



Republic of the Philippines

Office of the President

Housing and Urban Development Coordinating Council

HOUSING AND LAND USE REGULATORY BOARD

HLURB MEMORANDUM CIRCULAR NO. 07

Series of 2013 (JANUARY 2, 2013)

TO : ALL CONCERNED

FROM : THE COMMISSIONER AND CHIEF EXECUTIVE OFFICER

SUBJECT : **GUIDELINES FOR THE ACCREDITATION OF NON-GOVERNMENT ORGANIZATIONS AS PROVIDED UNDER SECTION 5 OF BOARD RESOLUTION NO. 890, SERIES OF 2012, OR THE REVISED IMPLEMENTING RULES AND REGULATIONS TO GOVERN SECTION 18 OF REPUBLIC ACT NO. 7279**

Pursuant to Section 7 of the Housing and Land Use Regulatory Board (HLURB) Resolution No. 890 Series of 2012, or the Revised Implementing Rules and Regulations (IRR) to Govern Section 18 of Republic Act No. 7279, otherwise known as the Urban Development and Housing Act of 1992 (UDHA), the following guidelines are hereby issued:

RULE I

GENERAL PROVISIONS

Section 1. Objective. These guidelines aim to provide a uniform application, interpretation, usage, and implementation of Section 5 of Board Resolution No. 890, Series of 2012, in relation to Section 4.2 thereof.

Section 2. Scope. These guidelines shall apply to all non-government organizations (NGOs) engaged in the development of socialized housing projects and production of socialized housing units applying for accreditation as a requirement before they can enter into an agreement with a developer of a main subdivision project under which the said developer shall contribute to the NGOs for the development of the NGOs' new socialized housing projects or production of new socialized housing units to be utilized as compliance with Section 18 of UDHA, or the balanced housing development requirement.

Section 3. Definition of Terms. For purposes of these guidelines, the following terms or words shall, unless the context indicates otherwise, mean or be understood as follows:

- 3.1 "Applicant" refers to the non-government organization applying for accreditation.
- 3.2 "Cease and Desist Order" refers to an order issued by HLURB directed against a developer, enjoining it from further selling lots and/or units in the said project.
- 3.3 "Chief Executive Officer" refers to the Commissioner and Chief Executive Officer of HLURB.
- 3.4 "Compliance Project" refers to the socialized housing project, multi-level, medium-rise housing project, or condominium project sold at or below the prevailing price ceiling for socialized housing or other developments utilized to comply with the balanced housing development requirement of UDHA.
- 3.5 "Developer" refers to the person, natural or juridical, who develops or improves the subdivision project for and in behalf of the owner thereof. The land owner who develops a subdivision project directly shall be considered as a developer.
- 3.6 "Main Subdivision Project" refers to the proposed residential subdivision project required to comply with the twenty percent (20%) balanced housing development requirement of UDHA, the total subdivision project cost of which shall be the basis for computing such balanced housing development requirement.
- 3.7 "Non-Government Organization" refers to a non-stock corporation voluntarily organized under Philippine laws by private citizens and without government representatives among its directors and officers, and operating exclusively for non-commercial or non-profit purposes.
- 3.8 "Socialized Housing Project" refers to residential subdivision projects, and multi-level and medium rise housing projects and condominium projects, sold at or below the prevailing price ceiling for socialized housing and which comply with the standards under Batas Pambansa Blg. 220 (BP 220), undertaken by the government or the private sector for underprivileged and homeless citizens.

3.9 "Subdivision Project" refers to a tract or parcel of land registered under the Land Registration Act (Act No. 496), as amended by Presidential Decree No. 1529, which is partitioned primarily for residential purposes into individual lots with or without improvements thereon, and offered to the public for sale, in cash or in installment terms.

Section 4. Requirement of Accreditation. For an agreement between an NGO and a developer of a main subdivision project under which the said developer shall contribute to the NGO for the development of its new socialized housing projects or production of new socialized housing units to be allowed as compliance with the balanced housing development requirement of UDHA, the NGO which is a party to such agreement must first be accredited by HLURB.

Section 5. Qualifications and Disqualifications for Accreditation. All NGOs engaged in the development of socialized housing projects and production of socialized housing units applying for accreditation must possess all the qualifications and none of the disqualifications as hereinafter set forth.

RULE II

QUALIFICATIONS AND ACCREDITATION

Section 6. Qualifications for Accreditation. An NGO shall first apply for accreditation with HLURB before an agreement between a developer of a main subdivision project and said NGO, under which the said developer shall contribute to the NGO for the development of a new socialized housing project or production of new socialized housing units, may be allowed as compliance with the balanced housing development requirement of UDHA.

Section 7. Qualifications and Disqualifications for Accreditation. The NGO applying for accreditation must possess the following qualifications and none of the following disqualifications:

7.1 Qualifications:

7.1.1 It must be a domestic, non-stock corporation organized under Philippine laws;

7.1.2 It must be engaged in the development of socialized housing projects or production of socialized housing units or construction of educational facilities, health facilities, productivity/livelihood centers and other basic amenities and facilities mentioned in Section 21 of UDHA which will benefit a socialized housing project; and



7.1.3 It must have produced at least five hundred (500) socialized housing units.

7.2 Disqualifications:

7.2.1 It must have no pending cease and desist order (CDO) or suspension of certificate of registration (CR) or license to sell (LS) imposed by any of the Regional Field Offices (RFOs) of HLURB against it for any of its projects; and

7.2.2 It must have no unpaid fees, fines or penalties imposed by any of the RFOs against it for any of its projects.

RULE III

ISSUANCE OF CERTIFICATE OF ACCREDITATION

Section 8. Application and Documentary Requirements. The applicant shall submit the following documents to the RFO which has jurisdiction over the region where the principal office of the applicant is located:

- 8.1 Sworn Application for Accreditation;
- 8.2 Applicant's Organizational Profile consisting of history, key programs and activities, organizational structure and list of current board members and officers;
- 8.3 Certified true copies of its SEC Certificate of Registration, Articles of Incorporation, By-laws, including all amendments thereto, and latest General Information Sheet;
- 8.4 A copy of its latest Audited Financial Statement and its latest Income Tax Return, if applicable;
- 8.5 Proof of completion of the required number of units produced, i.e., either the certified true copies of the Certificate/s of Completion (COC) of the socialized housing project/s where the required total number of produced units are located or certification from any of the RFOs stating the completion of the required number of socialized housing units produced, if applicable;



- 8.6 Certification from each RFOs that the developer has no pending CDO, unpaid fees, fines, or penalties imposed by it against the developer on any of its projects; and
- 8.7 Copy of the official receipt evidencing payment of the accreditation fee.

After the initial evaluation of the application and each of the required supporting documents, including ascertaining the completeness thereof, the RFO concerned shall submit its recommendation and all records pertaining to the application to the Chief Executive Officer (CEO) who shall then approve or deny the application for accreditation.

Section 9. Certificate of Accreditation. - If the application is approved, a certification shall be issued indicating the following:

- 9.1 Name of the accredited NGO;
- 9.2 Principal Address;
- 9.3 Accreditation Certificate Number;
- 9.4 Date of Accreditation;
- 9.5 Official Receipt Number and Amount Paid;
- 9.6 Taxpayer's Identification Number (TIN) of the applicant; and
- 9.7 Terms and Conditions of the accreditation.

Section 10. Effect of Accreditation. The accreditation of an applicant shall allow the agreement entered into by it with a developer of a main subdivision project, under which the said developer shall contribute to the applicant for the development of new socialized housing projects or production of new socialized housing units, to be utilized as compliance with the balanced housing development requirement of UDHA. Such accreditation shall remain valid and effective unless suspended or revoked.

RULE IV

SUSPENSION, REVOCATION AND REINSTATEMENT OF ACCREDITATION

Section 11. Suspension and Revocation of Accreditation.

11.1 The accreditation of an NGO may be suspended by the CEO on the following grounds:

11.1.1 Issuance of a CDO against the NGO on any of its projects;

11.1.2 Suspension or revocation of the CR or LS of any of its projects; or

11.1.3 Failure of the accredited NGO to complete the development of a compliance project within one year from the issuance of its CR or within such other period of time fixed by HLURB.

13.2 The accreditation of an NGO may be revoked by the CEO on the ground of misrepresentation on the part of the NGO in applying for its accreditation.

An RFO where any of the projects of an accredited developer is registered shall report to the CEO any of the incidents mentioned in Sections 11.1.1, 11.1.2 and 11.1.3 above within five (5) days from its occurrence in order that appropriate sanctions may be imposed.

In all instances, the accredited NGO shall first be required to explain in writing why no suspension or revocation of the accreditation should be imposed against it.

The suspension or revocation shall take effect upon signing of the order of suspension or revocation by the CEO.

Section 14. Effects of Suspension of the Accreditation. The suspension of accreditation of an NGO shall have the following effects:

14.1 Any agreement entered into by such NGO with any developer of main subdivision projects after the suspension of the accreditation shall not be allowed as the latter's compliance with the balanced housing development requirement of UDHA; and

14.2 Any obligation or liability incurred by such NGO under any agreement entered into by it prior to the suspension of accreditation shall subsist,

more particularly the obligation to complete the development of the compliance project.

Section 15. Reinstatement of Accreditation. The CEO may reinstate the accreditation of the NGO upon lifting of the CDO or of the suspension of the CR or LS of any of its projects.

RULE V

TRANSITORY PROVISION, SEPARABILITY AND EFFECTIVITY

Section 16. Transitory Provision. NGOS who have been granted accreditation prior to the effectivity of these guidelines shall not be subject to the provisions of Sections 4, 5, 6, 7 and 8 hereof but shall request for a new certificate of accreditation from HLURB. After the new certificate of accreditation is issued by HLURB to the NGO concerned, the provisions of Section 10 hereof shall apply. Notwithstanding the foregoing, the accreditation may be suspended, revoked or reinstated in accordance with Rule IV hereof.

Section 17. Separability Clause. The provisions of these guidelines are hereby declared separable, and in the event that any provision herein is declared null and void, the validity of all other provisions shall not be affected thereby.

Section 18. Effectivity Clause. These guidelines shall take effect immediately.

For strict compliance and implementation.



ANTONIO M. BERNARDO
Commissioner and Chief Executive Officer