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Property rights, security of tenure and the urban poor in Metro Manila

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Abstract

A restrictive formal property rights and tenure system leaves many urban poor households in Metro Manila without security of tenure. The meaning and consequences of tenure vary by tenure status and contextual characteristics of the urban poor settlements. Although security of tenure is equated with ownership and formal titles of house plots, those without tenure perceived law and order, basic services and job opportunities in the settlement to be more important elements of security. Different sub-groups of the urban poor also perceive and respond differently to tenure security issues. Innovative housing programmes had a limited impact in providing security of tenure because of their orientation towards ownership and mortgage recovery. To improve security of tenure, the study recommends utilising intermediate instruments of tenure such as land proclamations and occupancy leases. Tenure assistance programmes should also be oriented towards poverty reduction rather than simply housing or plot ownership.

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Keywords: Security of tenure; Property rights; Intermediate tenure; Gentrification

Abbreviations: APD, Area for Priority Development; CBO, community-based organisation; CMP, Community Mortgage Programme; CSO, civil society organisation; EO, Executive Order; FGD, focus group discussion; HUDCC, Housing and Urban Development Coordinating Council; LGC, Local Government Code; LGU, Local Government Unit; LTAP, Land Tenure Assistance Programme; MWSS, Metropolitan Waterworks and Sewage System; NCR, National Capital Region; NGO, non-government organisation; NHA, National Housing Authority; PD, Presidential Decree; RA, Republic Act; SIR, Slum Improvement and Resettlement; UDHA, Urban Development and Housing Act; UP, University of the Philippines; ZIP, Zonal Improvement Programme

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1. Introduction

Metro Manila, like other mega-cities in developing countries, has been experiencing rapid urban growth, high population densities, increasing poverty and an escalation of land prices. These forces have led to a critical shortage of affordable land for housing, leaving the majority of the urban poor to live under a constant threat of eviction in unauthorised settlements.¹ These forces have largely contributed to the proliferation of urban poor communities in the metropolis.

Conventional approaches to improving tenure security have focused heavily on regularising informal settlements or relocating them to areas where land is affordable but far from their places of work. The aim is to provide tenure security through land ownership and formal titles. This approach is based on a property rights and tenure system that considers ownership and formal titles as the ultimate basis of tenure security.

Part I of this paper provides a brief context and assessment of the conventional approaches to upgrading tenure in informal settlements. It argues that conventional approaches to improve tenure are not fully responsive to the needs and capabilities of the urban poor. Part II explores the perceptions and consequences of tenure security to the urban poor and their communities. This includes an assessment of the urban poor's perception of security and their implications to urban land and housing policies. Part III provides a summary assessment of the approaches to improve tenure security and provides a set of recommendations to make tenure instruments more appropriate for the different needs and capabilities of the urban poor.

2. Socio-demographic and political-economic context

Metro Manila, also known as the National Capital Region (NCR), occupies roughly 639 km² (248 square miles) and is composed of 12 cities and 5 municipalities. NCR has a total population of 10 million (see Fig. 1). While the population of the Philippines grew at a rate of 2.36% from 1995 to 2000, the population growth rate of the NCR slowed to 1.06% in the same time period. This recorded decrease is significantly lower than the growth rate of 3.30% for the previous years (1990–1995).

About 40% of Filipinos live below the poverty line and most of them do not possess security of tenure to their house and plot. In July 2002, the National Housing Authority (NHA) estimated that the total number of informal settlers in major urban centres reached a total of 1,408,492 families. Of these, 726,908 came from Metro Manila, which accounted for 52% of the total number of informal settlers. These numbers are reflected in the housing backlog of 3.9 million units and the many urban poor communities that dot the landscape of the metropolis.

Rapid commercialisation of land has led to spiralling land prices and greater competition over urban land. The scarcity of land has made it very expensive and not affordable to most people. In the 1990s, land prices in the central business district of Manila were rising by as much as 50% annually while the prices of raw land rose at 25% annually. The deepening economic crisis has not lowered the prices of real estate. Meanwhile, the widening disparity between soaring land prices

¹In this paper, the terms informal, unregularised, unauthorised and squatter settlements are used interchangeably with urban poor communities. In the same manner, the terms regularised, authorised and formalised settlements are used interchangeably with settlements whose tenure has been upgraded or improved. As much as possible, I have avoided using the term squatter to reflect the changing discourse on land and housing rights for the poor.

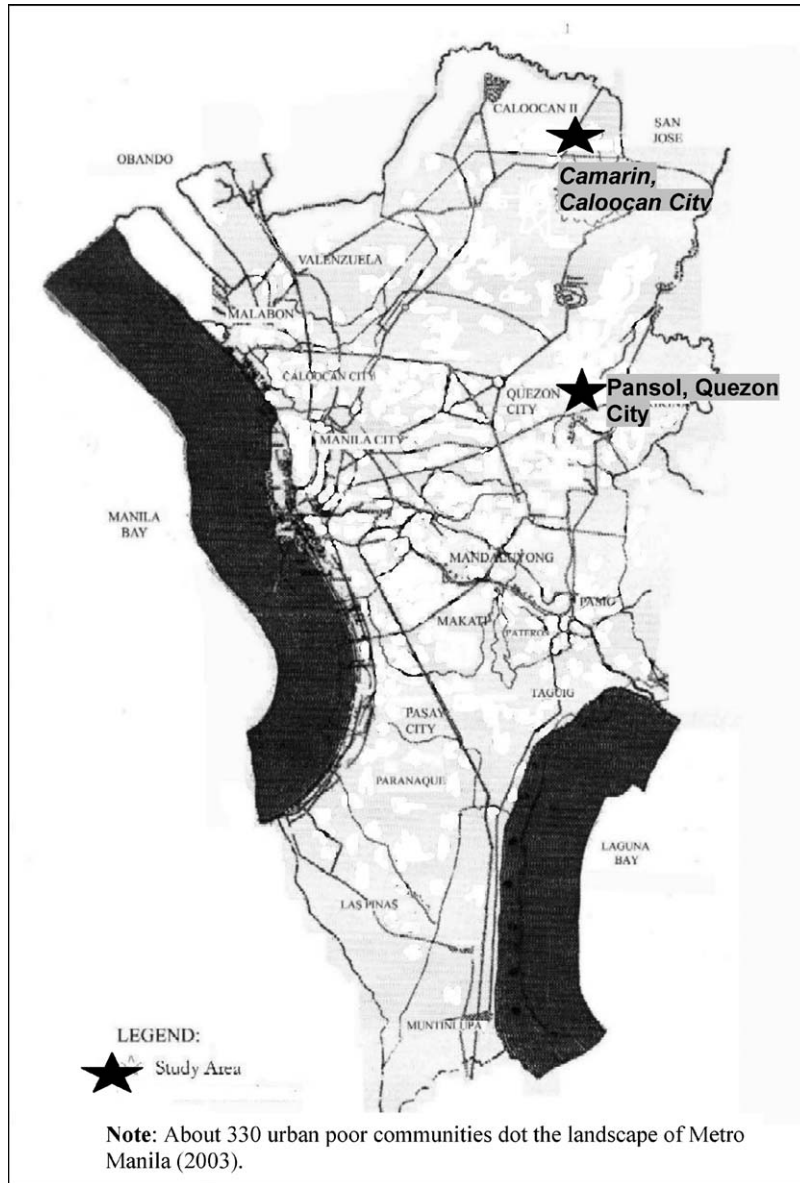


Fig. 1. Location of case study sites.

and stagnating urban real incomes is at the root of squatting and housing problems (Porio, 2003). Security of tenure through land ownership, then, has become increasingly hard to obtain.

3. Property systems and land tenure

Property and land tenure rights in the Philippines are covered by the New Civil Code of 1950. This system makes it very difficult for squatters or informal settlers to obtain tenure security.

Under this law, tenure security is largely defined in terms of land ownership proven by possession of a formally registered title. Thus, people squatting on public or private lands do not have any right at all to occupy the land and to enjoy whatever benefits are derived from such occupation. Neither do they have the right to improve the land nor dispose of these improvements. But in reality, most residents of unauthorised settlements have been exercising these rights. They build their dwelling structures as well as develop their plots. If they decide to move they are able to “sell” these structures; in cases of eviction, they are either compensated for these structures or assured of a slot in a relocation site. In most cases, they are also able to access services such as water and electricity. Thus, the formal definition of property/tenure rights is very restrictive compared to the actual “rights” that informal settlers may have enjoyed. This disparity is highlighted in the typology where the different levels of rights represented by *de facto* and *de jure* categories are compared (see Fig. 2).

Several factors account for the disparity between formal and informal definitions of tenure rights and practices. The shortage of affordable land, increasing poverty and population densities, plus the inability of government to respond to land and housing needs of the poor, have made squatting the only available option for them. Advocacy by the church and NGOs/CBOS for the housing and land rights of the poor has also led the state to leave informal settlers alone unless the lands are badly needed for infrastructure development. This is due to the increasing recognition of the housing and land rights of informal settlers. Squatter-owners have the first option to buy the land they are occupying and to be compensated for their housing structures, in case of eviction and demolition. The Urban and Housing Development Act (UDHA) of 1992 also stipulates that a relocation site with access to services must be available before any eviction can take place. Thus, squatters may not have rights to occupy the land, but they are assured of housing in another location in case of eviction.

Another explanation for the above disparity is the concept of transitory ownership of property among Filipinos. According to the anthropologist Richard Stone (1973), Filipinos believe that a space/land belongs to the occupant until someone with greater legitimacy displaces him. He observed that in Metro Manila vacant public and private spaces/land are vulnerable to being occupied illegally, unless these areas are fenced, tagged and watched closely by the owner. Moreover, the intricacies of the law leave both the public and private owner of squatted land relatively powerless for they cannot regain possession of their lands without long and costly court battles, and eventually financial compensation for the squatter. This situation leads to many public and private lands being occupied by informal settlers for a long time. Long and expensive court battles over control of the squatted land often give relative security and protection to the residents from being evicted.

4. Approaches to providing tenure security

For the past five decades, the Philippine government has always approached the provision of security of tenure to the poor by formalising ownership of their dwelling structures and home plot. To improve security of tenure for the urban poor, three key approaches have been employed, namely, resettlement, slum upgrading and mortgage financing—all designed to give informal settlers ownership of their house and plot. Currently, mortgage financing for social programmes

High security													
Low security													
Tenure category	Property rights	Squatter	Tenant with contract	Lease-holder	Urban legalisation	Free-holder	Possessor without any title (squatter)	Possessor with juridical title: Usufructuary	Possessor with juridical title: Agent/Trustee	Possessor with just title	Possessor with juridical title: Lessee	Possessor with juridical title: Registered Owner	
		De Facto Tenure Categories and Rights						De Jure Tenure Categories and Rights (New Civil Code)					
		To occupy/use/enjoy	*	X	X	X	X		X	X	X	X	X
		To restrict		X	X	X	X		X	X	X	X	X
		To dispose/buy/inherit				V	X			X		V	X
		To Develop / Improve	*	X	X	X	X		X	X	X	X	X
		Cultivate/Produce	*	V	X	X	X		X	V	X	X	X
		To Sublet	*	V	V	X	X			V	V	X	X
		To sublet and fix rent	*	V	V	X	X			V	V	X	X
		Pecuniary	*	V	V		X			V	V		X
		To Access Services	*	X	X	X	X			X	X	X	X
To access formal credit					X						X		
To vindicate/defend/recover	X	X	X	X	X	X	X	X	X	X	X		

Key
 X Right available to both men and women
 V Where the situation varies from one case to another (usually depending on terms of contract)
 * Not legally recognised: although they enjoy these “rights” *de facto*, they have low security.

Fig. 2. Typology of urban tenure categories and associated property rights in the Philippines (de facto + de jure).

like the Community Mortgage Programme (CMP) is the most highly utilised approach to secure tenure.

To control the growth of informal settlements, different political administrations have responded with a range of policies from eviction and criminalising squatters to the provision of land and housing. As early as 1939, President Quezon bought large tracts of land outside Manila in Quezon City. From the late 1960s to mid-1970s, the Marcos administration continued to acquire lands outside Manila to relocate informal dwellers being displaced by massive investments in infrastructure development in its bid to turn Manila into a modern metropolis. Massive eviction and resettlement to places far from the city centre characterised the first half of the Marcos administration (1965–1975). These attempts have been quite unsuccessful as relocatees came back because of the lack of basic services and livelihood opportunities in relocation sites (Starke, 1996). Responding to severe criticisms, Marcos established the Slum and Improvement Resettlement (SIR) Programme. In Metro Manila, this was implemented through the Zonal Improvement Programme (ZIP) that identified 244 slum and squatter communities as Areas for Priority Development (APD).² But because of the absence of systematic implementing rules and regulations, only very few informal settlements were really upgraded.

Presidential Decree No. 772, issued by Marcos in 1975 (Aberia, 1997), made squatting in public and private lands a criminal act. This law became the basis of many summary demolitions of illegal settlements. Through the active lobby of NGOs/CBOs and the Catholic Church, this law was repealed in 1997. But despite the repeal of this law, eviction and demolition of informal settlements continue to occur.

The administration of President Aquino (1986–92) attempted to rationalise housing and land reform initiatives through the Urban Development and Housing Act (UDHA) of 1992 (Karaos, 1997). The Ramos administration (1992–97) continued this programme, but the Estrada administration shifted its focus to resettlement, building core housing and mortgage financing. The current administration of President Macapagal-Arroyo has focused on social housing and land proclamations to secure tenure for the urban poor.

After the martial law years, three major policies were enacted, namely: (1) Executive Order (EO) 90, (2) UDHA of 1992 and (3) the Local Government Code (LGC) of 1992 (Herrle & Porio, 1999). These legislations marked the departure from eviction and relocation to the adoption of a more decentralised approach towards housing and urban development, integrating housing needs and urban poor participation in land use planning. It redefined the roles of government agencies, urban poor communities and the mediating groups like NGOs and CBOs and changed the performance and relationships of stakeholders in the housing and land sector.

5. Innovations in securing formal land tenure

Currently, the following social housing programmes are considered quite innovative in responding to the tenure needs of the urban poor.

1. Tenurial Assistance for Community-based Land Acquisition Programmes. Key examples of this type are the Community Mortgage Programme (CMP) administered by the National

²Pansol, one of the communities surveyed in this study was one of 244 APDs.

Homes and Finance Mortgage Corporation (NHFMC) and the Land Tenure Assistance Programme of the National Housing Authority (NHA).

2. LGU Resettlement and Social Housing Programme (LGU-RSHP).

Of the above programmes, only CMP will be discussed because the others are just variations of it. Although designed like CMP, the LTAP and LGU-RSHP are implemented by national and local governments, respectively. These programmes are innovative because they allow the urban poor to acquire land and housing finance without collateral. But these programmes are focused on land ownership and individual titles. In the early years of CMP, the acquired titles remained in the name of the community to prevent beneficiaries of the heavily subsidised loans from selling them and squatting again. But NHFMC later decided to individualise titles to make mortgage financing recovery more efficient.

The CMP was formulated in 1987 during the Aquino administration when a number of NGO leaders served the government. Hailed as the most responsive to the urban poor's need for housing and land security, CMP has benefited about 137,000 households in over 1000 urban/rural poor communities. As a tenure instrument, CMP allows poor people to acquire land and build houses without putting up collateral on their own since the land to be acquired serves as the collateral for the mortgage loan. In a sense, CMP is an instrument for legalising unauthorised settlements (on-site development) or for informal settlers to acquire tenure security in relocation sites. Loan amounts ranged from P30,000–100,000³ for every household which can be used to buy the plot, develop the project site or to build/improve housing structures. When CMP started, these loan amounts allowed access to affordable land near city centres. But with the escalating land prices in Metro Manila and other urban centres, this programme seems viable only in relocation sites outside of these areas. With the increasing scarcity of affordable land, this programme is no longer viable in highly urbanised areas where it is needed most.

The enactment of both the LGC and the UDHA in 1992 created the appropriate contexts for innovations in tenure security for the poor. The more innovative local government units (LGUs) have passed legislation to create the necessary structures and resources like budgetary support for land acquisition and development and creation of local housing boards and urban poor offices. A few local chief executives have used land proclamations to allow them to distribute occupied municipal lands to informal settlers. But overall, land tenure assistance programmes of LGUs remain focused on land ownership/formal titles and their design patterned after the CMP.

6. Intermediate instruments of land tenure

The Philippine government has utilised a few intermediate instruments of tenure such as presidential land proclamations, occupancy leases and local government ordinances. Land proclamations assure squatters of public land that they will not be evicted and social services will be improved while the formalisation of plot ownership is being processed. As this process could

³The exchange rate between the Philippines Peso and the dollar used in this paper is US\$1: P50 but at the time of the CMP formulation in 1987, the rate of exchange was US\$1: P25.

take decades, land proclamations allow the urban poor to continue using the land for housing and livelihoods with relative security.

The land proclamations of President Macapagal-Arroyo have improved tenure security of a large number of urban poor in a short time with minimum resources. For the past 2 years, these proclamations have reached 645,910 families living in 33 informal settlements covering 22,360 ha. Seventeen of these informal settlements are located in Metro Manila. Land proclamation seems to be the most feasible and inexpensive instrument in granting security of tenure to a large number of families occupying government owned land (Murphy, 2002).

This tenure instrument, however, is not new but the current president is the one who has utilised it extensively. President Corazon Aquino issued a limited number of land proclamations. During her administration, the HUDCC also granted few occupancy leases to residents of squatted lands in the National Government Centre in Quezon City. As a tenure instrument, land proclamation seems to be the most impressive, but its application is limited because most squatters are occupying privately owned lands. But land proclamations are still oriented towards ownership and land title.

7. Perceptions and consequences of tenure security to the urban poor

This section presents the results of the community studies which focused on the perceptions and consequences of tenure security (or the lack of it) for the urban poor. The subjective dimension of tenure security is important because government policies and programmes have always identified tenure security with objective indicators of land ownership and formal title. This study also examined the perceptions and tenure behaviour of different strata of the poor as policies have always treated them as a monolithic group.

7.1. Research methodology and data sources

Two types of urban poor settlements (regularised and unregularised) were compared in terms of how their residents understand security of tenure and how this affected their investments on livelihood sources, housing and land development.

Small sample surveys (100 households in each settlement) were conducted in the informal settlements of Dagat-dagatan and La Loma in Camarin, Caloocan City (hereinafter, to be referred as Camarin) and the regularised settlement of Pansol in Quezon City (see Fig. 2). These were supplemented with key informant interviews and focus group discussions (FGDs). Key informants include NGO/CBO leaders, government officials, realtors and land developers. Secondary data and records were also reviewed to provide a broader socio-political context to the efforts of the urban poor to obtain tenure. Case histories (see Boxes 1 and 2 below) of these settlements were also made to highlight contextual characteristics that affect community efforts to secure tenure.

7.2. Key factors in securing tenure

Contrary to popular belief, availability of finances does not determine the success in obtaining land security. The experiences of Pansol and Little Town highlight two key factors crucial in

Box 1

Coping with insecurity of tenure: the cases of Dagat-dagatan, La Loma and little town in Camarin, Caloocan city

The experiences of these communities from Camarin, Caloocan City illustrate the conditions of informal settlers in private lands with many owners contesting its ownership. The cases of La Loma and Dagat-dagatan, on the one hand, show that challenges to land ownership result in social divisions and fragmentations in the community making the fight for land security difficult. The case of Little Town, on the other hand, shows how a community can successfully obtain land security through a strong, cohesive organisation that allows them to implement strategic land research and resource mobilisation strategies.

A. *La Loma and Dagat-dagatan*

The original settlers of La Loma and Dagat-dagatan came from demolished slum and squatter settlements in other parts of metropolis. In fact these places were named after the districts (La Loma in Quezon City and Dagat-dagatan in Navotas) from where they were evicted. They represent the thousands of families whose houses were demolished during the martial law years, displaced by the capital investments and infrastructure development of the Marcos administration in its efforts to modernise the city. Despite the constant threat of eviction, friends and relatives from rural areas and other parts of the city continue to settle in the area. Those from other parts of Metro Manila were either victims of demolition or could not afford to pay rent anymore. The latter paid an average of P1100/month in their previous place of residence. Those from the provinces were escaping from the grinding poverty and deteriorating law and order owing to counter-insurgency activities during the martial law years. La Loma started with only 50 families in 1981 but 22 years later, this settlement has grown to 6450 families occupying 12 ha. Dagat-dagatan had only 20 families in 1983 but has grown to 450 in 2002. Residents in both areas have lived for an average of 17 years. The old residents recount that when they first came here, the place was extremely unsuitable for habitation. Thick bushes and grasses were growing all over the place that they had to spend time and money to clear it. Some areas were hilly and suffer from erosion while others had poor drainage and were always flooded and muddy. It also did not have water and electricity. They had to clear the area, use kerosene lamps and buy water from delivery trucks. Many children died during the early days of the settlement because of the difficult living conditions.

Despite the lack of formal tenure, people continue to buy housing rights in the area because land quality had been greatly improved. Community associations had mobilised their social and political capital with government officials for the building of roads, drainage facilities and improving access to social services (e.g., water, electricity, health, and education).

The Camarin experiences highlight the problems confronting illegal settlers in private lands where ownership is being contested and the inability of government land-related agencies to settle land claims because of incomplete and outdated data. This weakness has led to land syndicates and landowners taking advantage of the situation by filing fake land claims. In Camarin, unscrupulous landowners used fake land titles prior to the enactment of the New Civil Code like those issued by the Spanish administration in the late 1890s. Over the past 15 years, they have resisted many eviction notices from several landowners claiming possession of titles to the land. These challenges have divided the community into several factions making it difficult for them to act cohesively. La Loma has three community associations while Dagat-dagatan has two. All of them are trying to organise the community to research on the land claims and mobilise resources to support their activities.

The above experiences also illustrate that even without land security people continue to buy housing rights because it is still relatively cheaper than paying rent in more developed settlements. Buying a housing right also promises to be a good investment because they can always sell these rights if they decide to move to another place. And if ever they are evicted, the law requires compensation for their displacement and their housing structures.

B. *Little Town: Obtaining land security after 20 years*

Located adjacent to the communities of La Loma and Dagat-dagatan, the residents of Little Town feel a higher degree of security compared to their neighbors. After researching on the ownership of the land since the mid-1980s,

they were able to have the “Contract to Sell” signed by the landowner in 2001. They achieved this because of the consistent efforts of the community organisation officers to research on the landownership and seek solutions to fulfill the land development requirements as well as mobilise resources to support these activities. For example, they found that the land has been sold three times and the last owner had mortgaged it to Republic Bank. They worked so hard to fulfill the documentary requirements and convince the bank and the courts to sell it to them. Unlike their neighbors in La Loma and Dagat-dagatan, Little Town had always had one association working on the land security issues. Whenever some of the officers acted unscrupulously, they replaced them with more conscientious ones.

Box 2

Security of tenure after 25 years of struggle: the case of Pansol

Located in Quezon City, Pansol is near the commercial and educational district of Diliman and Loyola. The residents of Pansol started asserting for their land tenure rights in 1958 but were only able to obtain plot award certificates in 1993.

The community of Pansol is a 5.6 ha property that the National Housing Authority (NHA) acquired in June 1987 from the Metropolitan Waterworks and Sewerage System (MWSS) for development and distribution to qualified beneficiary residents. The acquisition was under the Zonal Improvement Program (ZIP), a slum-upgrading program during the Marcos administration. The original residents of Pansol used to be farmer-tenants of the nearby Tuason Estate. In 1939, they were evicted because the property was sold to the Philippine government and moved to the nearby government property owned by the University of the Philippines (UP). In 1962, this property was sold to MWSS, another government entity.

Pansol had about 40 households in 1940. This population doubled in 1957, then tripled in 1969. In 1978 there were 400 households that grew to about 735 in 1987. In 1993, about 648 beneficiaries were awarded lot certificates by the National Housing Authority. A number of them moved out and sold their rights. Their lot size ranged from 18–330 m².

The Pansol residents began their fight for land security in 1957 when MWS issued them an eviction notice. They organised themselves into a tenants association and sought the assistance of then President Garcia to expropriate the land through the help of leaders from the Philippine Congress. Members of the Congress filed and passed a bill (through the assistance of then Senate President Marcos) authorizing the Philippine Homesite and Housing Corporation (now NHA) to acquire the land and sold it to its occupants. But despite the legislation being in place and continued pressure by the community and other politicians, NHA could not implement it because MWSS did not want to sell their property, as they wanted to use it for expansion.

In 1977, Pansol was identified as one of the Areas for Priority Development (APD) under the Zonal Improvement Program. The community’s negotiations with MWSS got bogged down because they could not agree on the land price. Also, MWSS only wanted to sell one-third of the property which meant displacing about 300 residents. In 1983, Imelda Marcos intervened to make MWSS yield to the demands of the residents and directed the NHA to start the census and re-blocking of structures. But the change of administration in 1986 put a halt to these activities. In 1987, the community sent a big delegation to ask the help of President Aquino. With the mediation of other government officials, the Deed of Sale between MWSS and NHA was signed. But it was only five years later, that they finally receive their certificate of plot awards. In 2002, most of the residents had already paid off their mortgages and possessed formal titles to their plot.

obtaining security of tenure: (1) a strong, cohesive community association and (2) clear land ownership and titles free of encumbrances (see [Table 1](#)).

The presence of a good community association is a crucial factor in obtaining security of tenure ([Murphy, 2002](#)). Associations offer various services that help integrate the community through a multitude of functions that they perform such as mobilising resources for housing, keeping law

Table 1
Comparative characteristics of communities studied

	Land tenure	Degree of security	No. of families	Type of land ownership	Character of community association
La Loma, Camarin	No	Low	6000	Privately owned	Weak and highly fragmented
Dagat-Dagatan, Camarin	No	Low	450	Privately owned	Weak and highly fragmented
Little town, Camarin ^a	Yes	Medium	55	Privately owned	Strong and cohesive
Pansol	Yes	High	735	Government owned (before land acquisition programme)	Strong and cohesive

^a No survey was done in Little Town. This case was added in order to contrast the efforts of residents to secure tenure in Camarin and Pansol.

and order, accessing water, and electricity. They organise community-wide activities like fiestas, anniversaries, and festivals that give residents a sense of identity and belonging. More importantly, association leaders formulate and implement strategies for land security. So many obstacles stand between the poor and obtaining land security. When landownership is in dispute, the prospect of obtaining security is very difficult. As illustrated by the Camarin settlements, the residents have to organise themselves to fight eviction notices from several people claiming ownership and collecting amortisation payments. Incomplete and outdated government land information made it possible for claimants to obtain fake titles and harass the residents. This situation pulls the community in conflicting directions, making them fragmented and divided.

Even when landownership is not in question, securing formal land tenure still involves a long, expensive and difficult process. The process of land acquisition alone could take decades to achieve, as illustrated by Pansol and Little Town. Once the land is available, the community undertakes another set of long, complicated procedures to finance land purchase. Most of the land tenure assistance programmes require many documents about the character of the land and the socio-political and economic capabilities of the poor and their community organisations. Also, because most squatted lands are of inferior quality, they will never fulfil the restrictive land use and zoning requirements. These requirements (involving about 30 documents/steps) are more suited for people possessing high levels of education who are working in the formal sector. The complex set of requirements largely explains why, despite the existence of a number of land tenure assistance programmes, only a small segment of the poor are able to secure formal tenure. These programmes are heavily oriented towards fulfilling legal requirements suited to economic housing and recovering the mortgage financing of the programme.⁴

⁴ Conclusions arrived at during the “Forum on Improving Tenure of the Urban Poor: Assessments and Recommendations” organised by the Congress of CMP Originators and the Housing and Urban Development Coordinating Council (HUDCC), 8 April 2003.

8. Tenure status and perceptions of security

Land titles are the most commonly recognised instrument for providing security of tenure. Thus, residents in both regularised and informal settlements chose titles as the most preferred tenure option with certificate of occupancy as their second choice (see Table 2). Although title was the preferred tenure option, residents in the informal settlements of Camarin said that certificates of occupancy or land proclamations were acceptable to them, while in Pansol this was not acceptable. Only a land title can give Pansol residents a high degree of security because they have experienced the failure of so many formal assurances, including a law signed by the highest official of the land.

What are the key elements that establish security of tenure? Residents of informal settlements ranked law and order, social services and job opportunities as the three most important elements establishing security, rather than a title that attests to the legitimacy of their occupation. Meanwhile, those residing in the regularised settlement ranked title as the most important followed by certificate of award, peace and order, job opportunities and social services (see Table 2). The importance given to the availability of basic services compared to land titles as a key dimension of security of tenure supports the findings in other places (Payne, 2002).

The different levels of importance given by residents to tenure elements can be explained by the characteristics of their communities. The informal settlements in Camarin had a poor law and order situation, high levels of unemployment and lower quality social services. In contrast, Pansol residents enjoyed peace, higher levels of employment and better social services. Also, most of them have already paid off their loans and obtained formal titles to their plot.

Although Camarin settlements have not been successful in their negotiations to buy the land they are occupying, several factors assure them that they will not be soon evicted. These factors include investments in basic social services, unsuccessful eviction attempts by several landowners

Table 2
Ranking of tenure options and elements of security by tenure status

Characteristics	Camarin (<i>N</i> = 100): Informal	Pansol (<i>N</i> = 100): Regularised
Ranking of tenure options	<ol style="list-style-type: none"> 1. Formal title 2. Government statement (tied) certificate of occupancy (tied) 3. Land lease/rental 5. Provision of basic services 6. 15 year occupation lease 7. 10 year occupation lease 8. 5 year occupation lease 	<ol style="list-style-type: none"> 1. Formal title 2. Certificate of occupancy 3. Provision of basic services 4. Land lease/ rental 5. Government statement 6. 15 year occupation lease 7. 10 year occupation lease 8. 5 year occupation lease
Elements establishing security	<ol style="list-style-type: none"> 1. Peace and order 2. Social services 2. Job opportunities 3. Formal title 	<ol style="list-style-type: none"> 1. Formal title 2. Certificate of award 3. Peace and order 4. Job opportunities 5. Social services

and informal assurances of non-eviction by politicians, government officials and NGO leaders. For the residents, government investments in social services give them some recognition as legitimate settlements. They reasoned that these agencies were not likely to destroy right away what they had just built. Eventually, the government might demolish these structures, but meanwhile they are able to have affordable places to live and pursue their livelihood in the city. Another factor assuring them of security is the failure of several land claimants to successfully obtain control of the land for the past 20 years or so. From experience, they know it takes a long time for government land bureaucracies to resolve land issues. They are also aware of the politics involved in land tenure issues because urban poor communities have been used by politicians as vote banks during elections. They have capitalised on this by procuring assurances of non-eviction and support for obtaining formal tenure. Also owners of squatted lands do not usually push for eviction until they are going to sell or develop the land. Often times, it is almost impossible to recover the land (Stone, 1973). The inability of the owners to successfully evict them, gives them a relative sense of security.

Length of residence is also related to feeling secure in the settlement. This study demystifies the conventional notion that informal settlements are inhabited by new migrants from the provinces. Most of them have been living in their area, on average, for 17 years, while many of those in older settlements have lived there for more than 40 years. The years of occupancy and their long struggle for tenure give residents in informal settlements an assurance that their efforts will prevail.

9. Consequences of tenure security

Obtaining security of tenure has dramatic consequences for the urban poor. The most notable in our survey is the increased investments in housing improvement and livelihood activities. This study reinforces the findings of other studies that security of tenure releases the productive energies of poor people, but those with land security greatly improved their dwellings *and* public spaces. They improved their homes by using more durable materials like cement, iron and wood; fenced their plots with iron grills and planted them with ornamental plants and fruit-bearing trees. They also built structures and additional rooms/spaces for rent, business and livelihood activities.

At the community level, the residents also improved their basic services and facilities. They actively mobilised public and private resources to build health and day-care centres, roads, and other infrastructure development like playgrounds, community halls and waiting sheds. The increase in land improvements became more pronounced after they paid amortisations and were able to obtain their plot titles. According to the residents, investments in home and land improvement and finally obtaining their home plot titles greatly increase their feeling of security.

It is interesting to note that both communities (those with and without formal land security) invested in improving their dwelling and home plots. But the major difference between the two groups is that those with formal security invested substantially both in home and land development while those without tenure focused largely on improving their housing structures. The investment behaviour of those without security of tenure is quite logical as they can realise profits from their housing structures in case they are evicted or decided to move away. In fact, many in Camarin bought housing rights with the sale of housing structures in their previous place

of residence. In case of eviction, only structure owners are compensated for their losses and are entitled to a relocation site.

Collective investments on community associations and resource mobilisation also increase perceptions of security. The experiences of successful resource mobilisation (i.e., material and social capital) among the urban poor to resist eviction and to upgrade their land and housing increase the legitimacy of their claims to tenure security.

10. Gentrification and stratification in regularised settlements

The selling and buying of housing and land rights in regularised settlements has led to the widespread process of gentrification, the emergence of socio-economic differentiation and hierarchies among home-owners. The better-off (top 30%) among the poor are more able to maintain their housing rights and land titles. Most often, they have higher education levels and higher and regular sources of income. Meanwhile, those in the lower stratum of the poor (the bottom 30%) often have a hard time paying their monthly land amortisation fees because of their low and/or irregular sources of income. Thus, when they are hit by family crisis like sickness, death or loss of income sources, they have no choice but to sell their housing rights or land titles. Buyers usually come from higher income groups and have more resources to improve their homes and plot. In the course of time, there emerges a clear trend towards gentrification and social stratification of residents in regularised settlements.

Those who bought plot rights from the original beneficiaries had higher education levels, a higher percentage worked in the formal sector and consequently had higher income levels compared to those who sold their rights. They were also likely to engage in entrepreneurial activities (buying and selling, rental and other services) or received remittances from abroad. They had a higher level of vehicle ownership, higher consumption of water and electricity and higher levels of improvement in their dwelling and land. A majority of the buyers resided in other places of the metropolis but were attracted to the affordable prices of plots (as land acquisition and development had been heavily subsidised by the government). Meanwhile, those who sold their rights to outsiders and/or to the better-off residents had lower education levels, had irregular sources of income, and had a lower quality of social services. Compared to the buyers who owned vehicles, the small percentage of sellers who owned vehicles actually had *pedi-cabs* (i.e., non-motorised). The majority of those who sold out their rights were born in the place which they sold. But the shortage of housing and land in Metro Manila is so large that in unauthorised settlements like Camarin, plots that have been cleared for building houses ranged from P5000–50,000 while house structures were selling from P20,000–400,000. Meanwhile, in regularised settlements like Pansol, rights to assume the amortisation payments for land title ranged from P24,000–1.3 million while sale of housing structures were valued from P10,000–2 million.

The process of selling and buying rights is the key factor that led to the gentrification of regularised settlements. The increased capital investments in land and housing development have attracted business investments and services from outside. Another factor that has led to the emergence of a social hierarchy is the presence of households receiving foreign-denominated remittances from abroad. These households have increasingly assumed leadership positions in community associations, often subsidising their mobilisation activities.

The consequences of tenure vary according to the economic status of the household. This implies that the bottom 30% of the poor might need only affordable, secure rental housing rather than ownership of a house and plot. They also need more support in accessing social services and upgrading their skills for livelihood. They need to find shelter near their places of work while the better-off can afford to work in other places of the metropolis.

11. Tenure, location of settlement and commercial development

The threat of eviction and perceptions of security are very much affected by location in relation to commercial and other urban development projects. In general, when there is no pressure for other uses of the occupied land, residents are under no threat of eviction. For example, Camarin residents noted that land claims and eviction notices by various owners increased when a commercial district was developed and a major shopping mall was constructed a kilometre away. As a consequence, land values in the area increased as well as the selling price of housing rights. Ten years ago, the average price for rights to build housing was P5000 while the current average selling price is P26,500. The same development was observed in the regularised settlement. As the area nearby became increasingly used by high end uses like commercial/financial establishments, or elite residential enclaves, there was a discernible rise in land values. While the Pansol residents bought their subsidised home plot at P154.00 m⁻¹ 12 years ago, the current selling price is about P2000.00 m⁻¹.

To a certain extent, the unregularised status of Camarin and the lower quality of land and social services have protected the residents from being displaced by land speculators. In contrast, the houses and land in Pansol have become quite attractive to business investors and land speculators.

12. Summary, conclusions and recommendations

Tenure improvement programmes have not been very responsive to security and tenure needs, and capabilities of the urban poor because these are heavily focused on ownership, titles and mortgage recovery. These programmes also do not consider the different tenure needs of sub-groups within the urban poor population. Moreover, the potential of social housing programmes in providing security of tenure will be much higher if viewed as a poverty reduction programme rather than as a mortgage financing and recovery programme.

The meaning and consequences of land and housing security among the urban poor vary according to their tenure status and the historical–contextual characteristics of the settlement. Acquisition of land security dramatically increases the urban poor's investments in the improvement of their dwelling, home plot and community physical infrastructures. While security of tenure is largely identified with possession of a land title, the study highlights other dimensions of security such as law and order, the availability of basic social services and assurances (formal and informal) of non-eviction by government officials, politicians and leaders from civil society organisations (CSOs). These factors give residents in unauthorised settlements some sense of security and encourages them to continually invest in the improvement of their

dwelling structures and to organise their communities to fight for land security. While challenges to land ownership and the inability of the government to resolve them provide complications to the efforts of the poor to obtain land security, this gives them relative security that they will not be evicted in the near future.

The poverty reduction potentials of innovative land and housing programmes like CMP and LTAP have been greatly eroded because they focus on granting tenure through ownership and mortgage recovery. CMP has been touted as the most responsive among land tenure programmes, but for the past 15 years, it has only reached about 9% of the current total number of informal settlers. NGOs like the Congress of CMP Originators have strongly suggested that land tenure assistance programmes be oriented towards poverty reduction rather than mortgage recovery.

The focus on mortgage recovery has pushed administrators to demand so many documents from CMP applicants that can only be produced by formal sector workers, thus excluding a large number of the poor working in the informal sector. Regularisation of settlements also meant focusing on complying with restrictive land use and zoning requirements that excludes large numbers of informal settlements located in inferior quality land. These social housing programmes are also subjected to site development rules made for economic housing programmes. While location in inferior quality of land prevents informal settlements from being formalised, it protects them from commercial land speculators. Over time, informal settlements increase the quality of the local environment through site improvements like drainage, cemented footpaths/roads, and public facilities. The current land and housing security programmes, therefore, need to make a radical shift from land ownership and possession of formal titles to increased focus on poverty reduction strategies, such as increasing access to public services, job opportunities and promotion of peace and development.

For residents in unauthorised settlements, other dimensions of security such as access to basic social services, job opportunities and the level law and order are significantly more important than formal land titles. Current land tenure assistance programmes do not address these dimensions systematically. Programmes for upgrading tenure security must focus on these dimensions rather than ownership so they will be able to reach a much wider proportion of the urban poor. This strategy may also slow down the gentrification process observed in regularised settlements and protect the poor from better-off competitors/users in need of land for commercial development.

Proponents of ownership as a key feature of security have always argued that this releases the investment and productive energies of people. The case studies show that regardless of tenure status, people made rational investments to housing and land development. The major difference in their pattern of investments is that those without land security invested heavily in their house structures that they can sell at a later date; while those in regularised settlements, especially the better-off, invested aggressively in improving their dwelling structures, home plot, community facilities and other infrastructure development.

Intermediate instruments of tenure offer greater potential in providing security to informal settlers. Utilising these tenure instruments (e.g., land proclamations, occupancy leases, government directives for non-eviction) is both practical and strategic in providing security to informal settlers. Obtaining titles to squatted land is a long and arduous process owing to a number of reasons such as several owners claiming the land and the low capacity of the government bureaucracy to process titles. Intermediate instruments of tenure, then, are the most feasible and inexpensive way to improve security of tenure of informal settlers. These tenure

instruments must be supported by improvements in social services and livelihood opportunities. Intermediate tenure instruments can assure the poor that they will not be evicted for quite some time, thus providing security to the informal settler while controlling relatively the prices of land values. While a certain level of insecurity remains, these instruments give the informal settler certain confidence to invest resources in improving housing, land and the socio-physical environment. It also provides them access to livelihoods and employment near the city centres.

Social housing programmes like CMP must be redesigned to recognise the different needs and capabilities of the subgroups within the urban poor. Because the meanings and consequences of tenure to the urban poor differ by tenure category and social stratum, community-based mortgage programmes can only respond well to the security needs of the better-off members of the urban poor community. These programmes must be redesigned to include the more pressing needs for social services and livelihood among the poorest of the poor.

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