

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



'19 DEC 10 P1 59

SENATE

P.S. Res. No. 261

RECEIVED BY: _____

INTRODUCED BY: SENATOR EMMANUEL D. PACQUIAO

**A RESOLUTION
CALLING FOR AN INVESTIGATION IN AID OF LEGISLATION INTO THE
ALLEGED ONEROUS CONTRACTS BETWEEN THE PHILIPPINE
GOVERNMENT AND WATER CONCESSIONAIRES MANILA WATER CO. AND
MAYNILAD WATER SERVICES INC.**

WHEREAS, it is the responsibility of the State to pursue a policy that serves the general welfare and utilizes all forms and arrangements of exchange on the basis of equality and reciprocity;

WHEREAS, through the enactment of Republic Act 6234 on June 19, 1971, the Metropolitan Waterworks and Sewerage System (MWSS) was created "to ensure an uninterrupted and adequate supply and distribute of potable water for domestic and other purposes at just and equitable rates;"

WHEREAS, in 1997, Republic Act 8041 or "The Water Crisis Act" was passed, which led to the privatization of MWSS with the primary mandates of transferring the financial burden to the private sector, improving the service standards, increasing the operational efficiency, and minimizing the tariff impact;

WHEREAS, the Philippine government entered into a 25-year concession agreement with water concessionaires Manila Water Co. and Maynilad Water Services Inc. during the Ramos administration in August, 1997;

WHEREAS, Manila Water's contract was supposed to expire in 2022 but was extended until 2037 by former President Gloria Macapagal-Arroyo;

WHEREAS, on November 2019, the Manila Water won an arbitration case before an international tribunal and demanded that the Philippine government pay them an amount of Php7.4 billion for the losses they incurred from June 1, 2015 to November 22, 2019;

WHEREAS, the Department of Justice (DOJ) conducted an investigation into the concession agreements and found certain provisions therein that are prejudicial to the interest not only of the government but more so of the consuming public;

WHEREAS, the Constitution vested the legislative with the power to amend, alter or repeal any franchise or right it granted when the common good so requires;

NOW THEREFORE, BE IT RESOLVED BY THE SENATE, that the Senate of the Philippines call for an investigation in aid of legislation into the alleged onerous contracts between the Philippine government and water concessionaires Manila Water Co. and Maynilad Water Services Inc.

Adopted,

A handwritten signature in black ink, consisting of several overlapping loops and curves, positioned above the printed name.

EMMANUEL D. PACQUIAO

Senator