

# Housing Affordability in the Philippines

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# Outline for the discussant

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## Housing Affordability in the Philippines

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Marife Ballesteros, Tatum Ramos, and Jenica Ancheta



- I. Brief reflections on the paper
  
- II. Answers to questions



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# Brief recollections on the paper



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- Allows deeper insight on housing affordability
  - What affordability consists of: Attainability, decency and sustainability
  - Various approaches to measuring housing affordability
  - Philippines suited for conventional approach (residual income and income ratio methods)
- *"One size fits all approach"* on addressing housing affordability
  - Working with prevailing policy
  - Viewpoint: incentivizing private developers to serve lower income households
  - Ignores the poor's unique circumstances



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# Questions



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- How can the government address the housing backlog? How can local governments proactively do their part?
- What do you think of business models such as public-private partnerships for housing construction projects to solve the housing backlog?
- How can housing be made more affordable in the Philippines, especially for low-income households?



- Role of the national government
  - PPP's between national government, the LGU and the private sector
  - Paradigm shift for housing the unserved (HH that cannot afford at all) and the underserved (unmet demand for HH that can afford)
- Making it affordable: Public housing
  - From ownership to rights or long-term lease
  - Separate land (LGU) from housing construction activities (private sector)
  - Extend incentives to public housing contractors
  - Sources of public housing fund: balanced housing allocation, higher taxation of idle lands and properties along government infra projects
  - Tiered and targeted housing voucher system
  - Cut the time & streamline the process required to obtain housing development permits



- Role of the local government unit
  - LGU-private sector partnership
  - LGU provides the land, extends tax incentives, identifies beneficiaries, conducts social preparation activities, collects rent and/or fees
  - Private sector undertakes the development and construction and management services of the property
- Making it affordable for the underserved
  - Cut the time & streamline the process required to obtain housing development or construction permits
  - Continue incentives extended to private developers
  - Collaboration between developers and government on housing issues
  - Separate land (LGU) from housing construction activities (private sector)





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