World
Housing Displaced People: A Simple, Innovative Solution
Adapting Haiti’s Rental Assistance Program to the Philippines

June 30, 2014

UDRUR
EASPS
LCSDU
Standard Disclaimer:

This volume is a product of the staff of the International Bank for Reconstruction and Development/ The World Bank. The findings, interpretations, and conclusions expressed in this paper do not necessarily reflect the views of the Executive Directors of The World Bank or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

Copyright Statement:

The material in this publication is copyrighted. Copying and/or transmitting portions or all of this work without permission may be a violation of applicable law. The International Bank for Reconstruction and Development/ The World Bank encourages dissemination of its work and will normally grant permission to reproduce portions of the work promptly.

For permission to photocopy or reprint any part of this work, please send a request with complete information to the Copyright Clearance Center, Inc., 222 Rosewood Drive, Danvers, MA 01923, USA, telephone 978-750-8400, fax 978-750-4470, http://www.copyright.com/.

All other queries on rights and licenses, including subsidiary rights, should be addressed to the Office of the Publisher, The World Bank, 1818 H Street NW, Washington, DC 20433, USA, fax 202-522-2422, e-mail pubrights@worldbank.org.
Housing Displaced People: A Simple, Innovative Solution
Adapting Haiti’s Rental Assistance Program to the Philippines

On November 8, 2013, Typhoon Yolanda made landfall in the Central Philippines. This disaster affected 7,110,958 out of 96.71 million persons in the Philippines, or approximately 7 percent of the population. More than one million homes (1,012,790) were destroyed (518,878) or suffered major damage (493,912). The highest level of damage was in Region VIII, where Tacloban is located. 95 percent of the families located in Tacloban were displaced.

The proposal submitted under the Innovation Grant program for “Housing Displaced People: A Simple, Innovative Solution,” was submitted eight days before the Typhoon struck. The original intent was to assist the Philippines with a rental housing assistance tool modeled on a successful program in Haiti that could be used in the event the country was hit with another major disaster. It was also intended to guide Jordan with its rental-housing program for cross border refugees. With the urgent need created by Typhoon Yolanda and a challenging security situation in Jordan, the Philippines became the sole focus of the grant.

In the conditional cash transfer program for rental housing in Haiti, beneficiary families received a $500 payment to rent a dwelling, which was approximately one year’s rent. The family had to be living in a temporary camp, agree not to move back to the camp and move to a unit that was considered safe. An independent evaluation demonstrated the successes of the program. At the time of the evaluation, 23,233 families had been served, none of whom had moved back to the camps after one year. In addition, properties were made safer. 77 percent of landlords made property improvements to meet the safety conditions of the programs. However, after the one-year subsidy ended, 75 percent of the program’s beneficiaries left their accommodation to find new housing.

Prior to Typhoon Yolanda, the Government of the Philippines had piloted a conditional cash transfer project for rental housing for homeless street families of Manila and been studying the feasibility of rental housing for informal settlement families (ISFs). A study of two cities in Metropolitan Manila, Pasay City and Taguig City noted that there was indeed a supply of rental housing. In Pasay City, there was a supply of rooms with shared toilet facilities at an average rent of P2940 ($67) per month. In Taguig City, rents were lower than in Pasay, with rooms available at P1471 ($34) small houses for P1945 ($45). The study noted that ISFs generally paid between P500 and P1000 ($11.45-$23.93), which demonstrated the amount that would be necessary to fill the gap with a rental subsidy.
ACTIVITIES FUNDED

The grant permitted the Government of Philippines to develop a conditional cash transfer for rental housing program, complete with an operational manual. With the rental housing programs and the experience in Haiti serving as a base, the following activities were funded under the Innovation Grant:

- Performed a Rapid Appraisal on the Implementation of a Rental Voucher Program Post Yolanda
- Designed and conducted a supply and demand side survey
- Reviewed the operational manuals that had been developed for other types of rental housing assistance in the Philippines for adaptation in this context
- Adapted the operational manual written for Haiti to the Philippines and wrote a new operational manual to be used in future recovery efforts in the Philippines
- Analyzed the current programs and services for evacuees provided by the Government of the Philippines and by donor organizations
- Assessed the potential for government-constructed housing based on past performance
- Held a consultation meeting with the Government
- Led a dissemination workshop with key stakeholders to review findings
- Wrote an operational manual for a rental assistance program.

RESULTS OF THE RAPID ASSESSMENTS AND OF THE SUPPLY AND DEMAND SURVEYS

The rapid assessment data showed that the Typhoon has the most dramatic impact on lower income families. 60 percent of those displaced earned less than P3000 ($68.96) per month. Only 6.7 percent were formal, salaried employees in the private sector or in the government. 40 percent were agricultural workers and 36 percent were informally or casually employed. However, unlike Haiti, where the vast majority of those displaced were renters, in the Philippines, renters were approximately 12 percent of those affected. (Demographic tables may be seen in Appendix 1.)

Another difference between the Philippines and Haiti is that very few of those internally displaced in the Philippines went to a public shelter or to an evacuation camp (3.58 percent). This makes program dissemination and beneficiary intake more difficult as the target population is not as concentrated as it was in Haiti. As of May 2014, 5000 people were living in evacuation centers and 20,000 people were living in Government constructed bunkhouses, which have been serving as transitional shelter.

Income levels are critical to the demand analysis. At P1500, the maximum rent payment drops to P500, which the demand analysis noted was the maximum the majority of families could pay.

The demand analysis also demonstrated that the majority of IDPs would prefer to live in or very near to Tacloban City, a preference that is influenced by access to employment, schools and transport.

The supply analysis demonstrated that homeowners near the city would generally be agreeable to accepting displaced families. However, given the destructive path of the Typhoon, many rooms and units are not currently available. To address this, the homeowners’ main concern is capital for materials and labor to strengthen or expand the existing structures.

The supply analysis also indicated higher than anticipated rent levels. While a one-room rental for three persons would cost between P1500 and P2000, a low cost rental unit would cost between P3000 and P5000.

---

1 The second workshop and the finalization of the manual will be completed by June 30, 2014.
2 16.89 percent were not categorized and needed further validation.
The Innovation Grant allowed the Philippines to develop an operations manual. This manual followed the same principles as that in Haiti, but was adjusted for the specific country context. It includes the following categories, with specific examples of what is included in each section.

**Objectives**

*Example:* To address the emergency and rehabilitation shelter needs of families with damaged houses, return their lives to normalcy, which has been damaged by Typhoon Yolanda

**Legal Bases**

*Example:* Presidential Decree No. 1566, Strengthening The Philippine Disaster Control, Capability And Establishing The National Program On Community Disaster Preparedness

**Beneficiary Eligibility**

*Example:* Families who are renters immediately prior to Typhoon Yolanda or the house should have been totally destroyed by Typhoon Yolanda and limited resources prevents the family from repairing or reconstructing their permanent shelter units such that they continue to live with relatives or friends in evacuation centers, or in other makeshift shelters

**Registration Process**

*Example:* Families opting to avail of RSCG shall register in a station established for the purpose. Every head of family, registered as such in the Department’s camp list, shall report to the registration station.

**Rental Property Selection**

*Example:* Each family accompanies a staff member for a visit, during which there is a necessary process of verification

**Payment Process**

*Example:* Grants shall be transferred to the recipients in various payment modes such as cash cards, on-site/ off-site over-the-counter transactions through an assigned government depository bank.

**Follow up Visits**

*Example:* To verify if the families are in fact living in the rental property and to follow-up with families with ongoing protection needs that persist after leaving camps or emerge once the family is in the return community.
ADAPTATION TO THE PHILIPPINES

While many of the operational guidelines were adapted from the Haiti manual, some key issues needed to be changed based on the particular situation in the Philippines and based on lessons learned in Haiti. These include:

Most of the beneficiaries (67 percent) in the Philippines formerly lived in structures the owned on owned land or on land where the buildings were erected with consent. This is in comparison to Haiti where 86 percent of the rental program's beneficiaries were renters. Program guidelines were written to include both renters and owners.

Approximately 25,000 Philippines residents remained in camps or temporary shelters six months after the Typhoon, whereas more than 1.5 million Haitians were in camps or temporary shelters six months after the disaster. This meant that the program will start with those in camps or shelters, but that a broader outreach will be needed to those who have resettle informally in unsafe situations.

A key element of the program involved property and area evaluations. In Haiti the Government assessed all structures, coding them red, yellow and green. A staff member evaluated the property before a formal rental contract was made between the beneficiary and the landlord. A property assessment system will need to be planned and budgeted for in the Philippines, which will be done after the close of the innovation grant.

The level of assistance would need to be adjusted based on the supply and demand analysis. It cannot be assumed that $500 per family would be sufficient. A P2500 subsidy that, combined with a P500 payment from the family, would cost $687 per year. The Government of the Philippines will determine the specific level of the subsidy before project rollout.

The timing of the subsidies will be adjusted to the time needed to return to normalcy. In Haiti, three quarters of the program's beneficiaries moved out of their rented accommodation after the program ended. Given that the majority of the beneficiaries in the Philippines will be former homeowners, the rental assistance period will need to be timed to the rebuilding process, or between 18 months and two years.

GOING FORWARD

The World Bank's Manila office and the Government of the Philippines have expressed strong interest in continuing this program. While the Innovation Grant provided seed funding for the program's initiation, the intention is to continue this program to full roll out with additional funds.
Appendix 1: Demographic Tables on Internally Displaced Families

Number of Internally Displaced Families by Type of Occupation of HHH, Region VIII, as of 11 March 2014

<table>
<thead>
<tr>
<th>Type of Occupation</th>
<th>ALL</th>
<th>Biliran</th>
<th>Eastern Samar</th>
<th>Leyte</th>
<th>Samar (Western Samar)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agriculture</td>
<td>20,591</td>
<td>39.61</td>
<td>634</td>
<td>3,015</td>
<td>11,355</td>
</tr>
<tr>
<td>Trading/Commerce/Business/Street Vending</td>
<td>1,650</td>
<td>3.14</td>
<td>19</td>
<td>238</td>
<td>998</td>
</tr>
<tr>
<td>Employee (Private/Government)</td>
<td>3,483</td>
<td>6.70</td>
<td>47</td>
<td>467</td>
<td>2,424</td>
</tr>
<tr>
<td>Services (Professional)</td>
<td>622</td>
<td>1.20</td>
<td>3</td>
<td>119</td>
<td>148</td>
</tr>
<tr>
<td>Services (Informal)</td>
<td>16,532</td>
<td>35.65</td>
<td>318</td>
<td>2,570</td>
<td>12,457</td>
</tr>
<tr>
<td>None/Unemployed</td>
<td>89</td>
<td>0.17</td>
<td>12</td>
<td>6</td>
<td>69</td>
</tr>
<tr>
<td>No Response</td>
<td>7,042</td>
<td>13.55</td>
<td>106</td>
<td>814</td>
<td>4,703</td>
</tr>
<tr>
<td></td>
<td><strong>51,089</strong></td>
<td><strong>100.00</strong></td>
<td><strong>1,127</strong></td>
<td><strong>7,285</strong></td>
<td><strong>32,245</strong></td>
</tr>
</tbody>
</table>

Source: Disaster Assistance and Family Access Card (DAFAC)

Number of Internally Displaced Families by Tenure Status of Housing Prior to Typhoon Haiyan, Region VIII, as of 11 March 2014

<table>
<thead>
<tr>
<th>Tenure Status</th>
<th>ALL</th>
<th>Biliran</th>
<th>Eastern Samar</th>
<th>Leyte</th>
<th>Samar (Western Samar)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 - Own house and lot</td>
<td>22,243</td>
<td>42.78</td>
<td>390</td>
<td>4,007</td>
<td>12,585</td>
</tr>
<tr>
<td>2 - Rent house and lot</td>
<td>889</td>
<td>1.71</td>
<td>20</td>
<td>131</td>
<td>492</td>
</tr>
<tr>
<td>3 - Own house / rent lot</td>
<td>2,987</td>
<td>5.75</td>
<td>95</td>
<td>416</td>
<td>2,059</td>
</tr>
<tr>
<td>4 - Own house, rent-free lot with consent</td>
<td>12,696</td>
<td>24.42</td>
<td>315</td>
<td>1,165</td>
<td>8,906</td>
</tr>
<tr>
<td>5 - Own house, rent-free lot without consent</td>
<td>1,809</td>
<td>3.48</td>
<td>26</td>
<td>83</td>
<td>1,296</td>
</tr>
<tr>
<td>6 - Rent - free house and lot with consent</td>
<td>2,089</td>
<td>4.02</td>
<td>43</td>
<td>239</td>
<td>1,259</td>
</tr>
<tr>
<td>7 - Rent - free house and lot without consent</td>
<td>458</td>
<td>0.88</td>
<td>8</td>
<td>24</td>
<td>316</td>
</tr>
<tr>
<td>8 - Sharer</td>
<td>20</td>
<td>0.04</td>
<td>4</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>9 - for validation</td>
<td>8,782</td>
<td>16.89</td>
<td>221</td>
<td>1,210</td>
<td>5,330</td>
</tr>
<tr>
<td>Core Shelter - Government property</td>
<td>16</td>
<td>0.03</td>
<td>9</td>
<td>1</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td><strong>51,989</strong></td>
<td><strong>100.00</strong></td>
<td><strong>1,127</strong></td>
<td><strong>7,285</strong></td>
<td><strong>32,245</strong></td>
</tr>
</tbody>
</table>

Source: Disaster Assistance and Family Access Card (DAFAC)