

EXECUTIVE ORDER NO. 143

**DIRECTING THE HOUSING AND URBAN DEVELOPMENT COORDINATING COUNCIL TO OVERSEE THE IMPLEMENTATION OF A LOCAL GOVERNMENT PABAHAY PROGRAM, AND DEFINING THE RESPONSIBILITIES OF CERTAIN AGENCIES WHICH WILL BE INVOLVED THEREIN**

WHEREAS, Section 39 of Republic Act No. 7279, otherwise known as the "Urban Development and Housing Act", mandates local government units (LGUs) with the implementation of said Act in their respective localities in coordination with the Housing and Urban Development Coordinating Council (HUDCC) and other concerned government agencies;

WHEREAS, the provisions of Title IV, Book II of Republic Act No. 7160, otherwise known as the "Local Government Code of 1991", authorize LGUs to contract indebtedness, avail of credit facilities or issue bonds, debentures or other forms of obligations to finance socialized housing projects in their respective localities;

WHEREAS, the Home Development Mutual Fund (HDMF) has established a special development loan window with an initial allocation of P1.0 Billion for direct lending to LGUs for their socialized housing projects;

WHEREAS, the Home Insurance and Guaranty Corporation (HIGC) has established its own program, corollary to that of HDMF's, known as the "Municipal Pabahay Guaranty Program", whereby the HIGC shall guarantee the bonds, securities or other forms of obligations which shall be floated or issued by LGUs;

WHEREAS, the National Home Mortgage Finance Corporation (NHMFC) is the government housing agency tasked to develop a viable secondary mortgage system to generate funds for "buyer's financing", whose support is likewise necessary for the success of LGU-initiated socialized housing projects; and

WHEREAS, there is a need for a single agency to coordinate and oversee the efforts of all government housing agencies involved in assisting LGUs in their respective socialized housing projects.

**NOW, THEREFORE, I, FIDEL V. RAMOS, President of the Republic of the Philippines, by virtue of the powers vested in me by law, do hereby order:**

**Section 1. Implementation of a Local Government Pabahay Program.** - The HUDCC is directed to coordinate and oversee the efforts of all government housing agencies involved in assisting LGUs in their respective socialized housing projects, especially those of the HDMF, HIGC and NHMFC, into a coordinated and synchronized program to be known as the "Local Government Pabahay Program". In this regard, the HUDCC shall further undertake and conduct an intensive training program on local shelter strategy formulation for LGUs participating in such program.

**Section 2. Creation of Advisory Committee.** - An Advisory Committee is created to ensure regular consultations with and active involvement of all sectors in the Local Government Pabahay Program. This Advisory Committee shall be chaired by the HUDCC Chairman and co-chaired by the Chief Executive Officer of HDMF, and shall have the following members: Secretary of the Department of the Interior and Local Government (DILG), or his duly authorized representative; the respective Chief Executive Officers of the NHMFC, HIGC, the National Housing Authority, and the Housing and Land Use Regulatory Board; Chairman of the Metropolitan Manila Authority; President of the League of Provinces, Cities and Municipalities; and a representative from the private sector to be designated by the President.

**Section 3. Agency Responsibilities.** - Anent the implementation of the Local Government Pabahay Program, and subject to the limitations and requirements of their respective charters and other existing laws, and without impairing their financial or required reserve positions, the following agencies are directed as follows:

- a. The HDMF shall support the program through its special development loan window, by allocating such amounts it may deem sufficient for the purpose, for direct lending to LGUs in order to finance their respective socialized housing projects, or for investment in bonds, securities, and other forms of obligations which may be issued or floated by participating LGUs;
- b. The NHMFC and HDMF shall make available "buyer's financing" for the socialized housing projects of all participating LGUs. In this connection, NHMFC may issue notes to be known as Local Government Pabahay Participating Certificates to supplement its existing take-out fund or to match the special development loan fund of the HDMF;

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- c. The HIGC shall guaranty the bonds, securities and other forms of obligations issued by participating LGUs and/or the NHMFC;
- d. The Department of the Interior and Local Government (DILG) shall facilitate coordination and ensure smooth implementation of the program at the local government level;
- e. The Department of Agrarian Reform shall prioritize the processing of applications for the conversion of agricultural lands identified by LGUs as suitable for socialized housing projects and which have been classified into residential, industrial, commercial, or mixed, pursuant to the LGUs' respective zoning ordinances or land use plans; and
- f. Other government agencies whose services are deemed necessary to assure the successful implementation of the program shall, upon request, extend the appropriate assistance and support to the HUDCC.

**Section 4. Implementing Guidelines.** - The HUDCC shall, in consultation with the Advisory Committee, promulgate rules, regulations and guidelines necessary to effectively implement the Local Government Pabahay Program.

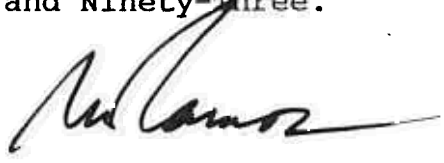
Such rules, regulations and guidelines shall, among others, provide and ensure that housing projects to be supported under said program shall be low-cost in nature to enable families with low income levels to become beneficiaries thereof, and the terms and conditions of the credit or guaranty arrangements to be granted or provided to LGUs by the government housing agencies concerned shall be consistent with the pertinent guidelines of the Unified Home Lending Program or Expanded Housing Loan Program.

**Section 5. Separability Clause.** - If any provision of this Executive Order is declared invalid, the validity of the other provisions hereof shall be unaffected thereby.

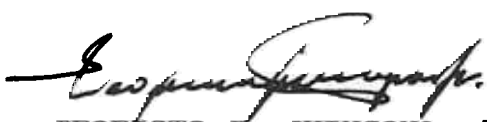
**Section 6. Repealing Clause.** - All executive and other administrative issuances or parts thereof inconsistent with this Executive Order are hereby repealed or modified accordingly. /r

Section 7. Effectivity. - This Executive Order shall take effect upon its publication in a newspaper of general circulation.

DONE in the City of Manila, this 13<sup>th</sup> day of December in the year of Our Lord, Nineteen Hundred and Ninety-Three. /s/



By the President:

  
TEOFISTO T. GUINGONA, JR.  
Executive Secretary

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