



NATIONAL WATER RESOURCES BOARD

2007 Accomplishment Report

I. Executive Summary

This report covers the accomplishment of the Board for 2007 on its regular activities and on its local and foreign-assisted projects as part of planning services for water resources development, utilization and management. In spite of limited budget the period under review showed favorable accomplishments in the implementation of water resources programs/projects that could provide an effective tool to carry out the coordination and regulatory functions of the Board towards attaining an integrated and sustainable development of water resources. With the support of local and international funding institution and in coordination with other agency NWRB was able to implement several programs/projects as follows:

- a. Price Policy for Public Goods, Philippines (Study on Raw Water Pricing) (2005-2008)
- b. AusAID-assisted Human Resource Activity under the Philippine Australian Human Resources Development Facility
- c. Development of Knowledge Management Portal for Water Supply and Sanitation
- d. Economic Valuation of Groundwater in Metro Manila
- e. Development of Water Supply Sector Roadmap

Relevant policy studies and water-related research activities were likewise continuously pursued in coordination with various concerned agencies to improve decision support system in the sector.

Policies on the abstraction of Groundwater for Refilling Stations were formulated to effect efficient water allocation, and conservation and protection of groundwater. Memorandum of Agreement was likewise signed between NWRB and Laguna Lake Development Authority on NWRB's institutional collaboration on the regulation, enforcement and monitoring of groundwater resources in the Laguna de Bay.

One of the key highlights of this year's accomplishments is the approval of the Philippine IWRM Plan Framework by the NWRB Board. It maybe recalled that the formulation of the IWRM Plan Framework is a collaborative and participative process involving key stakeholders from different agencies, non-government organization and academic institutions with NWRB as lead agency. A Partners' Forum was likewise conducted to launch the said plan where key stakeholders signed a pledge of support to adopt and implement IWRM in each agency.

The Plan Framework would pave the way to localize and operationalize IWRM, being the general strategy for water resources management as identified in the Medium-Term Philippine Development Plan (2004-2010).

The First National Conference on Small Scale Water Service Providers (SSWSPs) was conduct in August of this year. This activity provides support to SSWSPs on various issues and concerns to improve their operation and management. One of the major output of the Conference is the formation of National Waterworks Association of the Philippines (NAWASAP) as the official group of the SSWSPs.

Another major contribution of NWRB to the sector is the preparation of the Economic Regulatory Guidelines (ERG) as a tool for regulation. It consists of primers on Water Service Providers' Responsibilities; Customer Service Code (CSC); and Key Performance Indicators (KPIs) and Standards. Through this ERG, the agency hope to effectively monitor the performance of private Water Service Providers (WSPs), and gear towards a more customer-focused approach on regulation of WSPs. The ERG could also serve as a tool for water service providers to improve their services.

It is also worthy to note that significant improvements in the overall productivity have been attained during the period in review, as shown in the following measurable activities of the Board:

SUMMARY OF NWRB ACCOMPLISHMENT

Program/Activity/Project/ Performance Measures	Performance		
	Physical Target	Accomplish- ment	% Accom
Policy Formulation and Coordination			
▪ No. of Policies approved by the Board over number of policies Articulated/Formulated	8	8	100
▪ Number of Projects Reviewed, submitted before or by deadline set	10	9	90
▪ Number of Water Resources Assessments conducted, submitted before or by deadline set	15	17	113
▪ Number of Information campaign conducted through coordination of different water related agencies by set schedule	5	6	111
Regulation on Water Utilization			
▪ No. of Water Permit Application Decided over no. of Water Permits Application Received	566	610	108
▪ No. of Water Use Conflicts Resolved over no. of Water Use Filed	117	139	119
▪ No. of Permit to Drill Issued	194	216	111
▪ No. of Water Sources Monitored over the Target Set	1800	2349	131
▪ Number of Compliance over Number of Orders issued	229	356	155
Regulation of Water Utilities			
▪ No. of Certificate of Public Convenience (CPC) Applications Decided over number of CPC applications received	56	32	57
▪ No. of Petitions for Water Rates Adjustment & Others Decided over number of petition for water rates adjustment and others received	29	21	72
▪ No. of Water Meters Inspected/Tested/Sealed over number of water meters targeted	26,500	38,860	147
▪ No. of water utilities inspected/monitored over the target set	140	180	129
▪ No. of compliance over number of orders issued	13	20	152

II. General Administrative and Support Services

a. Human Resource Development

To strengthen the capacity of the NWRB staff, the Board sends its technical, administrative and financial staff to various overseas and local training courses, seminars, workshops and conferences.

NWRB Human Resource Plan developed in 2002 through the assistance of AusAID serves as the guide of the Agency in administering in-house and external Human Resources Development Programs. A continuing program for capacity building to nurture, enhance and utilize the skills and capabilities of the staff at all level to equip them in dealing with the development and management of water resources in a holistic manner is currently being pursued.

The NWRB Strategic Plan developed in 2006 serves as a basis in the continuous capacity building activities of the Philippine Australian Human Resources Development Facility (PAHRDF). Likewise, the PAHRDF is continually providing NWRB with capacity building program to strengthen the Agency's Human Resource Systems including its technical and legal knowledge/skills to perform its effectiveness. A total of five short-term and two long-term training programs were provided by PAHRDF that benefited 54 employees coming from the rank and file, supervisory and managerial levels. The last two batches of these short-term programs have been completed middle of this year while one of the remaining long-term programs is to be completed end of this year.

Aside from the aforesaid capacity building program provided by PAHRDF, selected NWRB staff also participated in local and foreign trainings. Five NWRB staff benefited from short trainings abroad sponsored by donor agency.

Moreover, NWRB is a recipient of a technical cooperation program from Australian Government through the Australian Youth Ambassadors for Development (AYAD). The program promotes technology transfer, skills sharing and cultural exchange through the deployment of foreign volunteer development workers. Currently, one Australian hydrogeologist has been assigned to assist NWRB in all its activities where expertise on hydrogeology is needed.

b. Financial Resource

The Board received a budgetary allotment of **P 41.778 M** for current operating expenditures and **P 0.399 M** for continuing appropriation..

For this period, the Board has generated some **P 50.790 M** as revenue earned from fees and charges pertaining to water permit and CPC grants as well as from sale of publications and other miscellaneous income.

Operating expenditures amounted to **P 36.270 M** covering travel, communication and transportation, personal services and miscellaneous expenses.

III. Agency's Narrative Report

This report presents the accomplishments of the Board for the CY 2007 highlighting on its program thrusts in the major functional areas of policy formulation and coordination, resource regulation and economic regulation for sustainable development, protection and efficient use of the country's water resources.

In spite of limited budget NWRB was able to achieved significant accomplishment on its regular activities and on its local and foreign-assisted programs/projects as well. This was made possible through the help and support of other government agencies and funding institutions.

Policy Formulation and Coordination

The formulation of policies and plans for the Philippine water sector within the framework of Integrated Water Resources Management through the coordination and integration of development programs, projects and activities.

One of the primary functions under the Charter of then NWRC (now NWRB) involves the identification of policy issues, program review and coordination. Policy initiation is achieved in consultation with concerned agencies through Task Forces and Committees to thresh out specific problems and issues related to water resources development and management.

Program review by the Board is limited to broad appraisals and does not intend to extensively double check the detailed technical calculations. This broad appraisal purports to determine the extent of consideration given to all water resources problems in the project area. Likewise, all the agencies are responsible for technical accuracy.

For the period in review, the Board articulated/formulated nine water-related policies in which seven were approved by the Board. The policies formulated/articulated include:

Approved:

- Policy Guidelines on the Processing of Groundwater Permit application in Cebu;
- Policies on the abstraction of Groundwater for Refilling Stations;
- MOA between NWRB and LLDA on NWRB's Institutional Collaboration on the Regulation, Enforcement and Monitoring of Groundwater Resources in the Laguna de Bay;
- Additional Conditions in water Permit within LWUA-Water District's Jurisdiction;
- Approval and Adoption of the IWRM Framework Plan;
- Approval and Adoption of Economic Regulatory Guidelines;
- Policies on the Issuance of Conditional Water Permits;

Articulated/Formulated:

- Review of Operational Rule Curve and Formulation of Guidelines and Criteria for the Angat Reservoir Operation;
- Additional Policies on the Processing of Water Permit Application for Golf Courses.

Public dissemination on the newly amended IRR of the Philippine Water Code and Revised NWRB Fees and Charges to NWRB's deputized agencies was also undertaken.

During the period in review, the following activities were continuously pursued:

- a. Monthly review and monitoring of reservoir operations of major dams, particularly Angat, Binga, Ambuklao, Magat and Pantabangan multi-purpose reservoirs in coordination with NIA, NPC, MWSS and other agencies concerned as part of the activities of the Interagency Committee on Water Crisis Management and the Technical Working Group (TWG) of the Board. Rule curves of operation of these reservoirs are monitored regularly to effect equitable allocation and optimum utilization of water. Simulation of Water Allocation for Angat Reservoir is being conducted regularly.
- b. Availability assessment of water resources for specific areas and issuance of Certificates of Water Availability; issuance of Clearances for Memorial Park; and issuance of Clearances as required by PEZA.

A total of *seven* water resources assessments were conducted and total of *six* Certificates of Groundwater Availability, Certificates for PEZA and Certificates of ECC were issued.

Geo-resistivity survey in Muntinlupa City and field investigation/data gathering relative to the proposed groundwater assessment in Tarlac and water resources assessment at Tabla River Basin in Negros Occidental were also conducted.

Data collection activities for the groundwater monitoring (e.g. water level, water quality, discharge measurement for beneficial use, etc.) of priority areas or the highly urbanized and critical areas were also conducted in the province of Iloilo.

- c. Operation of National Water Data Coordination Center (NWDCC) in order to provide a statistical overview of existing water resources data nationwide. Continuous encoding of well data submitted by water rights applicants is being undertaken. Other water resources data are continuously consolidated. Assistance to 36 researchers including NWRB staff was undertaken.
- d. Conduct of Conferences/Workshops/seminars/consultations for various water-related agencies and stakeholders.

- First National Conference on Small Scale Water Service Providers (SSWSPs)
 - Partners' Forum: IWRM Plan Framework
 - Consultative meeting for Refilling Stations

 - Consultative meeting for the Conditions of Water Permit Applications
 - Consultative Workshop for the Creation of a Water Resources Management Council in Tabla River conducted in Himamaylan City, Negros Occidental
- e. Continued active participation in interagency committees as follows:
- a. Provide secretariat services aside from being the chair to the Interagency Committee on Water Crisis Management that monitors the condition of major reservoirs to be able to recommend rational water allocation policies during period of water shortages.
 - b. Sectoral Committee on Infrastructure Development - reviews Infrastructure Program for Water Resources Sector with Regional Development Council, Region IV as lead agency.
 - c. Joint Operation and Maintenance Committee on Flood Forecasting and Warning System for Dam Operation (FFWSDO) - enhances warning capability of management offices of major impounding reservoirs in the country as regard to water releases and general flooding situations with the Philippine Atmospheric, Geophysical and Astronomical Services Administration (PAGASA) as lead agency.
 - d. Sub-Committee on the Framework for the Development of Environmental Statistics for Water Component with National Statistical and Coordination Board as lead agency.
 - e. Environmental Impact Assessment Review Committee – to assist the Environmental Management Bureau (EMB) in the review of Environmental Impact Studies with EMB as lead agency.
- Assistance to EMB in the review of the hydrologic aspect of 3 proposed projects was conducted.
- f. TWG on Water Supply and Sanitation Performance Enhancement Project with the Department of Interior and Local Government (DILG) as lead agency.
 - g. Steering Committee member on Extreme Climatic Events (ECE).
 - h. Technical Working Group on Capacity Development Project on Water Quality Management
 - i. Sub-Committee on Proper Valuation and Pricing of Forest Resources and Financing Sustainable Forest Management
 - j. Watershed Management Forum Organizing Committee

- k. Technical Working Group on Information Networks

- l. Steering Committee for the Study on Nationwide Flood Risk Assessment and Flood Mitigation Plan for the Selected Areas in the Philippines

- m. Technical Working Group on Integrated Water Quality Management Framework

- n. Technical Working Group on IIMS for Application in Managing the Integrated River Basin Databases

- o. Committee on Metro Manila Drinking Water Quality Monitoring

- p. Technical Working Group on the Study on Comprehensive Flood Mitigation for Cavite Low Land

- q. Technical Working Group on Angat Reservoir Operation and Management

- r. Technical Working Group on Philippine National Committee-International Commission on Irrigation and Drainage (PNC-ICID)

- s. Various fora where the roles of NWRB in the water sector are articulated.

Regulation on Water Utilization

The conservation and protection of all water resources by regulating their utilization and allocation based on policies consistent with beneficial use and sustainable development.

In order to achieve optimum utilization of water, the Board regulates water use that covers the following activities:

1. Adjudication of Water Permit Applications

One aspect of water management is the control of the use of water through the permit system. This requires a water user to secure a water permit, a document, which attests to the user's privilege to appropriate and use water.

In determining whether to grant or deny an application, the Board considers, among others, protest filed, if any; prior permits granted; the availability of water; water supply needed for beneficial use; possible adverse effects; land use economics; and other relevant factors.

A total of 944 water permit applications were received. Of this number plus 8,056 applications carried over from previous years, 610 were approved and 8,390 water permit applications are still being processed for approval.

2. Adjudication of Water Use Conflicts

Another important aspect of water use regulation is the resolution of conflicts regarding the use of water. To obtain immediate action on the problem, all

complaints shall be in writing, sworn to by the complainant/protestant and filed with the Board.

During the period, *195* cases were received. Of this number plus *256* cases carried over from the previous years, *139* cases were resolved and *312* cases are still under various stages of investigation.

3. Issuance of Permit to Drill

To prevent land subsidence, well interference and saltwater intrusion problems due to excessive groundwater extraction, no person is allowed to drill any well for the extraction of groundwater or to make any alteration to any existing well without first securing permit from the Board.

The Board granted a total of *216* permits to drill (PTD) during the period.

4. Application for the amendment of approved discharge

To allow the beneficial use and optimum utilization of water, the Board permits amendment in the approved water discharge stipulated in the water permit.

A total of *twelve* applications for amendment of water permit were received and approved by the Board.

5. Ocular inspection on the structures of *955* sources of permittees/grantees for industrial, commercial, municipal/domestic and other purposes. Verification as to beneficial use was conducted and recommendation for water permit cancellation and cease and desist orders were issued to the owners of abandoned or non-operational sources.

6. Inspection/verification of structures and operation of appropriators/users who are non-permittees or non-grantees involving *1394* sources, including those with WPA.

7. Issuance of a total of *78* Well Drillers Registration and Groundwater table, etc.

Regulation of Water Utilities

The protection of consumers and the economic viability of water utilities by determining service standards and targets, tariff levels and schemes, monitoring and measuring company performance, enforcing compliance, and imposing sanctions.

Mandated under Presidential Decree 1206, the Board regulates and controls the operation of public water supply services outside the jurisdiction of MWSS and LWUA/water districts. It sees to it that only qualified persons or entities are authorized to operate and maintain water supply services or otherwise known as “public utilities”.

Operators of public utilities with approved Certificate of Public Convenience (CPC) and/or Certificate of Public Convenience and Necessity (CPCN) are required to provide their consumers with safe, adequate, continuous and dependable water supply services at all times and at reasonable rates.

The Board conducts hearings, ocular inspections/examination/audit of financial accounts and prepares and submits technical reports and financial analysis; synthesizes the evidences and/or supporting applications for water rate increase, inclusion of power cost adjustment clause, transfer or donation of waterworks system facilities; extension of service of the certificate areas; approval of waterworks/utility; re-appraisal and re-evaluation of assets.

Likewise, it is an appellate body tasked to review contested water rates of water districts brought before the Board on Appeal by water concessionaires pursuant to Sec. 63, PD 198, as amended. The Board is authorized and mandated by law to impose and collect annual supervision and regulation fees, annual water charges and other fees. Significant accomplishments are as follows:

1. Adjudication of CPC/CPCN application

For the period in review, the Board received *94* applications for CPC/CPCN. Out of this number plus *45* others carried over from previous years, *22* applications were approved/granted, *seven* were withdrawn by petitioners, *three* were dismissed by the Board and the remaining *107* are still in various stages of hearing.

2. Water rate adjustment

Seven applications for revision of water rates were received in addition to *17* applications carried over from previous years. *Seven* applications were approved/granted, *three* were withdrawn by the applicant, *one* was dismissed by the Board and the remaining *13* are still under various stages of hearing.

3. Renewal of CPC

Nine applications were received for the period in review in addition to *11* applications carried over from previous years. *Three* were approved, *two* were withdrawn by the applicant, *one* was dismissed by the Board and the remaining *14* are still being heard.

4. Renewal of CPC with water rate increase

Four applications received for the period in review plus *two* applications received from previous years are still being heard.

5. Extension of Service

One application received for the period in review in addition to the remaining *four* applications received from previous years. *One* was withdrawn by the petitioner and *one* was dismissed by the Board. A total of *three* applications are still being heard.

6. Extension of Service with increase of water rates

One application was received for this period in addition to *one* application from previous year. *One* application was approved and the remaining *one* application is still being heard.

7. Deed of donation

One application received from previous year is still being heard.

8. Transfer of CPC

Two applications were received for this period in addition to *one* application from previous year. *One* was approved and the remaining *two* are still being heard.

9. Transfer of CPC with increase of water rates

Three applications received from this period in addition to one application from previous year are still being heard.

10. Renewal of CPC & Appraisal of Assets with PCA

One application received from previous year was approved.

11. Complaints/appeal

From the remaining *seven* cases filed from previous years *one* was dismissed and the remaining *six* are still being heard.

12. Power Cost Adjustment

The Board issued *73* Orders granting water utility operators the authority to implement power cost adjustment for the operation of their waterworks system, the same being solely for the recovery of the excess of electric power consumed.

13. Filtration Multiplier

The Board issued 13 Orders granting water utilities operators the authority to implement filtration multiplier for the operation of their waterworks system.

14. Ocular inspection and verification of waterworks operation of 119 CPC grantees and 61 non-CPC grantees. Discharge measurements were undertaken to verify yield capacity of sources and compare findings with water grants and actual operation.
15. Inspection, testing and sealing of 38,860 water meters used by water appropriators in their waterworks system.

IV. Foreign-assisted and Special Projects

Completed Projects

- a. Preparation of National Integrated Water Resources Management and Water Efficiency Plans

The project funded by United Nation Environmental Program (UNEP) aims to develop a National IWRM and Water Efficiency Plans with environmental sustainability aspect as an international commitment to the World Summit on Sustainable Development (WSSD) and as a fundamental step towards achieving the Millennium Development Goal (MDG) target.

After the series of multi-sectoral meetings and workshops, the National IWRM Plan Framework has been developed and approved by the Project Steering Committee through an NWRB Board Resolution. It was finally launched in January 2007.

On-going Projects

- a. Development of Knowledge Management Portal for Water Supply and Sanitation

The project is an internet-based platform/venue to facilitate the exchange and access to valuable information on water supply and sanitation sector as well as to provide building activities to participating agencies through relevant trainings. It is an interactive web page wherein relevant agencies can submit and publish general information on laws/policies, publications, projects, trainings and other information on water supply and sanitation. The project has been implemented through a technical assistance from the German Technical Cooperation (GTZ) under the GTZ Water Program "Towards an Integrated Water Resource Management". It is participated by nine data generating agencies with NWRB as the lead agency.

The KM portal has been developed and was presented to participating agencies. Memorandum of Agreement among agencies was signed in December 2006. Users Training Workshop for the participating agencies was conducted. Web address for the KM Portal has been registered. Meanwhile, series of meetings are currently being conducted to facilitate the web page development with the consultant.

b. Price Policy for Public Goods, Philippines (Study on Raw Water Pricing) (2005-2008)

The study funded by GTZ aims to develop a pilot case for raw water pricing in Bohol and Negros Oriental to test the raw water pricing methodology and perhaps more importantly, the actual administrative procedures for the assessment and collection of the raw water charge needs.

Impact Monitoring System (IMS) of the project for the evaluation of the project and assessment of key result areas as well as the methodology for the computation of initial raw water fee has been developed.

Series of workshop/orientation for stakeholders have been conducted. Preparation of proposed Raw Water Pricing Ordinances in Valencia and Manjuyod in Negros Oriental is currently being undertaken.

c. Economic Valuation of Groundwater in Metro Manila

The project aims to determine pricing policies for groundwater users especially on large scale water users within the coverage of the two Metro Manila concessionaires (MWSI and MWCI). Preparatory works is currently being undertaken.

d. Development of Water Supply Sector Roadmap.

The Roadmap as an instrument that will provide the sector with an action plan that integrates the operational strategies of the major water supply agencies and the LGUs towards implementing their respective strategic roles. One of the objectives of the Roadmap is to harmonize donor investments in the Philippines water supply sector. It will guide the development of the sector and to achieve sector targets articulated in the MTPDP 2004-2010 and the Millennium Development Goals. It also calls for eliminating duplication of efforts and rationalizing donor activities to make them as cost-effective as possible.

This project is jointly implemented by the National Economic and Development Authority (NEDA) and the National Water Resources Board (NWRB), with the technical assistance of the German Agency for Technical Cooperation (GTZ) through its Water and Sanitation Program.

c. AusAID-assisted Human Resource Activity under the Philippine Australian Human Resources Development Facility. This is a human resource development program aims to strengthen the capability of NWRB.

- Training on Knowledge Management

The objective of the program is to establish and maintain an efficient agency-wide knowledge Management System and systematize knowledge sharing with all relevant internal and external stakeholders. The program is composed of four components which started in September 2006.

NWRB intranet system as well as the NWRB Intranet System User's Manual and Intranet-based Water Permit Process User Manual have been developed. The system was launched last January. Computers will soon be installed for every division in NWRB to facilitate data sharing using the developed NWRB intranet system.

- Capacity Building for Effective Social Mobilization

The conduct of training on Capacity Building for Effective Social Mobilization has been completed. Meanwhile, the preparation for the re-entry plan is on the process.

- Long-Term Training on Organizational Development (January–December 2007)

Two of NWRB staff has just concluded the Masteral or Diploma Course in Organizational Development in Australia.