



Republic of the Philippines

SOCIAL HOUSING FINANCE CORPORATION

CMP CORPORATE CIRCULAR NO. 25 - 074

Series 2025

SUBJECT: GUIDELINES ON THE IMPLEMENTATION OF THE LIVELIHOOD PROGRAM AND CONSTRUCTION OF FACILITIES FOR COMMUNITY ASSOCIATION

In partnership with other government agencies, departments, offices, and national and local government units, including non-governmental organizations (partner agency – for brevity), the Social Housing is committed to providing assistance to the Community Association (Community – for brevity) by providing subsidy funds to defray its expenses for livelihood programs and construction of community facilities.

The subsidy funds shall be utilized depending on the housing program, and they shall not be included in the total loan amount extended to the Community.

These guidelines are hereby issued to facilitate the disbursement of the said livelihood programs and the construction of community facilities.

Section 1. Objective.

These guidelines are promulgated to clarify the procedure for providing livelihood components and construction of community facilities chargeable to the granted subsidy funds of SHFC's partner agency as expressly provided in the Memorandum of Agreement (MOA) or any other contract entered into between the SHFC and its partner agency. This guideline further serves as a guide to effectively implement the provision for utilizing subsidy funds.

The livelihood program aims to help the Community to have a decent and sustainable livelihood within and outside their relocation site. It shall improve the lives of the low-income earner members of the Community by providing access to jobs, business opportunities, and other types of assistance. It shall also help them become more productive members of society.

The community facilities, on the other hand, shall help the Community to improve their quality of life by providing a variety of services and activities. It can also help the Community to have accessible basic needs such as, but not limited to, markets, community offices, worship, terminals, education, sports, safety, sanitation and health services.

Section 2. Scope.

For livelihood programs, it shall depend on the needs, skills, and availability of resources within the relocation site. A livelihood case study from the concerned Community, subject to evaluation/valuation of SHFC's concerned branch/department, shall also be conducted to ensure the sustainability of the proposed livelihood. These shall include but not be limited to the following:

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1. Training and seminars for manufacturing and production of goods, including service-providing businesses;
2. Quality Job Fair;
3. Public utilities, including franchise fees and other fees relative thereto;
4. Community transportation;
5. Wet and dry goods and other components of the *Talipapa*; and
6. Other income-generating activities as proposed by the Community.

On the other hand, the facilities shall also depend on the needs of the Community as a whole, fund availability, and area or open spaces available for the construction of the approved facility/ies. These shall include but not be limited to the following:

1. Multipurpose Hall;
2. *Talipapa*;
3. Sports/Recreational Amenities;
4. School;
5. Materials Recovery Facility (MRF);
6. Retail Center; and
7. Terminal for Public Utility.
8. Other improvements approved by the SHFC, Community, and funding agency, if applicable.

Section 3. Process for the Release of Subsidy Funds.

3.1 For the acquisition of goods/vehicles, the Community shall submit a list of quotations from at least three suppliers/sellers of the proposed goods/vehicle. They shall also provide a list of expenses, including permits, franchise, and license fees, if applicable. This shall be subject to the usual review, verification, and approval of SHFC.

Upon approval of the SHFC Credit Committee and subject to the availability of funds, the SHFC branch concerned shall issue a "Certificate of Approval" to authorize the release of the funds. The partner agency shall be notified of said release of fund, if applicable.

The Certificate of Approval signifies the release of funds in favor of the Community through their bank account. This means that the Community shall be required to have its separate bank account.

The following documentary requirements must be submitted before the release of subsidy funds:

1. Livelihood Case Study from the concerned Community;
2. Community Government Bank Account (Landbank or DBP) with official signatory/ies;
3. Request letter for the release of payment from CA;
4. Board Resolution from Community for the proposed livelihood;
5. List of projected expenses;
6. Official quotation form from Seller/Supplier;
7. Purchase Order or its equivalent;

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Upon release of funds, the concerned branch or group from the SHFC shall closely monitor the acquisition of the goods/vehicle and payment to the seller/supplier.

It shall be the duty of the Community to provide official receipts upon payment of all expenses relative to the acquisition of goods/vehicles.

3.2 For payment of pertinent fees, the following requirements must be submitted prior to release of funds:

1. Pertinent fees to be covered by the subsidy fund (e.g. TODA membership and registration, clearances, etc.)
2. Assessment forms from the issuing agencies as a requirement

3.3 For the construction of facilities and other improvements, the chosen and SHFC accredited developer shall submit technical specifications and documents, including but not limited to the scope of work, costing, and design. It shall undergo the usual SHFC technical evaluation and release of payment shall adhere to the Community Guided Financing Framework.

Upon approval of the scope of works, costing, and design by the SHFC and concerned Community, the SHFC shall issue a "Notice of Commencement of Works" (NCW).

The following documents shall be submitted prior to the issuance of NCW:

1. Community Board Resolution stating the chosen SHFC accredited developer/contractor;
2. Detailed architectural and engineering building plans and drawings; and
3. Other necessary documents may be required under the circumstances.

Release of payment shall be based on the executed Contracts among SHFC, Community, and Developer/Contractor, including other terms and conditions necessary for the implementation of the said construction of facilities.

The following documents shall be submitted prior to the release of funds for construction of facilities and other improvements:

1. Letter request for payment from Developer/Contractor with conformity of the Community;
2. Contract between Developer/Contractor and the Community/SHFC;
3. Accomplishment report of the completed facilities with pictures;
4. Site development plan showing the location of the completed facilities, if applicable;
5. Statement of Work Accomplishments (SWA) indicating the work accomplished signed by the developer/contractor, the Community representative, and the Construction Project Management Team; in this case, the SHFC inspection team, if applicable;
6. Building permits/licenses for the construction of facilities, if applicable;
7. Certificate of Final Completion and Acceptance from the SHFC and Funding Agency, if applicable; and

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8. Other necessary documents may be required under certain circumstances.

The SHFC and Partner Agency shall conduct its joint site inspection and issue recommendations based on their evaluation. It shall be the duty of the developer/contractor to fix or rectify the findings or result of the evaluation conducted.

Section 4. Monitoring and Evaluation

The Community must submit the official receipts to the SHFC's concerned branch/department upon payment of all expenses relative to the acquisition of goods.

To ensure that payments are made to the suppliers and the delivery of goods to recipients, the following control measures must be taken:

- a. Require that the bank account to be opened by the Community must be from a government bank; and
- b. Representatives from the SHFC's concerned branch/department must accompany the Community representatives during the withdrawal of subsidy funds up to payment to the supplier.

A Joint Monitoring Team (SHFC and Partner Agency) shall be established for the purpose of ensuring that the subsidy funds are utilized in accordance with the approved livelihood assistance proposal (*for acquisition of goods*) and plans and work schedule (*for construction of facilities and other improvements*).

Section 5. Effectivity

This circular shall be effective and in force after fifteen (15) days from publication in a newspaper of general circulation.

 **FEDERICO A. LAXA**

President

Date approved: May 9, 2025