idea was that the money would be used as small grants of less than \$3,000 each. But the network in Iloilo decided to use the money as a revolving loan fund for small upgrading projects, which would be channeled through the UPDF. They didn't like the idea of grants, reasoning that free money created dependency, tensions and inequity and that it was more fair if everyone had to pay for whatever improvements they made in their communities. But they did agree to giving these small upgrading loans without interest! Sonia says that at first, they were not really expecting that communities would pay back the loans, *but they are!*
- **CLIFF housing finance:** The money comes from Homeless International in the UK, and is a direct loan to the first set of beneficiaries, but the federation in Iloilo decided that the loans will be paid back into the UPDF (city-based), which will then revolves it in other housing and infrastructure loans within the city.
- **Donor funds for typhoon rehabilitation :** (from Misereor, SDI and Jersey Overseas Aid) Which the federation and the ICUPN decided to use not as grants, but as loans, to strengthen the housing associations and recycle the money to help more households in need, after the storm. They decided that each family could borrow up to a maximum of 5,000 Pesos worth of materials (all purchased and organized in bulk by the community savings groups, with support from the ICUPN), with a focus on rebuilding roofs, toilets and kitchens.
- **I.L.O.'s Community Contracting Pilot Projects (grants for community improvements, with paid community labor):** The network was new to the rules of community contracting as carried out by I.L.O. and on how these projects were organized (with people from the community being paid to do the work, as a form of employment generation). But the ICUPN decided to give these projects (involving lane paving, drainage, footpath construction and canal dredging) only to communities that had active savings groups and an already established system of working together. Even so, Sonia says that these projects created tension in one of the communities where they were implemented, with some jealousy about who did and didn't get paid to do the work, and some gossip and rumors about mismanagement of the budgets, favoritism, etc. There were no such problems in the upgrading projects where people weren't paid anything and all the work was voluntary, Sonia says!
- **All outside aid money comes back into the UPDF :** All the outside money that comes into Iloilo for these various community projects gets recycled into the one city-level revolving loan fund (Iloilo's own UPDF), which is controlled by the city's poor communities, and linked to the HPFP's national UPDF (which is not actually a national fund, but an umbrella for all these regional funds, which sometimes facilitates "inter-lending" between regions, when one of the UPDF's has need of more capital than they have locally).

*These are just a few of the ways that the communities in Iloilo have managed to turn the tables on the usual power relationship between "donors" (because they are the ones with the money, they are usually the ones who set the terms for how that money is used) and the "recipients" (the ones who usually have no choice but to take the goodies on offer, according to the terms set by outsiders, even if those goodies and those terms might not be what they need).*

## What the visitors thought . . .

At the end of the second day, we were invited to have a fabulous dinner of grilled seafood at Sonia's beachfront restaurant. For some in the Mongolian and Nepali teams, this was their first time to put their feet in the sea. After dinner, there were beers and Karaoke, and before we all went back to the hotel, we had a chance to talk about everyone's impressions of what we'd seen in Iloilo. Here are a few notes from that discussion :



**Mahendra (Nepal) : How to get everyone involved in these small upgrading projects?** In Nepal, we have the problem of competing political parties who work to divide the members of poor communities along party lines. Whenever we try to do any kind of project in a community, the political parties will get wind of it and try to discourage their members from taking part. This makes it very hard to get people to work together in the communities.

**Sonia : We also have problems with "gate-keepers" here in Iloilo! Start with the groups that are ready, and the others will follow when they see real things happening.** When we started the small upgrading projects, the NGO that supported one of the community federations here didn't want her communities to get those funds, she said, "*That's my federation!*" When some of the leaders from her communities joined an exposure trip to see upgrading projects in Thailand, she said "*No upgrading!*" when they came back. This kind of "gate-keeping" can be done by NGOs, or by local governments or by political parties. They put up a fence around a community and say, "*This community is MINE!*"

- **So we just started doing upgrading projects in other communities.** After two years or so, people from that NGO's federation saw the projects happening in other communities, and they decided to leave that NGO and came to us, asking for upgrading. No need to confront these gate-keepers directly - the best way is to just start with the communities that are ready, and let the good work that happens speak for itself. Gradually, people will see the good work, and they will want to join.
- **It works the same way within a community.** If there are 300 families in the community, but only 150 agree to start the upgrading, just start with the 150 families that are ready. When the others see the work really happening, and when they see the benefits, they will join.

### How the UPDF works :

**Mesake (from Fiji) asks about the savings and UPDF :** (Sonia) Every member of the Homeless People's Federation contributes 50 pesos per month to the UPDF. For the federation, the UPDF works like a national bank. But the way it works is that we all have our own city-based UPDFs, and the regional and national UPDF is really only a network of these city-based UPDFs, which allows us to borrow from other cities when we have a need that is greater than our own city's UPDF lending capital.

- **All project funds from outside go into the UPDF,** and all outside loans are revolved back into the UPDF. It's like a basket, where we put all our resources, and which everyone can access. For example, when the CLIFF housing loans are repaid, the repayments will go back into the UPDF's "national basket" or "regional basket"
- **For small loans for emergencies and income generation,** most communities can manage using their own internal savings funds. But when they need bigger loans (for land acquisition, upgrading or housing), they can borrow from UPDF.
- **Loans from the UPDF go only to community organizations, not to individual members!** And communities have to guarantee these bulk loans and repay them in bulk.
- **The Homeless People's Federation's UPDF has a structure at community, city, regional and national levels.** All the money is managed by community people - not by any NGOs! For the time being, we have no government counterpart in the UPDF funds, but we do have government involvement in land, infrastructure and technical support.