



# Manila Urban Settlements Office's Risk Identification and Mitigation for Pre-and-Post Relocation and Resettlement

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## ABSTRACT

The challenge with housing in a highly urbanized city is evident through the years. The City of Manila, through its Manila Urban Settlements Office (MUSO), acknowledges urban settlements and development as one of the pressing issues in the locality, where people seek more significant opportunities and greener pastures. This situation made the nation's capital a melting pot and one of the densest cities in the world. Risks related to housing pertain to lack of adequate shelter, displacements, developmental and environmental changes. These risks compel the local government to provide decent, affordable, and disaster risk resilient and climate change adaptive shelter with adequate facilities for a liveable and socially responsible community. The Local Shelter Plan (LSP) and the Relocation and Resettlement Action Plan (RRAP) are two of the most critical documents that show the City's strategies to achieve its vision to make Manila a zero-slum city worth emulating by other cities in the country. Its mission is to award home lots to qualified occupants in city-owned lots under the land-for-the-landless program (LLP) and socialized housing program (SHP) and construct new housing units to benefit Manila's homeless residents. This paper aims to identify the risks and sub-risks involved in pre-and-post relocation and resettlement and define specific steps to mitigate the said risks. Risks stem from gaps and challenges in implementing the City's LLP and the SHP to provide shelter to Manila's informal settler families (ISFs), the underprivileged, and the homeless. ISFs occupy dangerous areas, such as those living along rivers and creeks, those affected by government infrastructure projects, and fire victims. ISF households also need upgrading of land tenure, essential services, and infrastructures to make their houses resilient to various environmental elements. In addition, SWOT analysis of the internal and external environment is crucial to find systemic and other risks and relevant opportunities that affect adequate housing and urban settlements. This paper presents the current situation of four strategic places or areas for housing in Manila. Identifying and mitigating risks are part of the risk management process, specifically, risk analysis and response. Risk analysis covers the strategies and activities that identify risks, estimate their likelihoods, and evaluate potential consequences. Housing legal and policy bases such as LSP and RRAP are instruments that reduce or eliminate certain kinds of risk in pre-and-post relocation. It is essential to recognize primary and secondary risks in housing policy-making and program efficiency.

**Keywords:** Housing, Urban Settlements, Informal Settler Families, Risk, Risk Management, Environmental Analysis, Risk Identification, Risk Mitigation

## I. INTRODUCTION

As of 2020, about 38,054 families are homeless in Manila, including those displaced because of national government projects (*i.e.*, those evicted for the railway improvement projects), while around 229,372 belong to low-income families. To address one of the most crucial problems of the City of Manila, the lack of adequate shelter, and equally, the prevailing issue of the growing number of Informal Settler Families (ISFs), a concrete plan of action is necessary. A Local Shelter Plan (LSP) and a Relocation and Resettlement Action Plan (RRAP) outline the course of feasible work for the City Government to address prevailing issues and concerns, including risk identification and mitigation for pre-and-post relocation and resettlement.

The Manila Urban Settlements Office (MUSO), created by the Metro Manila Commission Executive Order No. 81-03 (1981) as amended by City Ordinance No. 8730 or the Manila Urban Settlements and Housing Ordinance (2021), is a department in the local government of Manila. Its mandate is to administer the Land-for-the-Landless Program (LLP) and the City's Socialized Housing Program (SHP). These programs aim to provide adequate assistance to bona fide tenants and occupants of lands and landed estates in Manila to acquire the lots they occupy for residential purposes.

Through MUSO, Manila aims to provide adequate and affordable shelter facilities to Manileños, prioritizing the homeless and underprivileged. It exists to implement the administrative and social amelioration programs, namely, the

City's LLP, SHP, relocation and resettlement assistance, and the housing needs of as many city resident families as possible, particularly those belonging to low-income family groups.

A primary challenge identified by MUSO for the LLP and the SHP is the funds necessary to maintain any housing development. This matter and other situations make administering the LLP and SHP program very difficult. Thus, a solution identified is to sustain the growth instead of imposing an additional financial burden on the ISFs. However, there is always the risk of insufficient funds or delay in releasing the same and other systemic risks or uncertainty. Systemic risks stem from the general economic or natural environments, such as economic movements and natural disasters. In comparison, uncertainty refers to the lack of knowledge about specific factors. Thus, a more permanent solution is needed for the program to be sustainable.

Under the Urban Development and Housing Act (UDHA or Republic Act [R.A.] No. 7279), the LGUs, in coordination with the concerned offices/agencies (Sec. 21, 22, and 29) and the private sector (Sec. 21), must provide the basic needs of the resettled families. This action should be done with the participation of the beneficiaries (Sec. 23) and other stakeholders (Sec. 24) to properly gauge and assess the gaps that need attention.

"The local government units (LGUs), in coordination with the National Housing Authority (NHA) shall implement the relocation and resettlement of persons living in danger areas such as esteros (estuary, swamp, marsh), railroad tracks, garbage dumps, riverbanks, shorelines, waterways, and in other public places such as sidewalks, roads, parks, and playgrounds. In coordination with the NHA, the LGU shall provide relocation or resettlement sites with basic services and facilities and access to employment and livelihood opportunities sufficient to meet the basic needs of the affected families." (Section 29: Resettlement)

On the one hand, the LSP focuses on the comprehensive analysis of the housing situation and shelter strategies to help the local government address current and future housing and urban development issues. LSP's ultimate goal is clear. The City will provide a liveable resettlement area with low-cost housing and sufficient facilities for its residents.

On the other, the RRAP is a relocation planning process institutionalized in response to relocating ISFs living within, along, and on top of waterways and danger areas. It operationalizes and implements the ISF Program. This five-year (2011-2016) plan aims to provide adequate, decent, and affordable housing with essential services and facilities in the settlements for the ISFs in Metro Manila under the developmental concept of on-site, in-city, and near city relocation. Where cases of on-site, in-city, and near-the-city relocation are not feasible, an alternative off-site/off-city is carefully considered and well planned.

The formulation of RRAP is by the Vision and Objectives of the City's recently approved LSP. Notably, its Goals are to 1) provide decent, affordable, and disaster risk resilient and climate change adaptive shelter; 2) assist in the development of integrated residential and commercial mixed-use communities within the City; and 3) strengthen and sustain institutional mechanisms to implement programs, projects, and activities related to housing and urban development.

Through close cooperation among the local government, the national government agency members of the Local Inter-Agency Committee (LIAC), and the affected communities, the City formulated the RRAP in the areas of Estero de Magdalena, Isla Puting Bato, Baseco Compound, Parola to Del Pan Bridge, and Esplanade. Furthermore, this RRAP responds to the continuing Mandamus of the Supreme Court and Administrative Order No. 16, series of 2019 of the Office of the President for the continued rehabilitation and restoration of Manila Bay. For these contexts and general programs of Manila, the RRAP is formulated for the proper relocation and resettlement of ISFs along the identified waterways and appropriate services for the affected communities.

#### **a. Risk Analysis**

Risk analysis "is the process of identifying risks, estimating their likelihoods, and evaluating potential consequences." In contrast, "risk exposure is the possibility of economic, financial or social loss or gain, physical damage or injury, or delay. The significance of risks is the impact they may have on the achievement of project objectives, delivery of goals or management effectiveness." (Hall & Berry [AHURI], 2002).

"The organization's capability in terms of risk management is to identify all forms of risk to which it is exposed and understand the optimal risk management strategy for each of them. Consequently, decisions on risk strategy need to be established on solid risk identification and evaluation process and prioritizing threats and opportunities" (Spikin, 2013).

According to Spikin (2013), "The first stage of the risk management process is the mission identification phase, where the entity settles a goal for its risk management program". Under this approach, the first step of the risk management process is to identify an organization's exposure to uncertainty.

The latter would require an intimate knowledge of the organization, the market in which it operates, the legal, social, political, and cultural environment. It also covers developing a sound understanding of its strategic and operational objectives, including critical factors to its success and the threats and opportunities related to achieving these objectives (UK Standard, 2002).

APPA (2018) defines strategic risks as risks to an organization's ability to achieve its goals. It includes:

- 1) Financial risks: Risks that could result in loss of assets.
- 2) Operational risks: Risks that affect the institution's ability to do everyday work, including instruction.
- 3) Compliance risks: Risks that involve externally imposed laws and regulations and internal policies and procedures.
- 4) Reputational risks: Risks to the organization's brand or reputation.

- 5) Enterprise Risk Management takes a strategic and comprehensive approach. Risk is understood as a part of doing business—no operation is without risk—and must be managed to achieve company goals.

Environmental analysis is a simple but practical framework for analyzing the identified areas' strengths, weaknesses, opportunities, and threats (SWOT). It also includes the places inhabited by ISFs. It builds on what it does well, address what is lacking, minimizes risks, and makes the most significant possible advantage of chances for success. The matrix below shows the SWOT analysis of four strategic housing areas based on Manila RRAP. Risk identification and mitigation play substantial roles in the success of program implementation and relocation, and resettlement.

**Table 1. Environmental Analysis of Estero de Magdalena**

Strengths	Brgy. 292 has an approved People's Plan Barangays are cooperative with the LGU and supportive of the RRAP Partially cleared Acceptance of relocation among community members Tagging, Census, and Validation (TCV) has been conducted
Weaknesses	No available land for in-city relocation Easement area
Opportunities	Supportive Barangay/LGU/District/National Government Agencies Possible open spaces in the City
Threats	Returnees New Settlers

**Table 2. Environmental Analysis of Isla Puting Bato**

Strengths	LGU and Barangay are supportive of the RRAP Highly influential Barangay/District Officials With available community profile In-city with high rise relocation (42 sqm. from the Office of the City Mayor)
Weaknesses	No transparent payment scheme for amortization (22 sqm. from the NHA)
Opportunities	The Philippine Ports Authority (PPA) donated a 5-hectare land for the in-city relocation of the affected beneficiaries
Threats	Slow bidding process Danger zone

**Table 3. Environmental Analysis of Baseco Compound**

Strengths	United community Supportive Barangay and Community Officials With legal basis: Proclamation 154 issued by former President Gloria Macapagal Arroyo on February 12, 2002
Weaknesses	Strong resistance to projects; the affected families are only inclined to on-site or in-city relocation; the community is hard to infiltrate Area prone to liquefaction Other structures cannot be constructed
Opportunities	Presence of non-government organizations such as Caritas Manila Ongoing installation of streetlights PhP1,481,680.86 budget for TCV for downloading from the DENR to the NHA (MOA notarized as of October 29, 2020)
Threats	Area prone to liquefaction which may affect Proclamation 154 No Environmental Compliance Certificate (ECC) = no title

**Table 4. Environmental Analysis of Parola to Del Pan Bridge**

Strengths	With existing organizations accredited by the Presidential Commission for the Urban Poor (PCUP)
Weaknesses	No reliable data is available Pending TCV
Opportunities	Has available funding amounting to PhP640,852.61 for the conduct of the TCV, for downloading from the DENR to the NHA (MOA notarized as of October 29, 2020) Construction of Dubai Housing
Threats	Proliferation of algae; algal bloom/"Red Tide"

## II. LITERATURE REVIEW

According to the Australian Housing and Urban Research Institute (AHURI, 2002), risk "is the possibility that an expected outcome is not achieved or replaced by another, or that an unforeseen event occurs. It includes uncertainties due to future events and the consequences of limited knowledge, information, or experience".

AHURI (2002) defined risk management as "the set of activities concerned with identifying potential risks, analyzing their consequences and devising and implementing responses to ensure that project or program objectives and delivery goals are achieved. It also includes the management of ongoing risks associated with the ownership of assets".

Quoting Perry (1998), AHURI (2002) emphasized the importance of the recognition of risk in housing policy and argued that there is a range of general risks which, while not primarily housing risks, impact significantly on housing risks. Perry contends that a large part of housing policy implicitly reduces or eliminates certain kinds of risk. These arguments deal with issues that apply to the recipients of the assistance. This proposition "is primarily about the impact of risks of housing assistance efficiency, and hence on government assistance providers." (Berry and Hall, 2001 as cited in AHURI 2002)

Beck (1992), as quoted in AHURI (2002), discussed the multi-faceted nature of risk, raising issues around social change during modernity under the two main themes: reflexive modernization and developing salience of risk.

According to Beck, modernity gives rise initially to social and economic constraints on the individual, which arise from production and increase risks. Beck also questioned the quantitative definitions of risk. The author said quantitative descriptions could miss the causes or consequences of risk where some minority interests may be marginalized.

AHURI (2002), citing Croft (2001), maintained that organizations need to overcome issues around the concepts of risks. Croft recognized the notion of risk helps consider risk factors connected with the affordability and sustainability of housing. Fixed definitions of risk tend to focus narrowly on identifying specific events and consequences or widely on paradigmatic issues. Croft described the difficulty in reflecting the nature of housing risk and suggested that risk may have acute or chronic causes or effects distinguished between risk events and risk consequences. These could be subdivided into contingent or potential risk (risk, which is a future possibility) and actual risk (risk, which is something tangible such as homelessness or illness).

AHURI (2002) suggested that a suitable definition of risk is an applied process during which contingent uncertainties crystallize into consequences that may or may not rise to other contingent conditions. AHURI said that using this definition as a starting point, assessing a social policy role in housing issues requires housing managers to consider the three stages of the risk process.

Perri (1998), as quoted by AHURI, maintained that concepts of risk help understand how housing politics frames debate about housing policy. In return, it helps housing policy advocates design their strategies. Perri said it is helpful to look at other kinds of risks related to housing policies such as:

- 1) Risks closely related to housing outcomes such as the risk of eviction
- 2) Risks to individual well-being such as poor educational achievement
- 3) Risks to the community such as fear of crime, the stigma of particular areas, and community divisions
- 4) More comprehensive economic risks such as the consequences of inflation and unemployment

According to Perri, risk management strategies such as legal rights and institutional mechanisms are public policy. It covers anticipating risks, preventing causes to reduce the magnitude or frequency of those risks, accepting risks, and reducing damaging effects. Perri pointed out that risk management strategies differ in classifying and managing risks from a functional or organizational perspective, such as housing and health.

Citing Jenkinson (1992), AHURI (2002) said that housing should properly accept more risks since it comprises the most significant single component of household expenditure because of its unique characteristics. The State has an unparalleled role in providing security and social structure to individuals and households. Housing has a role in shaping lives and communities that other goods do not have. As such, housing justifies public subsidy and support. Government housing policy is about the reduction or elimination of certain kinds of risks. Public administrators must have a broader interest in anticipatory styles of management of housing risks. There is a need for an integrated policy response and frameworks for understanding interactions among risks. Reframing of housing policy that includes risks is essential for housing policy advocates. It supports recognizing risks as a central issue in housing policy and the impact of housing risks on individual households.

According to Spikin (2013), who presented an integrated perspective and application of risk management theory in the public sector, quoting Vaughan (1997), the second step of a standard risk management process identifies the risks organizations face. The identification stage is generally performed using several instruments such as internal records of the organization, insurance policy checklist, risk analysis questionnaires, flow process charts, financial statements, an inspection of the firm's operations, and interviews.

The mission identification stage is considered the first stage of the risk management process. On this aspect, the organization sets a goal for its risk management program. This approach requires the organization to identify its exposure to uncertainty (Spikin, 2013). UK Standard (2002), as Spikin (2013) quoted, proposed that the risk identification stage would require an intimate knowledge of the organization. It includes the market and the legal, social, political, and cultural environment. It also covers developing a sound understanding of its strategic and operational objectives, critical factors to its success, and the threats and opportunities to achieve these objectives.

Further, this standard advises that risk identification follows the systems approach to ensure that all significant activities within the organization are considered. The identification and categorization of all risks follow this activity.

Therefore, the organization's capability in terms of risk management is to identify all forms of risk to which it is exposed. Risk managers must understand the optimal risk management strategy. Consequently, risk strategy decisions need to be established on robust risk identification and evaluation process and prioritizing threats and opportunities.

In a study on Risk Management in the construction industry, Kashiwagi & Kashiwagi (2012) found that identifying the source of risk causes distress. Analysis of the risk has resulted in identifying the primary source of danger. The new model identifies risk, mitigates risk by the use of transparency and dominant information.

Stebbins-Wheelock and Turgeon (2018) presented a Guide to Risk Assessment and Response. Risk and Opportunity Identification and Monitoring and Reporting were described in this paper. According to Stebbins-Wheelock and Turgeon (2018), risk and opportunity identification is an essential step in risk assessment and response. Stebbins-Wheelock and Turgeon (2018) wrote, quoting ISO 31000, 2009, the purpose of the risk and opportunity identification step is to "generate a list of key risks [and opportunities] based on those events that might create, enhance, prevent, degrade, accelerate, or delay the achievement of your goals or objectives."

The authors mentioned mitigation in risk monitoring and reporting, a form of risk response involving actions designed to reduce risk or its consequences. McConnel (2015), in his paper on strategic risk management, concluded that Barclays took some significant steps regarding risk governance, such as introducing an Enterprise Risk



Management (ERM) Framework. It “sets out a framework and approach that applies to the whole bank, all colleagues, and all types of risk.” A vital responsibility is to seek to “identify and assess future potential risks which, by their unfamiliarity, uncertainty and deemed low probability (Barclays Annual 2014 as quoted by McConnel, 2015).

Delloite (2013) explored and described strategic risks and the experience of Siemens AG and Cisco on strategic risk management. Siemens AG realized a need to expand and shift from the quantification to the qualification of risk approach that allows integration of soft data for regulation, media, or reputation. This approach provided a more comprehensive picture of the challenges that are in front of the company.

APPA (2018) looked at strategies for managing and mitigating risks in educational institutions and said that there are all types of risks to an institution from hard-earned experience. According to APPA (2018), “Enterprise Risk Management (ERM) takes a strategic and comprehensive approach. ERM incorporates risk assessment in which hazards are formally evaluated. Risks are ranked by their likelihood and potential impact at the most basic level. The most likely and most significant risks are those that receive the most excellent attention. ERM also emphasizes a truth sometimes forgotten: that with threats come opportunities. Changing political or social situations can harm the institution and help it; new initiatives carry the risk of failure and the potential for success. APPA concluded that organizations should not fail to seize the opportunities present themselves. The ultimate goal of ERM is to increase the flexibility and adaptability of the institution. Institutions should be able to respond to disasters while recognizing potential victories.

Risk management expert Abraham (2013), as quoted by APPA, said the first step of risk management should not be creating lists but developing an institution-wide framework for addressing risk and change. ERM is a business process that takes a strategic approach to risk from a transactional and reactionary process.

The primary goal of ERM, according to Abraham, is culture change. When an institution is practicing ERM, it has incorporated a well-organized approach to risk management that addresses the entire organization. Organizations have the skills and capacity to be flexible and adapt to an ever-changing environment. When an unexpected crisis hits, the institution takes it in stride; when an incredible opportunity arises, it takes advantage of the situation.

Organizations can use a risk inventory to identify and rank threats in managing and mitigating risks, according to APPA (2018), quoting Abraham (2013). Risk experts suggest jump-starting the risk identification process by inverting the 80/20 rule. The old view is that “institutions tend to spend 80 percent of their risk management time identifying risks and 20 percent doing something about those risks. This process includes assessing the impact of risks, assigning owners to the risks, developing plans to reduce risk, and tracking risk”. Best practice calls for reversing the 80-20 allocation of effort. Institutions can jump-start the risk identification effort and limit it to 20 percent. Spending the remaining 80 percent on assessing the likelihood, impact, and risk mitigation strategies is far more efficient”.

### III. RESEARCH METHODS

This study is descriptive and qualitative. The researcher used one-on-one (or face-to-face) interviews and focus groups as a data collection method. The researcher collected data directly from the interviewees, all MUSO division chiefs, and staff. The secondary sources of data are official documents and reports. This study is limited to the risk identification and mitigation in the relocation and resettlement of ISFs in the areas of Estero de Magdalena, Isla Puting Bato, Baseco Compound, Parola to Del Pan Bridge, and Esplanade.

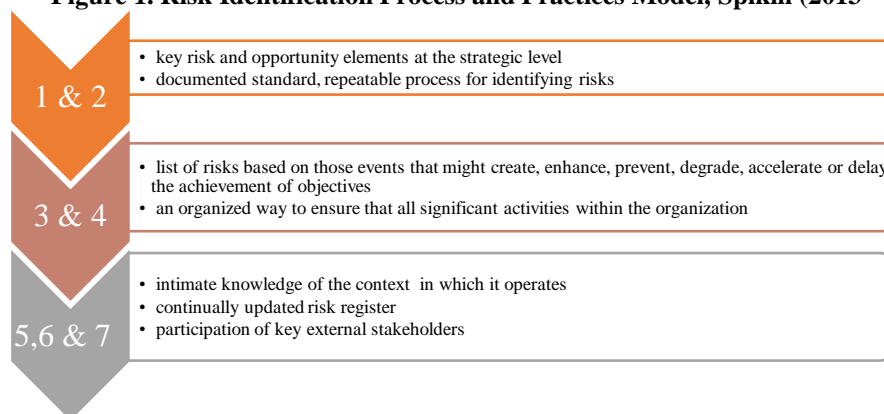
### IV. DISCUSSION

#### 4.1 Theoretical Framework and Conceptual Framework

Spikin (2013) reviewed the best risk management practices organized by the risk management cycle or process, considered an essential part of the risk management discipline. The source of these practices are the leading and most well-known standards of the integrated approach of risk management, such as the COSO standard, AS/NZS, ISO 3100, and UK Standard. His work includes the compilation of MacGillivray’s (2006) and Lam’s (2003).

For risk identification, the following are the standards set by Spikin. This paper evaluated the existence or use of these standards with available documents, tools, and techniques in MUSO.

**Figure 1. Risk Identification Process and Practices Model, Spikin (2013)**



Spikin (2013), in the risk identification process and practices, said, “the necessity of developing, using and storing risk management information is also included in the best practices of this integrated perspective. This model would consist of internal and external sources of information, systematically identifying, capturing, and communicating risk management information throughout the organization (COSO, 2004). According to COSO (2004), information is needed at all levels of an organization to identify, assess, and respond to risks. This information enables organizations to achieve their objectives in each recognized risk management practice classified by the risk management cycle. UK Standard (2002) said that the establishment of adequate infrastructure, application of a logical and systematic method for analyzing the context, measuring and evaluating risks, and monitoring and communicating those threats related to any activity or function of the organization. These practices are also very distinctive and present in the standards of the integrated perspective of risk management.

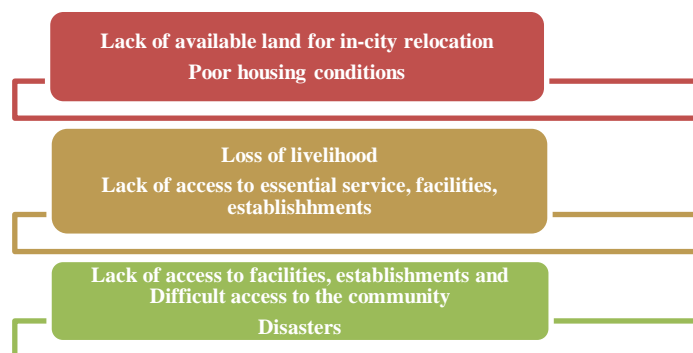
According to Spikin (2013), normative and rationalistic models for decision-making are based on conceptions about how decisions are made. In this perspective, a decision-maker should first become aware of a problem, then posit a goal, carefully weigh alternative means, and finally, choose among them according to his estimates of their respective merit. This rational decision-making approach applied to risk management prescribes how to act when uncertainty and a lack of information. We could find several techniques for assessing (identifying and evaluating risks) and determining the optimal response for a specific risk (e.g., cost-benefit analysis). Spikin (2013) reiterated the argument of Lindblom (1959) that the main characteristics of the normative and rational methods for decision-making are: clarity of objective, the explicitness of evaluation, high degree of comprehensiveness of overview, and, wherever possible, quantification of values for mathematical analysis.

A challenge identified by MUSO for the housing projects is the funds necessary to maintain the development. There is always the risk of insufficient funds or delay in the release of the same. Thus, a more permanent solution is needed for the project to be sustainable.

For example, under the LLP, the City will acquire the land occupied by ISFs from the legal owner. MUSO, in turn, will award the home lots presently occupied by ISFs under the condition of full payment of their share. Previously, ISFs have to pay 30% of the acquisition cost to acquire the corresponding parcel they occupy. Most often than not, ISFs are unable to pay the equity required. The City has recently reduced the equity share of the ISF to 5%. However, there are still several instances where the ISFs would always find it difficult to pay. Hence, the need to address the problem of affordability in housing.

Furthermore, ISFs think they are entitled to ownership over the shared space in the hallways or the common area on the top floor and would fence off or put their personal belongings in place. This fact makes administering the building very difficult.

#### 4.2 Description and Analysis of Risk Management Issues (Figure 2. MUSO Risk Management Issues)



MUSO operates under the over-arching urban development and housing goals enshrined in national laws and local ordinances. For instance, the 1987 Philippine Constitution, in Article XIII, Section 9 thereof, states that the State shall, by law, and for the common good, undertake, in cooperation with the private sector, a continuing program of urban land reform and housing which will make available at affordable cost, decent housing, and essential services to under-privileged and homeless citizens in urban centers and resettlement areas. The following is a discussion and analysis of the risk management issues, and some legal and policy bases on housing and urban settlements that address those risks:

##### 4.2.1 Lack of available land for in-city relocation

A comprehensive housing ordinance ensures a sustainable and affordable housing program that could reach more beneficiaries. It also provides better housing facilities and amenities, security in housing even beyond the housing project's lifetime with the increasing number of ISFs and displaced people and the finite land resources in Manila, there is a need to maximize these resources and implement projects to cover a broader range of beneficiaries (Ordinance 8730). Section 64 on Inventory of Lands and Identification of Sites Suitable for Housing of Ordinance No. 8730 (Chapter IX-Land Selection) states that within three (3) months from its effectivity, an inventory of all kinds of lands and improvements thereon within the territorial jurisdiction of Manila shall be conducted. The list shall include the following:

- a. Lands owned by the National Government in the City of Manila;
- b. Lands owned by the City Government of Manila

- c. Unregistered or abandoned and idle lands; and
- d. Other lands may be of use to the City Government of Manila in pursuit of the objectives of this Ordinance.

In coordination with the City Council, the MUSO shall, through a Land Evaluation Report, identify lands for socialized housing and resettlement areas suited for the immediate and future needs of residents, especially those from low-income families, taking into consideration, among others, the availability of essential services and facilities, their accessibility and proximity to job sites and other economic opportunities. The Land Evaluation Report shall contain the following:

- a. Land Ownership;
- b. Selling Price;
- c. Physical Characteristics which includes the present status of the lot, existing land use/zoning/declared use per tax declaration, size and shape of the lot, topography, among others;
- d. Description of the Community;
- e. Facilities and Utilities; and
- f. Accessibility to transportation and employment.

Subject to preference provided by law, lands for socialized housing may be identified from:

- a. Those owned by the City Government of Manila;
- b. Alienable lands of the public domain;
- c. Unregistered or abandoned and idle lands;
- d. Those within the declared areas for priority development Zonal Improvement Program sites, and Slum Improvement and Resettlement Program sites which have not yet been acquired;
- e. Donated privately owned lands;
- f. Private lands offered for sale by the owners; and
- g. Other lands that may be acquired as provided for by law.

The City Government, through the USO, shall give budgetary priority to the on-site development of government lands. Identified housing sites shall be safe and accessible to various modes of public transportation. Accessibility shall be defined by:

- a. Distance to main transportation line;
- b. Availability of public transportation, frequency of trips and routes; and
- c. Distance of Site to schools, markets, commercial centers, recreational places, city hall, employment opportunities, churches, and industrial centers;

On the national level, UDHA operationalizes the principles of the State under the Philippine Constitution. It likewise serves as the primary legal basis for creating the RRAP and other government interventions on housing and urban development. An LGU, under the said Act, is mandated to conduct an inventory of lands; identify lands for socialized housing and resettlement areas for the immediate and future needs of the underprivileged and homeless in urban areas, taking into consideration the degree of availability of essential services and facilities, their accessibility and proximity to job sites and other economic opportunities, and the actual number of registered beneficiaries; provide a prioritized budget to the on-site development of government lands; identify and document all beneficiaries for socialized housing; and, enter a joint-venture project with developers or any housing agencies for socialized housing. A combination of two or more options for resettlement can be done depending on the available resources of the LGU, the willingness of the ISFs and homeless families/individuals to be relocated, and their (ISFs) capacity to pay. These options may also include partial resettlement, meaning the affected community can be relocated to different locations, depending on the agreements during consultations and concluded criteria selection.

### 5.2.1 Poor housing conditions

As the national human rights institution mandated to promote and protect the human rights of all Filipinos, the Commission on Human Rights (CHR) issued the Advisory on the Right to Adequate Housing and Humane Treatment of Informal Settlers (CHR (IV) No. A2011-003):

1. The State, from the national government down to the LGUs, must respect, protect and fulfill the right to adequate housing of all Filipinos;
2. The right to adequate housing contains freedoms:
  - a. Protection against forced evictions and the arbitrary destruction and demolition of one's home;
  - b. The right to be free from arbitrary interference with one's home, privacy, and family; and
  - c. The right to choose one's residence, to determine where to live, and to freedom of movement
3. The right to adequate housing contains entitlements:
  - a. Security of tenure;
  - b. Housing, land and property restitution;
  - c. Equal and non-discriminatory access to adequate housing; and
  - d. Participation in housing-related decision-making at the national and community levels
4. Adequate housing must provide more than four walls and a roof. Several conditions must be met before particular forms of shelter can be considered to constitute "adequate housing." For housing to be adequate, it must, at a minimum, complete the following criteria:
  - a. Security of tenure;
  - b. Availability of services, materials, facilities, and infrastructure;

- c. Affordability;
- d. Habitability;
- e. Accessibility;
- f. Location; and
- g. Cultural adequacy

The City Planning and Development Office began planning for Mixed-Use Vertical Housing Programs in several locations in the City of Manila to address the housing needs of the LGU. Mayor Francisco “Isko Moreno” Domagoso expressed his plans to provide an in-city vertical housing program to address ISFs in their respective localities. Manila already started the construction of Tondominium 1 & 2 as well as the Binondominium. These buildings will eventually shelter the informal settlers in Tondo and Binondo. Meanwhile, the Mayor also stated that he intends to pursue more housing projects in different parts of the City. Proposed buildings shall be 15-storeys high each, with 12 residential units per floor, and the ground floor shall be used for commercial space. Each unit shall be forty-four (44) square meters, which is a lot bigger than the NHA’s average unit size. Under this program, the ISF who will be awarded units will pay Php 2,000 per month (housing contributions) and will be allowed to stay in the unit for fifty (50) years (the life of a condominium project by law).

#### **4.2.2 Loss of Livelihood**

“To the extent feasible, socialized housing and resettlement projects shall be located near areas where employment opportunities are accessible. The government agencies dealing with the development of livelihood programs and grant of livelihood loans shall prioritize the beneficiaries of the program” (Section 22: Livelihood Component, UDHA).

Furthermore, that socialized housing and resettlement projects of LGUs shall, to the extent feasible, be located near areas where employment opportunities are accessible. LGUs shall also encourage residents to organize themselves and undertake self-help cooperative housing and other livelihood activities.

The LGU, in coordination with the NHA, shall provide relocation or resettlement sites with essential services and facilities and access to employment and livelihood opportunities sufficient to meet the basic needs of the affected families.”

#### **4.2.3 Lack of access to essential services and facilities**

“Socialized housing or resettlement areas shall be provided by the LGU or the NHA in cooperation with the private developers and concerned agencies with the following basic services and facilities: a) Potable water; b) Power and electricity and an adequate power distribution system; c) Sewerage facilities and an efficient and adequate solid waste disposal system, and d) Access to primary roads and transportation facilities” (Section 21: Basic Services, UDHA). “The provisions of other basic services and facilities such as health, education, communications, security, recreation, relief, and welfare shall be planned and shall be given priority for implementation by the LGU and concerned agencies in cooperation with the private sector and the beneficiaries themselves.”

The State must provide adequate housing to and ensure the humane treatment of its citizens. Suppose the ISFs and homeless families/individuals are to be relocated. In that case, the sites should have access to essential services and facilities that include but are not limited to water, power, waste disposal system, health centers, schools, roads, livelihood/employment, etc.

#### **4.2.4 Access to establishments and 6) Difficult access to the community**

To further strengthen the government’s interventions in housing and urban development, the Department of Human Settlements and Urban Development (DHSUD) was created in 2018 under Republic Act No. 11201. The DHSUD shall be the sole and primary planning and policy-making, regulatory, program coordination, and performance monitoring entity for all housing, human settlement, and urban development concerns, primarily focusing on access to and the affordability of basic human needs. In the fulfillment of its mandates under R.A. No. 11201, there is a strong need for cooperation between the Department, its attached key shelter agencies, LGUs, and other stakeholders.

#### **4.2.5 Disaster**

According to the Local Government Code of 1991, LGUs are expected to be at the frontline of emergency measures in the aftermath of disasters to ensure the general welfare of their constituents. The mandated function of LGUs is broadened by the Philippine Disaster Risk Reduction and Management Act of 2010 or Republic Act 10121, which requires LGUs to create a Local Disaster Risk Reduction and Management Plan (LDRRMP) covering four aspects of Disaster Risk Recovery and Management (DRRM), namely: disaster preparedness, response, prevention and mitigation, and rehabilitation and recovery. The planning and execution of the LDRRMP are to be led by the Local Disaster Risk Reduction and Management Council (LDRRMC) at every level of local government. At the village level, it requires the formation of a Barangay Disaster Risk Reduction and Management Council.

The following are some of the City’s vulnerabilities to hazards:

1. Earthquake (July 1968, the Big One Magnitude 7.5 according to JICA-Philippines study),
2. Flood (prone; lower road portions, lower elevations, Typhoon Ondoy in 2009)
3. Fire (prone, congested areas, informal settlements such as Tondo)

Other laws and decrees relevant to housing and urban settlements, such as the Climate Change Act of 2009 and its amending law, aims to ensure local resilience and protect people’s right to a healthy ecology. Preparedness is a result of the frequency of typhoons, floods, and fires. The local government has a prepared warning and response



mechanism for evacuating people to safe shelter and assistance. However, local governments appear to have few prevention and mitigation measures to reduce disaster risk in slums.

It is essential that before the actual relocation of beneficiaries, the community associations (housing cooperatives or associations) develop knowledge and capacities on estate management. They also need to establish economic activities and strengthen resilience for individual residents and the community in essential services and disaster risk awareness and preparedness.

Table 5 presents the risk identification process and practices and relevant and available documents, tools, and techniques in MUSO. Another column highlights the existence and use of the said risk identification standards per Spikin (2013) in MUSO.

**Table 5. Risk identification process and practices, and references, Spikin (2013), Available documents, tools and techniques in MUSO (including their existence and use)**

No.	Risk Identification Standards/Source	Available documents, tools, and techniques in MUSO	Existence-Use in MUSO (YES-NO)
1	Identify key risk and opportunity elements at the strategic level and incorporate them in the risk management program. (UK Standard 2002)	MUSO Strategic Management Paper (Vision-Mission, Financial Review, Porter's 5 Forces, McKinsey 7S, BGC Matrix, SWOT) List of Gaps and Challenges	YES-NO
2	The entity (MUSO) has a standard, repeatable process for identifying risks and improving processes. (MacGillivray, 2006 and ISO 31000, 2009).	None	NO-NO
3	The entity (MUSO) develops a list of risks based on those events that might create, enhance, prevent, degrade, accelerate or delay the achievement of objectives, whether they are found internally or externally, and whether they are positive or negative. (ISO 31000, 2009).	Resettlement and Relocation Action Plan MUSO Strategic Management Paper (Vision-Mission, Financial Review, Porter's 5 Forces, McKinsey 7S, BGC Matrix, SWOT) List of Gaps and Challenges Fabie and Canonigo Action Plan	YES-NO
4	Risk identification should be approached in an organized way to ensure that all significant activities within the organization (MUSO) have been identified and all the risks following from these activities defined. (UK standard, 2002; ISO 31000, 2009).	Resettlement and Relocation Action Plan List of Gaps and Challenges Fabie and Canonigo Action Plan	YES-NO
5	The municipality (MUSO) has an intimate knowledge of the context in which it operates. (UK standard, 2002).	STEEP Analysis Strategic Planning Organizational Diagnosis Survey (Climate Survey)	YES-YES
6	Identify risks in strategic and operational processes and financial and non-financial using the range of techniques available for this purpose. AS/NZS, 2004 and UK standard, 2002).	Strategic – Local Shelter Plan Operational – Resettlement and Relocation Action Plan Financial – Work and Financial Plan Non-Financial – Organizational Diagnosis Survey (Climate Survey)	YES-NO
7	Risk identification should be informed by a risk register, which is continually updated. MacGillivray, 2006 and ISO 31000, 2009).	Resettlement and Relocation Action Plan	YES-NO
8	Risk identification is developed with the participation of key external stakeholders as well as professionals from different areas. (MacGillivray, 2006, ISO 31000 2009; COSO, 2004; UK standard, 2002).	LIAC Meetings and Seminar-Workshops, Consultations, General Assemblies with people's organizations' leaders, affected families of the project, Community Relations and Information dissemination campaign, Community Dialogue	YES-YES

#### 4.3 Design and Evaluation of an Approach to Address Risk Management Issues

With the present challenges, there is a need to strengthen the MUSO's programs and policies for housing in the City of Manila and ensure its adaptability and relevance to the changing times to develop a more permanent and sustainable solution to the City's housing problems. MUSO listed the local housing program's gaps and challenges to show the systemic risk and uncertainties in implementing its mandate (Table 6). MUSO also identified sub-risks and proposed mitigation strategies to prevent and manage the risks related to MUSO and the four specific areas of concern (Table 7). MUSO should work with the affected communities and other housing agencies to address those gaps, challenges, risks, and sub-risks. Monitoring and Evaluation, and Risk Communication should be integrated into the MUSO risk management process to better inform decision-making.

**Table 6. MUSO Gaps and Challenges and Current Situation**

Gaps and Challenges	Current Situation
Lack of financial resources for lot acquisition 1) Lot acquisition 2) Construction of vertical mass housing 3) Equity for the Homeowners' Association	The Mayor approved 11 Land Acquisition Projects that Need Funding through expropriation or negotiation in the amount of PhP1.1 Billion As of 2020, the Mayor reduced the HOA equity to 5% from 30% of the acquisition cost. Impact: More beneficial to the awardees. With Ordinance 8730, the payment term is extended to a maximum of 30 years from 20 years
Absence of approved subdivision plans in many of the City's landed estates	As of July 2021, 23 landed estates have no approved subdivision plan and CTSC Resolution. MUSO's 2022 Budget proposal has

	PhP10 M for the engagement of the services of a private licensed Geodetic Engineer.
Problems on estate management and slum upgrading	Aside from the PhP1.1 Billion fund stated above, MUSO has an annual capital outlay for land acquisition and estate development of PhP100 M or 1% of the annual real property taxes, whichever is higher.
Lack of physical development, e.g., flawed drainage system and road pavement, and encroachment problem	
Low collection rate	The collection rate is at 24% only as of June 2021 (representing PhP6.2 M actual over PhP26.2 M target collection). However, this collection performance shows an 8% increase from the same period in 2020. Out of the 3322 active awardees of USO, only 199 or 6% paid their monthly amortizations. Only 633 or 19% applied for the condonation/amnesty program of the City (CTSC Resolution 005-2018 or Ordinance 8535), no imposition of penalty on arrears until December 31, 2022).  <i>Impact:</i> MUSO cannot issue demand letters for non-payment until 2022. Despite the letters of condonation sent to delinquent awardees, most of them are hesitant to pay their monthly amortizations due to the pending case between the City of Manila and PNR. Most of the 718 awardees in the PNR Non-Core Properties' do not want to pay their amortizations. Other awardees suffer from financial difficulties, health problems, and unemployment. These are some of the awardees' reasons for not paying their dues to the City. Some beneficiaries will also be affected by the North Rail/South Project of PNR. Most of them are unconvinced of the Land-for-the-Landless Program. Moreover, the current COVID-19 pandemic/crisis affects the lives of residents of the City in terms of employment and daily sustenance issues and has posed a significant impact on the local economy.
Inadequate staff complement and technical capacity (data banking, preparation of Relocation and Resettlement Action Plan, Shelter Plan)	MUSO has 72 staff, ten are under Special Order (Reassignment), and 11 are vacant positions. MUSO needs registered/licensed lawyers, engineers, architects, and urban planners, social workers, and accountants, and IT professionals

In a volatile world, an organization needs to counter volatility with vision. It has to create and communicate a compelling vision-mission-goals-objectives-values for the people. It will give them focus and help them to react quickly to change. The following is the evaluation of MUSO's vision and mission statements.

*a. Evaluation of the Vision*

To make Manila a zero-slum city worth emulating by other cities in the country and the world.

Parameter	Yes/No	Why?
Does the company's vision answer the question 'What do we want to become?'	YES	MUSO's ultimate goal is to make Manila a zero-slum city worth emulating by other cities in the country and the world.
Is it concise enough yet inspirational?	YES	The organization's vision statement is short, but it conveys the message that it wants to deliver.
Is it aspirational?	YES	The vision statement clearly shows the MUSO aspires to make Manila a zero-slum city.
Does it give a clear indication as to when it should be attained?	NO	The organization's vision statement is not time-bound

*b. Evaluation of the Mission*

To award home lots to qualified occupants in city-owned lots under the LLP and the SHP, and construct new housing units to benefit Manila's homeless residents.

Component	Yes/No	Evaluation
Customers	YES	MUSO's mission statement indicates that it will serve qualified occupants in city-owned lots
Products and Services	YES	The organization's products and services are highlighted in the mission statement (LLP and SHP)
Markets	YES	MUSO's geographical markets is defined in the mission statement (construct new housing units for Manila's homeless residents)
Technology	NO	The organization's primary technology is not mentioned in its mission statement.
Concern for Survival	YES	MUSO states that enhancing the quality of life of homeless residents is its mission.
Philosophy	YES	The organization's philosophy states a concern for the urban poor of Manila to uplift their living conditions

The following are the risks, sub-risks, and proposed mitigation strategies based on Manila RRAP to prevent and manage the risks related to MUSO and the four specific areas of concern for housing. MUSO shall implement the LSP and the RRAP with its resident-stakeholders as partners rather than beneficiaries. It notes that the success of shelter interventions is by working directly with its residents. By bridging the gap between the demand for housing and the availability of resources, it will carry out the vision of MUSO to provide Manileños with decent homes.

**Table 7. Risks, Sub-Risks, and Proposed Mitigation Strategies**

RISKS	SUB-RISKS	PROPOSED MITIGATION STRATEGIES
Lack of available land for in-city relocation	Unavailability of suitable and affordable land in the City of Manila for resettlement sites	Update the LGU's inventory of lands and identify possible areas suitable for socialized housing
		Prioritize vertical, high-rise, and high-density development to maximize space
		Near-city relocation could be an option if the land cost is too high
Poor housing conditions	Non-compliance with national housing standards/use of sub-standard housing materials	NHA and LGU to strengthen policies on compliance with the National Building Code and other construction regulations
		Conduct random site visits/inspections of the technical team (DPWH, City Engineering Office, etc.)
		Imposition of fines/penalties due to non-compliance with national standards
	Lack of access to a power supply	LGU to ensure the compliance of service providers by providing fines and penalties due to non-compliance; enter into an agreement with service providers in ensuring their commitments to the provision of their respective services in resettlement sites
	Lack of access to water services	
Loss of Livelihood	High unemployment rate	Match the job and skill set of the community and invite appropriate companies in job fairs/referrals; prioritize in-city relocation options
	Lack of livelihood opportunities	Coordinate with DOLE and DTI for the provision of livelihood opportunities; provision of seed capital to organized HOA
		Formalize the jobs in the informal sector
	Long-distance from site to work	Coordinate with DOTr and DPWH for the provision of transportation modes and access roads
Lack of access to essential services and facilities	Long-distance from site to health facilities	Coordinate with DOTr for the provision of transportation modes and access roads  LGU to allocate funds and coordinate with responsible agencies and the private sector to provide the needed infrastructure and support services in the community
	Long-distance from site to markets	
	Long-distance from site to schools	
	Long-distance from site to government offices	
Access to establishments	Long-distance from site to institutional/commercial establishments	
	Long-distance from site to transportation hubs	
Difficult access to the community	Hard to reach during emergencies	
	Dilapidated and narrow roads	
	Few modes of transportation	
Disaster	Baseco Compound area prone to liquefaction	Soil improvement methods for areas that can withstand development
		Only non-permanent structures are to be allowed in delicate areas
		Formulation of a Climate and Disaster Risk Assessment (CDRA)

## V. CONCLUSION

The City of Manila and its social service arm, the MUSO, which implements its housing and urban settlements programs, are exposed to strategic risks. Financial, operational, compliance, and reputational risks affect an organization's ability to achieve its purposes and goals. This situation requires a comprehensive, integrated, and organization-wide approach that begins with environmental analysis, risk and sub-risk identification, and risk mitigation to ensure program sustainability and development. These steps form part of the broader understanding of risk management. Internal to MUSO, some gaps and challenges bring about risks. These are lack of financial resources for lot acquisition, absence of subdivision plans, lack of physical development, low collection rate, and inadequate staff and technical capacity. Externally, the beneficiaries of relocation and resettlement programs experience a lack of available land for in-city relocation, poor housing conditions, loss of livelihood, lack of access to essential services, establishments, and the community, and human-made and natural hazards. The existence and use of available documents, tools, and techniques for risk identification and mitigation in MUSO can help address risks or lessen their impact. A way forward is for MUSO to evaluate the appropriateness of interventions to mitigate the risks cited. The environmental analysis may be replicated in other ISF housing areas. Environmental scanning and the updated gaps and challenges matrix against the number of beneficiaries and the demand for housing units in Manila can be suitable for a future quantitative study.

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