



Office of the President
NATIONAL HOUSING AUTHORITY



NHA Memorandum Circular No. 2020 - 037

SUBJECT: SUPPLEMENTAL GUIDELINES TO MEMO CIRCULAR NO. 2018-029: GUIDELINES FOR THE IMPLEMENTATION OF THE HOUSING ASSISTANCE PROGRAM FOR INDIGENOUS CULTURAL COMMUNITIES (ICCs)/INDIGENOUS PEOPLES (IPs)

This Memorandum Circular is issued to supplement Memorandum Circular No. 2018-029 prescribing the Guidelines for the Implementation of The Housing Assistance Program for Indigenous Cultural Communities (ICCs)/Indigenous Peoples (IPs).

1. DOCUMENTARY REQUIREMENTS FOR DOWNLOADING OF FUNDS

To facilitate the process of Downloading of Funds to the Local Government Units (LGUs), the following updated documentary requirements are hereby prescribed:

- 1.1. The first tranche shall be released to the LGU subject to the following:
 - a. Notarized Memorandum Of Agreement (MOA)
 - b. Certification from LGU depository bank that the LGU has opened a separate Trust Fund bank account in the name of the Project. Initial deposit of the Trust Fund account shall be sourced from the contribution of the LGU, and shall be under the custody of the LGU Treasurer
 - c. Checklist of Requirements under Annex A to be attached on the Disbursement Voucher
- 1.2. The second tranche shall be released upon submission of the following:
 - a. Physical accomplishment report indicating utilization of 80% of the first tranche and verified by the NHA District Office
 - b. Financial Report on the utilization of funds duly submitted to local Commission on Audit
 - c. Statement of Work Accomplishment (SOWA)

2. MEMORANDUM OF AGREEMENT TEMPLATE

In line with the supplemental Guidelines for the Implementation of the Housing Assistance Program for ICCs/IPs, an updated Template for Memorandum of Agreement is hereby issued (*Annex B*)


MARCELINO P. ESCALADA, JR.
General Manager

Date 18 June 2020



**ANNEX A: CHECKLIST OF REQUIREMENTS
HOUSING ASSISTANCE PROGRAM FOR (ICCs)/ (IPs)**

A. For Release of First Tranche

1. Memorandum for the GM
2. Request for Fund Allotment
3. Certificate of Availability of Funds
4. Letter from the Mayor to Release Fund
5. Duly Notarized Memorandum of Agreement (MOA) between NHA and LG, NCIP and Tribal/IP Head
6. Sangguniang Bayan Resolution authorizing the Mayor to enter into MOA with NHA
7. Whichever is applicable: Certificate from NCIP that the land is within the Ancestral Domain and/or Ancestral Land;
Certificate of Ancestral Domain Title (CADT);
Certificate of Ancestral Domain Claim (CADC); or
Title in the name of LGU
8. List of beneficiaries endorsed by LGU
9. Permits
10. Site Investigation Report
11. IRS to COA re: Submission of MOA and supporting documents

B. For Release of Second Tranche

1. Summary of Payment Estimates
2. Certificate of Accomplishment



MEMORANDUM OF AGREEMENT
(IP PROJECT NAME)
(Location/Address)

KNOW ALL MEN BY THESE PRESENTS:

This Agreement made and entered by and among:

The **NATIONAL HOUSING AUTHORITY**, a government corporation organized and existing pursuant to the provisions of Presidential Decree 757, as amended, with principal office at NHA Building, Elliptical Road, Diliman, Quezon City represented in this Act by its **General Manager**, _____, and hereinafter referred to as the "**NHA**";

The **MUNICIPAL GOVERNMENT OF** _____, a government entity duly organized and existing under the laws of the Republic of the Philippines with principal office at _____, represented in this Act by its Municipal Mayor, _____, and hereinafter referred to as the "**MUNICIPALITY**";

The **NATIONAL COMMISSION ON INDIGENOUS PEOPLES (NCIP)**, a government agency created pursuant to Section 38 of Republic Act No. 8371, with principal office at 2nd Floor N. Dela Merced Bldg., corners West and Quezon Avenues, Quezon City, herein represented by its **Chairman**, _____, and hereinafter referred to as the "**NCIP**"

-and-

The **TRIBE** _____, a community of _____ families residing in _____ located in _____, duly recognized by the National Commission on Indigenous Peoples (NCIP), represented in this Act by its Tribal Chieftain/Tribal Head _____ hereinafter referred to as the "**_____**".

WITNESSETH: That-

WHEREAS, Executive Order No.90 dated December 17, 1986 mandated the National Housing Authority (NHA) as the sole production agency to meet the housing needs of the low-income families and to focus its efforts in the provision the housing needs of the lowest 30% of the urban population;

WHEREAS, pursuant to the Local Government Code (RA 7160) and the Urban Development and Housing Act of 1992 (RA 7279), Local Government Units are mandated to take a principal role in the provision of housing services to its constituents;



WHEREAS, Republic Act No. 8731 dated October 29, 1997 or the Indigenous Peoples Rights Act of 1997 that recognizes, protects and promotes the rights of Indigenous People created the National Commission on the Indigenous Peoples (NCIP);

WHEREAS, there is an immediate need to provide housing assistance to some ____ families of Indigenous People (____ Communities) occupying ____ hectares portion of their ancestral domain property located in _____ to uplift their lives and improve their living conditions by providing them decent housing within their ancestral domain;

WHEREAS, the IP Community, thru its ____ (Chieftain/Tribal Head) ____, has requested the LGU for housing assistance;

WHEREAS, the Municipal Mayor of ____ in a letter dated ____ has requested the NHA for Housing Assistance through the development of NHA- ____ IP Housing Project in the portion of ancestral domain property covered by (Legal instrument either CADT, CADC etc.) (Annex) located in upland area of _____ intended for some _____ families qualified for the Housing Assistance Program for Indigenous Peoples;

WHEREAS, the Sangguniang Bayan of the **MUNICIPALITY** under its Resolution No. ____ dated ____ (Annex) has authorized the Municipal Mayor to enter into A Memorandum of Agreement with the NHA to cover the Development of ____ IP Housing Project in _____ to be undertaken within ____ calendar days by administration by the **MUNICIPALITY** under the NHA's Housing Assistance Program for Indigenous People (HAPIP);

WHEREAS, on ____ the NHA Board of Directors under Resolution No. ____ dated ____ (Annex) approved under the National Expenditure Program (NEP) covered by the amount of P _____ Million for the ____ Community in _____ funding of which shall be chargeable against the NEP/GAA funds for FY 20____, subject to availability of funds and subject further to existing laws, rules and regulations. The said project shall be undertaken by administration by the **MUNICIPALITY**;

WHEREAS, the **MUNICIPALITY**, the ____, and the **NHA** hereinafter referred to as the "PARTIES" agreed to pool their resources for purposes of undertaking the Development of _____ IP Housing Project in _____ to be undertaken within ____ calendar days in accordance with the approved project plans, cost estimates and specifications;

NOW, THEREFORE, for and in consideration of the foregoing premises and mutual covenants herein contained, the **PARTIES** do hereby bind and agree to the following:



ARTICLE I

THE PROJECT

- 1.1 The Project shall cover the development of (sq.m) owned by the ____ IP Community as certified by the NCIP, covered by (legal instrument) located in (location) to be known as (project name), under the NHA's Housing Assistance Program for the Indigenous Peoples (HAPIP);
- 1.2 The Project implementation/development shall be in accordance with the plans and specifications, costs and time frames mutually agreed by the parties and shall be in accordance with the provisions of Batas Pambansa 220 as a Socialized Housing Project;
- 1.3 The project shall be implemented by administration by the **MUNICIPALITY** under the NHA's HAPIP based on the approved plans and estimates and in accordance with the existing government auditing laws, rules and regulations;
- 1.4 The development of the Project shall be undertaken by Contract to be awarded in accordance with the provisions of The Government Procurement Reform Act (R.A 9184) and its Implementing Rules and Regulations (IRR) as amended;
- 1.5 Project implementation shall commence on ____ or not later than sixty (60) days from the date of receipt of the amount covering the first release of the loan and shall be completed within a period of not more than ____ calendar days in accordance with a mutually approved Implementation Schedule. However, the duration of project implementation may be extended due to force majeure or other meritorious reasons as may be mutually agreed upon by both **PARTIES**.

ARTICLE II

PROJECT BENEFICIARIES

- 2.1 The Project is intended to provide housing assistance to benefit ____ indigenous people of upland sites of Brgy. _____. As the number of housing units might not suffice current requirements , the prioritization shall be established by the **MUNICIPALITY**;
- 2.2 Security of tenure shall be granted to the Project Beneficiaries through a Usufruct Agreement or through a Conditional Contract to Sell or any mode of conveyances as may be approved by the Sangguniang Bayan of the **MUNICIPALITY** _____ ;



- 2.3 Disposition of homelots shall be subjected to restrictions in the disposition of lands for Indigenous People and to such other terms and conditions as maybe prescribed by Sangguniang Bayan of _____ ;
- 2.4 All policies pertinent to the Project, to include the disposition of lots, cost recovery and estate management shall be promulgated by the Sangguniang Bayan of the **MUNICIPALITY** _____

ARTICLE III - PROJECT FINANCING

- 3.1 The Project shall be jointly funded by all the **PARTIES**. The **NHA** shall provide the amount of _____ (P___), to cover the estimated cost for land development and housing construction to include (scope of works) and the **MUNICIPALITY** shall provide the land and funds in excess of the amount allocated by NHA for land development and construction of housing units of the **PROJECT**.
- 3.2 TWENTY MILLION PESOS (P20 Million) which shall be released in two tranches, as follows:
- | | | |
|----------------|---|-----------|
| First Tranche | : | P Million |
| Second Tranche | : | P Million |
| Total | : | P Million |

The **first tranche** shall be released to the MUNICIPALITY subject to the following:

- Notarized MOA
- Certification from LGU depository bank that the LGU has opened a separate Trust Fund bank account in the name of the Project. Initial deposit of the Trust Fund account shall be sourced from the contribution of the LGU, and shall be under the custody of the LGU Treasurer
- Checklist of Requirements under Annex A to be attached on the Disbursement Voucher

The **second tranche** shall be released upon submission of the following:

- Physical accomplishment report indicating utilization of 80% of the first tranche verified by the NHA District Office
- Financial Report on the utilization of funds duly submitted to local COA

- 3.3 Fund released shall be deposited under a Trust Fund under an account specifically created for the Project and under the custody of the MUNICIPAL Treasurer. Initial deposit of the Trust Fund account shall be sourced from the contribution of the LGU, and shall be under the custody of the LGU Treasurer. Further, it shall be utilized exclusively for the specific purpose as provided for in the Agreement;



- 3.4 The funds released to the MUNICIPALITY shall be subject to liquidation under existing government accounting and auditing rules and regulations;
- 3.5 Proceeds from the disposition of homelots/ housing units relative to recovery of land development costs shall accrue to the Trust Fund under the account of (project) and shall be exclusively utilized for the acquisition and/or development of other resettlement project/s of the MUNICIPALITY. The Sangguniang Bayan shall determine the manner of disbursement (*if applicable*);
- 3.6 After completion of the **PROJECT**, any unutilized balance of the subsidy funds shall be returned to the **NHA** for reallocation to other resettlement projects.

ARTICLE IV - ROLES AND RESPONSIBILITIES

4.1 The **NHA** shall:

- 4.1.1 Assist the MUNICIPALITY in undertaking social preparation activities in compliance to the Free Prior Informed Consent (FPIC) Process pursuant to Sec. 59 of the IPRA Law and Sec. 43 on the Validation Process based on A.O No. 3 s. 2012;
- 4.1.2 Assist the MUNICIPALITY in the preparation of land development and housing plans including technical specifications, cost estimates and implementation schedules;
- 4.1.3 If LGU administered, allocate and release the amount of P_____, in two tranches as its contribution for the land development and housing construction of the MUNICIPALITY's property;
- 4.1.4 Provide technical assistance to the MUNICIPALITY in the formulation of policies and guidelines in the implementation of resettlement projects;
- 4.1.5 Assist the MUNICIPALITY in securing permits and clearances for the project. For specific project components which shall be implemented by NHA, secure all permits and clearances necessary for the implementation of said component;
- 4.1.6 Assist the MUNICIPALITY in the formulation of policies for beneficiary selection, disposition of housing units and cost recovery;



- 4.1.7 Advocate for the adoption of its Gender mainstreaming policies and procedures in all areas of housing development from social preparation, beneficiary selection, physical construction, relocation of families, disposition of housing units and post-relocation programs;
- 4.1.8 Evaluate, review and approve the developmental plans and technical specifications including the final cost estimates of the proposed land development and housing construction works;
- 4.1.9 Monitor the implementation of the land development works and see to it that such is in accordance with the approved plans and specifications, costs and time frames;
- 4.1.10 As member of the Local Inter-Agency Committee, monitor the progress of project implementation and upon project completion and joint final inspection, accept the completed development works/housing units. The Regional or District Office shall be designated for this purpose;
- 4.1.11 Turnover completed development undertaken to the MUNICIPALITY through a Deed of Donation and Acceptance;
- 4.1.12 Cause the MUNICIPALITY to liquidate the funds and to submit the following to the Accounting Department:
- Project Completion Report approved by the Mayor/Governor
 - Statements of Receipts and Disbursements duly audited by the local COA within 30 days from the completion of all development and physical works.
- 4.1.13 Transmit to Accounting Department the Project Completion Report approved by the Mayor/Governor and Statement of Receipts and Disbursements duly audited by the local COA within 30 days from the completion of all development and physical works;
- 4.1.14 Cause the MUNICIPALITY to return the total fund contribution to NHA should the MUNICIPALITY fail to complete the development works within the prescribed period and award the said units to the target beneficiaries failure to award the said units to the target beneficiaries within two (2) years upon turn-over of the NHA to the MUNICIPALITY.



4.2 The MUNICIPALITY shall:

- 4.2.1 Submit a written request for project assistance to the NHA;
- 4.2.2 Provide a parcel of land for IP housing acceptable to the IP community of _____ with an area of _____, owned by the MUNICIPALITY covered by _____ (TCT No.) _____ issued by the Registry of Deeds of _____ as the MUNICIPALITY's contribution to the resettlement program of NHA;
(in case the IP Community has no land to offer and LGU is willing to give its property) ;
- 4.2.3 Secure, comply and submit to **NHA** at its expense all the legal and technical data, and the required documents showing its readiness to undertake the **PROJECT** development (see Annex _____);
- 4.2.4 Prepare land development and housing plans including technical specifications, cost estimates and implementation schedules, with assistance from NHA;
- 4.2.5 Accept from **NHA** the amount of P _____ allocated for the project as specified in Article III and undertake the project implementation commencing on _____ or not later than sixty (60) days from the date of receipt of the amount covering the first release of the fund;
- 4.2.6 Pass a Sangguniang Resolution:
 - a. Approving the use of the MUNICIPALITY property as housing site for the identified qualified beneficiaries
(in case the IP Community has no land to offer and LGU is willing to give its property) ;
 - b. Authorizing the Mayor/Governor to enter into and sign a MOA with NHA for the development of the project;
 - c. Designating a permanent Project Implementation Team for the project;
 - d. Authorizing the Mayor/Governor to sign the Deed of Donation and Acceptance for turnover of completed development Works;
 - e. Authorizing the MUNICIPALITY to return the fund contribution in case of failure to complete project within the prescribed duration and non-awarding of the units to the target beneficiaries.
- 4.2.7 Provide funds and undertake implementation of other components not covered by NHA's assistance or contributions of other participating institutions, supported



by a Certification of Fund Allocation certified by the LGU Treasurer;

- 4.2.8 Undertake beneficiary selection and ensure titling of individual lots covering the entire project;
- 4.2.9 Ensure the creation of the Project Implementation Team that will liaise with **NHA** and shall be responsible for overall project operation and management;
- 4.2.10 Create and convene the Local Inter-Agency Committee (LIAC) to be headed by the LGU, and with representatives of the **NHA**, National Commission for Indigenous People (NCIP), the Indigenous Community concerned as members, and other government agencies and participating institutions, as deemed appropriate, to ensure adequate consultation and participation in project implementation and monitoring;
- 4.2.11 Undertake social preparation activities with NHA and the NCIP in compliance to the Free Prior Informed Consent (FPIC) Process pursuant to Sec. 59 of the IPRA Law and Sec. 43 on the Validation Process based on A.O No. 3 s. 2012;
- 4.2.12 Prepare and submit to NHA a Quarterly accomplishment report covering the physical and financial status of the project during project implementation and upon completion. Within thirty (30) days from completion of all development/physical works, the MUNICIPALITY shall prepare a Project Completion Report to be approved by the Mayor/Governor to include Report of Disbursements duly audited by the local COA and submitted to the NHA (cc: LIAC members) and cause the signing of the Deed of Donation and Acceptance;
- 4.2.13 Warrant the complete, satisfactory and faithful performance of all works in accordance with the design, plan and specifications approved by NHA and all other obligations under the MOA;
- 4.2.14 Abide strictly with normal and/or required security and safety measures and procedure to prevent death or injury to any civilian employed in the project. Provision shall be made for insurance to cover any possible civil liability chargeable under the account of the **MUNICIPALITY**;
- 4.2.15 Cause the proper use and maintenance of open spaces within the project by planting trees and other vegetative cover. The LGU may allow the construction of community facilities in duly designated areas or sites;



- 4.2.16 Facilitate the extension and installation of permanent electrical, water facilities up to service entrance of the residential lots and ensure that the same are operational/or available prior to occupancy of housing units by beneficiaries;
- 4.2.17 As member of the Inter-Agency Committee, monitor the progress of project implementation and accept completed development works/turned over by NHA;
- 4.2.18 Through a Deed of Donation and Acceptance (DODA), accept the completed land development works from **NHA** and maintain and repair the same regularly;
- 4.2.19 After completion of the project, maintain the land development works in good condition at its own expense;
- 4.2.20 Liquidate funds and submit the following to NHA Accounting Department:
 - Project Completion Report approved by the Mayor/Governor
 - Statement of Receipts and Disbursements duly audited by the local COA within 30 days from the completion of all development and physical works.
- 4.2.21 Remit to the NHA any unutilized funds released for the project;
- 4.2.22 Ensure empowerment and participation of beneficiaries/communities in inclusive local planning;
- 4.2.23 Without need for demand, return the total fund contribution to NHA should it fail to complete the development works within the prescribed period and award the said units to the target beneficiaries;
- 4.2.24 Network with NGOs, POs and GOs for the provision of livelihood opportunities in the project; and
- 4.2.25 Perform such act and deeds necessary to carry out the above responsibilities.

4.3 The **NCIP** shall:

- 4.3.1 Assist the IP Community in making available the land required for the project and certify if the land is an ancestral domain and/or ancestral land;



- 4.3.2 Assist the LGU in securing the required permits and clearances for the project;
- 4.3.3 Assist the NHA and the LGU in social preparation activities in compliance to the Free Prior Informed Consent (FPIC) Process pursuant to Sec. 59 of the IPRA Law and Sec. 43 on the validation process under A.O No. 3 s. 2012;
- 4.3.4 Assist the LGU in the formulation of policies for beneficiary selection, disposition of housing units and cost recovery;
- 4.3.5 As member of the Inter-Agency Committee, monitor the progress of project implementation and upon project completion and joint final inspection, accept the completed development works/housing units; and
- 4.3.6 Perform such act and deeds necessary to carry out the above responsibilities.

4.4 The (Name of **IP Community**) shall:

- 4.4.1 Make available the land within the ancestral domain as the site of the housing project in coordination with the LGU and the NCIP covered by (legal instrument) subject to conditions set under the Memorandum Circular 2018- ____ (Section 3.3);
- 4.4.2 Assist the LGU in the formulation of policies for beneficiary selection, disposition of housing units;
- 4.4.3 Provide other documents related to the project site and other data needed for the implementation of the project;
- 4.4.4 Assist the **MUNICIPALITY** in facilitating the documentation of securing related permits and clearances from the concerned government agencies;
- 4.4.5 As member of the Inter-Agency Committee, monitor the progress of project implementation and upon project completion and joint final inspection, accept the completed development works/housing units;
- 4.4.6 Shall be responsible for the maintenance and upkeep of the premises of the project and their individual units; and
- 4.4.7 Perform such act and deeds necessary to carry out the above responsibilities.



ARTICLE V - OTHER PROVISIONS

- 5.1. It is understood that failure of the PARTIES to demand strict compliance of any or all of the Terms and Conditions of this Memorandum Of Agreement shall not be construed as a waiver and/or estoppel on their part for the enforcement of their rights in connection herewith.
- 5.2. Nothing in this Agreement shall be construed as establishing the relationship of employer and employee between the PARTIES or any of their respective staff. The PARTIES shall at all times be personally and directly liable for the acts of all its personnel under its employ and shall hold each party free and harmless from any and all claims of liabilities arising from the act or conduct of its employees.
- 5.3. This Memorandum of Agreement may be modified or revised by a written request of the PARTIES citing thereon specific claim/s to be revised or modified and the corresponding amendment/s thereto.

ARTICLE VI - EFFECTIVITY

This Agreement shall take effect upon signing by all parties hereto and shall remain effective unless otherwise terminated or upon satisfaction of the objectives by which this Agreement has been forged.

IN WITNESS WHEREOF, the Parties have hereunto set their hands this ____ day of ___, 20__ at Quezon City, Philippines.

NATIONAL HOUSING AUTHORITY

By: _____

Regional Manager

MUNICIPAL GOVERNMENT OF _____

By: _____

Mayor

NATIONAL COMMISSION ON INDIGENOUS PEOPLES

By: _____

NCIP Head

NAME OF TRIBE _____

By: _____

Chieftain/Tribal Head

Signed in the Presence of:

Witness

Witness



ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES)
_____ MUNICIPALITY) S.S.

BEFORE ME, a Notary Public for and in _____ this ____ day of _____, _____, personally appeared,

NAME	Gov't-Issued ID & No.	Valid Until
_____	_____	_____
_____	_____	_____
_____	_____	_____

all known to me and to me known to be the same persons who executed the foregoing Agreement and acknowledged to me that the same is their voluntary free act and deed and the entity they represent.

The foregoing instrument refers to the Memorandum of Agreement and consisting of ten (10) pages, including this page on which this Acknowledgment is written, duly signed by all the Parties and their instrumental witnesses on each and every page hereof.

WITNESS MY HAND AND SEAL, on this ____ day of _____ in the place first written above.

Doc. No. _____;
Page No. _____;
Book No. _____;
Series of _____.

