

**[OWWA (DOLE) MEMORANDUM OF
INSTRUCTIONS NO. 033, s.1993, September 14,
1993]**

**IMPLEMENTING GUIDELINES ON THE HOUSING PROGRAM FOR
THE OVERSEAS CONTRACT WORKERS (OCWS)**

In response to the President's pronouncement and pursuant to policy direction of the Board of Trustees to improve existing benefits, the Secretariat developed a housing program to provide affordable shelters to OCWs.

I

Program Description

The housing program is designed to provide affordable housing packages subsuming both socio-economic corollary components as coping mechanisms for the gradual reintegration of the OCWs and their sustained productivity. On account of relatively high exposure of resources, this program shall be implemented in collaboration with the Home Development Mutual Fund (HDMF) and other governmental institutions involved in similar undertaking.

II

Program Objectives

A. General Objective - To provide mechanisms that will assist OCWs to acquire housing units on an individual or group basis which may seek/lead to build an exclusive self-reliant community of OCWs.

B. Specific Objective - To provide affordable housing units in accordance with the design standards of Batas Pambansa (BP) 220;

To provide socio-economic corollary components as venues for alternative sources of income for OCW families for sustained productivity; educational facilities for the children; and other amenities to OCWs within the village; and

To provide other support services such as equity financing; marketing services; and others.

III

Eligible Beneficiary

Qualified under the program are OCWs who are beneficiaries/members of OWWA and at the same time member of HDMF, Social Security System or the Government Service Insurance System.

IV Program Strategy

To accelerate implementation of the housing program, the following strategies shall be undertaken.

1. Full development of an exclusive housing village.
2. Allocation of certain percentage of existing housing package to OCWs
3. Forging agreement with various developers.

Under these strategies, OWWA shall provide Equity Financing to assist OCWs in paying the equity or portion of the equity while availing the housing program. This shall enable them to get by second real estate mortgage which is usually of high interest.

To pursue the program OWWA entered into a Memorandum of Agreement with HDMF. Pursuant to the agreement, the following guidelines are hereby promulgated.

V Implementing Guidelines for the Three Strategies and Equity Financing to Accelerate Program Implementation.

A. Full Development. (Strategy 1) This shall be implemented with the HDMF as the support agency and the Accredited Developer (AD). To delineate functional areas between the collaborating agencies, the respective roles are hereby defined.

A.1 OWWA shall act as marketing arm through OWWA Overseas Centers. Specifically, the Centers shall conduct the following:

a.1.1 Information Dissemination The OWWA Center shall disseminate the program to OCWs on site. Information dissemination shall include program concept, implementing guidelines and corollary components.

a.1.2 Referral The OWWA Center shall coordinate with Field Service Office through the Overseas Programs Department for possible referral of OCWs who would like to avail of informations regarding existing housing packages nationwide.

a.1.3 Market Survey In the preparation of the marketing feasibility of the housing program, the OWWA Centers shall conduct the market survey. The LPD-EBD shall make available the needed survey instruments and respondents in coordination with HDMF.

a.1.4 Organization of OCWs The full development strategy shall follow the general guidelines of the Group Land Acquisition and Development Program (GLAD) of HDMF. The beneficiaries shall be organized into groups, duly registered with proper agencies which shall vest them with legal personality (e.g. the Securities and Exchange Commission, the Bureau of Cooperative Development, or the Home Insurance and

Guarantee Corporation). The OWWA Centers shall organize of OCW groups on site and the FSO shall assist in the registration of the groups with proper agency.

A.2 OWWA in coordination with HDMF shall maintain an inventory of available units to facilitate referral.

A.3 OWWA shall extend Equity Financing.

A.4 OWWA shall act as the lead executing agency coordinating all other aspects of the program vis-a-vis financial and marketing operations.

A.5 OWWA shall certify bona fide OWWA membership registration.

Home Development Mutual Fund
(HDMF)

A.1 HDMF shall provide financial assistance for land acquisition and new land development or partially developed land and construction of housing unit under the GLAD or Direct Development Loan Program.

A.2 HDMF shall provide technical assistance to OWWA on market survey form formulation, appraisal, evaluation of costing estimate submitted by the accredited developer, ensure that technical requirement adheres to BP 220, loan documentation and other relevant technical support.

A.3 HDMF shall certify bona fide HDMF membership registration.

Accredited Developer (AD)

A.1 AD shall prepare subdivision schemes, detailed architectural and engineering plans:

A.2 AD shall undertake land development and housing construction.

A.3 AD shall ensure installation of basic utilities and services.

A.4 AD shall maintain project until turn-over.

A.5 AD shall secure necessary permits and clearances from government agencies.

PROCESS FLOW

PROGRAM MANAGEMENT

<i>Activity</i>		<i>Responsibility Center</i>
1. Negotiation with HDMF	-	OWWA/HDMF
2. Market Feasibility Study	-	OWWA/HDMF
3. Accreditation of Developers	-	OWWA/HDMF
4. Financial Feasibility Study	-	HDMF
5. Management Feasibility Study	-	OWWA
6. Acquisition of Land	-	OWWA/HDMF
7. Legal Feasibility	-	Developer

8. Documentation/Permits Licenses	&-	Developer
9. Technical Feasibility Study	-	Developer
10. House Inspection	-	Developer
11. Mortgage Take-out	-	Developer
12. Turnover	-	Developer

All other processes except for the accreditation of developer and acquisition of land shall be undertaken by the respective partners as delineated above. Since OWWA does not possess the capability to accredit developers and appraise the land to be acquired, OWWA shall, therefore, sit in the Pre-Qualification, Bidding Committee of HDMF to facilitate the process.

PROCESS FLOW - HOUSING LOAN DEVELOPMENT CYCLE

Activity	Responsibility Center
1. Program Orientation	HDMF/OWWA
2. Presentation of HDMF/OWWA Housing Packages	Housing Packages
3. Trippings	OCWs
4. Payment of Reservation Fee	OCWs
5. Loan Documentation	OCWs
6. Submission of Loan Docket to HDMF	OCWs
7. Evaluation HDMF	
8. Equity Financing	OWWA
9. Approval/Disapproval	HDMF
10. House Construction	Developer
11. House Inspection	Developer
12. Mortgage Take-out with the National Home Mortgage Financing Corp. (NHMFC)	Developer
13. Turnover	Developer

PROCESS FLOW - LOAN DOCKET

Activity	Responsibility Center
1. Submission of Loan Docket of HDMF	OCWs
2. Evaluation	HDMF
3. Approval/Disapproval	HDMF
4. Mortgage Take-Out	Developer

General Guidelines

A.1 Eligible Beneficiary - Eligible under the program are OCWs who are member of the FILOW Program and have satisfied the following requirements:

1. Must have been a FILOW Program member for at least 6 months;
2. Must have made at least 12 monthly contributions;
3. Must be a contributing member upon loan application;
4. Must not be more than 70 years old at the date of loan maturity;

5. Must have the legal capacity to enter into contract and purchase real property under the Philippine laws; and
6. Must have not availed of a housing loan except lot purchase with the PAG-IBIG Fund, either as principal or as co-borrower.

A.2 Documentary Requirement

1. Pag-ibig Housing Loan Application (properly accomplished with I.D. photo/ of the borrower/s).
2. Income Tax Return (ITR) with W2 (Duplicate & 1 photocopy)/Contract of Employment or Certification from the Embassy regarding Salary Range for OCWs working in Europe and other countries wherein the OCWs cannot file an ITR.
3. Certificate of Pag-ibig Premium Payment latest 12 months (original plus 1 photocopy).
4. Marriage Contract (2 photocopies), if applicable
5. Residence Certificate (Husband & Wife, 2 copies).
6. Birth Certificate (2 copies).
7. Pay Slip for latest month (original plus 1 copy).
8. Special Power of Attorney (if applicable).
9. Certificate of Loan Eligibility.
10. Collection Servicing Agreement.
11. Tax Identification Number (1 photocopy).
12. Medical Questionnaire for loans once P200,000.00.
13. Full Medical Examination for borrower over 60 years old.
14. Other documents as HDMF may request.

A.3 Amortization Payment - Amortization shall be computed/remitted to HDMF based on their existing procedures.

A.4 Default - Basis/Computation of default shall be based on the existing guidelines of HDMF.

A.5 Maximum Loanable Amount - FILOW members earning below US\$1,000 monthly shall be entitled to a maximum loanable amount of P250,000.00.

FILOW members earning more than US\$1,000 monthly shall be entitled to a maximum loanable amount of P500,000.00.