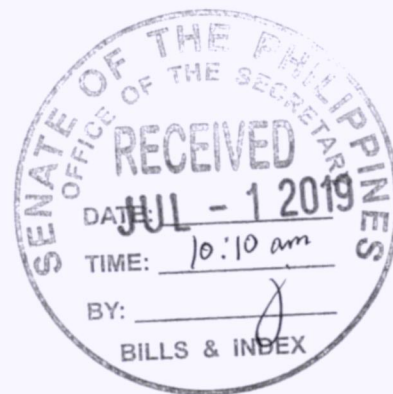


EIGHTEENTH CONGRESS OF THE)
REPUBLIC OF THE PHILIPPINES)
First Regular Session)



SENATE
S. No. 20

Introduced by Senator FRANKLIN M. DRILON

**AN ACT CREATING THE PHILIPPINE WATER COMMISSION, DEFINING ITS
POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

Access to safe and clean water is universally recognized as a fundamental human need, and therefore, a basic human right. However, more than 40 percent of people around the world are affected by water scarcity. This is even expected to worsen given the rising population and increasing demand for water.

Two separate studies conducted by the De La Salle University School of Economics and the University of the Philippines Los Banos projected a widespread water shortage in its key cities and regions in the Philippines by 2025.

As if a glimpse into this alarming future, Metro Manila, with a population of about 13.7 million people, has recently experienced weak water supply to complete water disruptions. Water levels of Angat and La Mesa dams, two main reservoirs supplying water to Metro Manila, dropped below the critical level, thus, prompting the two water concessionaires, Maynilad and Manila Water, to implement painful rounds of water interruptions throughout the capital.

The current fragmented set-up of the regulation and management of water resources and the absence of a clear and organized framework for water resource governance further compound the water shortage problem. At present, regulation and management of water resources are lodged with various government units and agencies, all with different hierarchical coverage, and with varying degrees of power and overlapping responsibilities. These, in turn, create

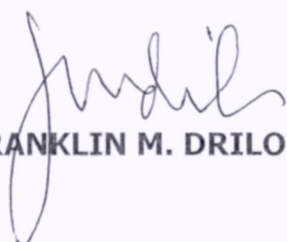
challenges in the creation and implementation of the national policies and plans on water, sewage, sanitation and irrigation.

The proposed measure therefore seeks to address the above-mentioned issues by establishing an independent regulatory and quasi-judicial body attached to the Office of the President to be known as Philippine Water Commission, which shall have the overall power and authority to manage and regulate water resources in the Philippines. The Commission will have all the rights, and assume all the obligations of the relevant government agencies or units including the Metropolitan Waterworks and Sewerage Systems (MWSS), National Water Resources Board (NWRB), Local Water Utilities Administration (LWUA), Metro Manila Development Authority (MMDA), Philippine Economic Zone Authority (PEZA), Subic Bay Metropolitan Authority (SBMA), Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and Clark Development (CDC).

The bill also aims to strengthen and coordinate water resource planning and policy-making and licensing, thereby ensuring sustainable and fair allocation and efficient use of water resources between competing water uses and users, especially in times of crises and national emergencies.

This measure confirms our commitment to meeting the Sustainable Development Goal of ensuring access to safe, adequate and sustainable water supply and sanitation services for all.

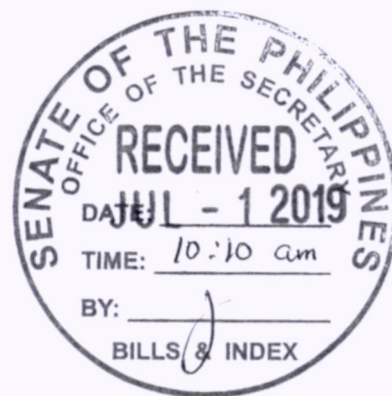
In view of the foregoing, the urgent approval of this bill is earnestly sought.



FRANKLIN M. DRILON

EIGHTEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
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SENATE

S. No. 20

Introduced by Senator Franklin M. Drilon

**AN ACT CREATING THE PHILIPPINE WATER COMMISSION, DEFINING ITS
POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES**

*Be it enacted by the Senate and House of Representatives of the Philippines in
Congress assembled:*

1 *Sec. 1. Declaration of Policy.* - It is hereby declared the policy of the State to
2 recognize, protect, realize, and enhance the right of all Filipinos to safe, clean,
3 affordable, and accessible drinking water, sanitation and irrigation as essential to the
4 full enjoyment of life and the protection and sustainability of the environment.

5 In pursuit of said policy, this Act shall have the following objectives:

- 6 a. To prioritize and pursue the immediate attainment of universal access to safe,
7 adequate, and sustainable water supply and sanitation services for all Filipinos
8 and adopt all necessary measures directed towards the realization of the
9 human right to water and sanitation; and
10 b. To strengthen and coordinate water resource planning, policy-making and
11 licensing to ensure sustainable and fair allocation and efficient use of water
12 resources between competing water uses and users, including but not limited
13 to domestic and municipal use, power generation, farming, commercial, and
14 industrial use.

15 *Sec. 2. The Philippine Water Commission.*— There is hereby created and
16 established an independent, quasi-judicial body to be known as Philippine Water
17 Commission ("Commission") which shall be attached to the Office of the President.

1 *Sec. 3. Chairman, Commissioners, Officers.* – The powers of the Commission
2 shall be vested in and exercised by a Chairman and six (6) Commissioners. No
3 person shall be appointed as a member of the Commission unless he is a Filipino
4 citizen, of good moral character, and of recognized competence in relevant fields
5 including economics, management, law, environmental protection, urban planning,
6 engineering, and hydrology.

7 The term of office of Chairman and Commissioners shall be three (3) years;
8 and no member shall be appointed for more than two (2) consecutive or partial
9 terms.

10 The President shall appoint a professional manager as General Manager of
11 the Commission with a compensation to be determined by the Board subject to the
12 approval of the Secretary of the Department of Budget and Management (DBM).

13 *Sec. 4. Powers and Duties of the Commission.* — The Commission shall have
14 the following powers and duties, among others:

- 15 a) Promote universal access to safe, adequate, affordable, and sustainable
16 water supply, sewage, and sanitation services;
- 17 b) Develop and implement a comprehensive water, sewage, and sanitation
18 program;
- 19 c) Manage and protect the country's water resources to ensure the optimal
20 use thereof for domestic water supply, sewage, sanitation, hydropower,
21 navigation, and recreation, including the enhancement and maintenance
22 of water quality, and conservation of watersheds;
- 23 d) Formulate and implement policies on use, exploitation, development,
24 conservation or protection of waters, water resources, and watershed or
25 basin areas in accordance with this Act and other relevant laws;
- 26 e) Pass upon, approve, or disapprove all plans, programs, or development
27 projects of private individuals, corporations, and government agencies,
28 whether national or local, that affect water resources, its diversion or
29 abstraction, and the construction of hydraulic facilities, including but not
30 limited to plans and projects in watershed or basin areas of water supply
31 sources, which have direct or indirect impact on the affected locality's
32 water resources;

- 1 f) Regulate the utilization, exploitation, abstraction, diversion, and
2 development of water resources, taking into account its equitable
3 distribution, and determine the standards of beneficial and priority uses of
4 water in times of crisis and national emergencies;
5 g) Regulate persons or entities, formulate and collect tariffs for water supply
6 and sanitation services;
7 h) Issue and promulgate rules, regulations, and guidelines as may be
8 necessary to implement and enforce its powers and functions under this
9 Act;
10 i) Investigate, motu proprio or upon complaint in writing, administrative
11 matters for violations of this Act; and
12 j) Exercise such other incidental powers and functions as may be necessary
13 to attain the objectives of this Act.

14 *Sec. 5. Formulation of Water Policies and Enforcement of Water Laws, Rules*
15 *and Regulations.* – Pursuant to the policy of a unified regulation, administration and
16 management of water resources, the Commission shall formulate water policies and
17 enforce water laws, rules and regulations.

18 It shall conduct continuing surveys and studies of the country's renewable
19 water supply towards formulating long-term policies to balance the sustainability and
20 optimal use of water resources, defining the hydrologic boundaries of basins of the
21 existing water supply sources, and creating and implementing countrywide master
22 plans for water resources management and development.

23 The Commission shall also effect and compel inter-sectoral, inter-agency, and
24 inter-departmental coordination on water, energy, environmental, sewage, and
25 sanitation resources development planning with the aim of operationalizing the
26 integrated approach to water resources management. It shall ascertain that all
27 governmental plans and project implementation designs are consistent with the
28 water policy, standards, and guidelines.

29 Local Government Units (LGUs) and national agencies shall submit zoning and
30 land use management plans to the Commission to ensure the integration of water
31 resource management plans.

1 *Sec. 6. Regulation and Issuance of Water Supply and Sanitary Service License. –*

2 The Commission issue water supply and sanitary service license. It shall further
3 establish, approve and regulate water supply and sanitation services tariffs, rates
4 and other charges, which are fair and reasonable, and provides for the economic
5 viability of operations and businesses of the licensee including a reasonable return
6 on their investments. The Commission shall have the power to impose fines,
7 charges, and other penalties upon licensee for any violation of water laws rules and
8 regulations and provisions of the license.

9 The Commission shall promulgate rules, guidelines and standards in the
10 regulation and issuance of license to water supply and sanitation service providers.

11 The service providers operating under existing agreements with Metropolitan
12 Water and Sanitation System (MWSS), local government units (LGUs), and special
13 economic and freeport zone authorities shall register with the Commission and,
14 during the validity of such agreement, shall be deemed duly licensed to provide
15 services consistent within the terms and conditions of such existing agreement;
16 *Provided, further,* that these service provider shall be regulated by the Commission.

17 *Sec. 7. Interface with Other Sector Regulators. –* The Commission is mandated to
18 coordinate with the different sector regulators as follows:

19 a. The Department of Environment and Natural Resources (DENR) shall continue
20 to have the primary authority and responsibility for protecting the
21 environment and for the conservation of water and related natural resources,
22 including protecting water bodies from waste and pollution and shall
23 promulgate rules, regulations, and standards in this regard. The Commission
24 shall coordinate with the DENR with respect to the conservation of water
25 resources, protection from sewage and septage waste, and restoration from
26 environment damage;

27 b. The Department of Health (DOH) shall have primary authority and
28 responsibility for determining and enforcing drinking water quality and
29 sanitation standards. The Commission shall coordinate with the DOH to
30 achieve an integrated approach for sanitation, including toilets, collection,
31 treatment, and evaluation of wastewater;

1 c. The Commission shall absorb the responsibility from the Department of
2 Interior and Local Government (DILG) on the management and operation of
3 water supply systems of local government units; and

4 d. The Commission shall coordinate with other relevant agencies, including
5 Department of Public Works and Highway (DPWH) to engage in flood control
6 and flood risk management, formulate Integrated Water Resources
7 Management (IWRM) policies and plans, and coordinate the implementation,
8 promotion, revision, and enhancement of IWRM plans. It shall provide
9 integrated planning for flood control, flood risk management, and water
10 resource development and management systems, and other public works.

11 *Sec. 8. Transfer of Powers, Rights, and Obligations.* - The Commission shall have
12 all the rights, and assume all the obligations of the relevant parts of any government
13 agency or unit whose powers and duties have been transferred to the Commission,
14 including the DILG, MWSS, National Water Resources Board (NWRB), Local Water
15 Utilities Administration (LWUA), Philippine Economic Zone Authority (PEZA), Subic
16 Bay Metropolitan Authority (SBMA), Tourism Infrastructure and Enterprise Zone
17 Authority (TIEZA), and Clark Development Corporation (CDC).

18 The transfer of powers and functions as provided herein shall take effect
19 within one hundred eighty (180) days after the effectivity of this Act. The foregoing
20 transfer of powers and functions shall include all applicable funds, personnel,
21 records, property, and equipment, as may be necessary. All offices shall continue to
22 function under their present mandates until transition is effected as provided for
23 under this Act.

24 All rights and obligations of said government agencies are hereby transferred
25 to and assumed by the Commission and shall be acted upon in accordance with the
26 rules and regulations of the Commission on Audit and other pertinent laws, rules
27 and regulations.

28 *Sec. 9. Separation from Service.* - Employees separated from government
29 service as a result of this Act shall be entitled to the benefits that they may receive
30 under existing laws, rules, and regulations.

31 *Sec. 10. Implementing Rules and Regulations.* — Within one hundred eighty
32 (180) days from the effectivity of this Act, the Commission, in consultation with the

1 concerned government agencies, shall promulgate the necessary implementing rules
2 and regulations for the implementation of this Act: Provided, That such revised
3 implementing rules and regulations shall only take effect fifteen (15) days following
4 its publication in two (2) newspapers of general circulation.

5 *Sec. 11. Appropriations.* - The amount necessary to carry out the
6 implementation of this Act shall be appropriated every fiscal year in the General
7 Appropriations Act.

8 *Sec. 12. Separability Clause.* - If any provisions or part hereof, is held invalid
9 or unconstitutional, the remainder of the law or the provision not otherwise affected
10 shall remain valid and subsisting.

11 *Sec. 13. Repealing Clause.* - Any law, presidential decree or issuance,
12 executive order, letter of instruction, administrative order, rule or regulation contrary
13 to or inconsistent with the provision of this Act is hereby repealed, modified or
14 amended accordingly.

15 *Sec. 14. Effectivity Clause.* - This Act shall take effect fifteen (15) days from
16 its complete publication in the Official Gazette and in at least one (1) newspaper of
17 general circulation.

18 *Approved,*