

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Batasan Hills, Quezon City

EIGHTEENTH CONGRESS
First Regular Session



HOUSE RESOLUTION NO. 19

Introduced by
REP. ARLENE D. BROSAS (Gabriela Women's Party),
REPS. CARLOS ISAGANI T. ZARATE, FERDINAND R. GAITE, EUFEMIA C. CULLAMAT (Bayan Muna),
REP. FRANCE L. CASTRO (ACT Teachers Partylist) and REP. SARAH JANE I. ELAGO (Kabataan Partylist)

RESOLUTION
DIRECTING THE APPROPRIATE HOUSE COMMITTEE TO REVIEW THE CONCESSION AGREEMENTS
ENTERED BY METROPOLITAN WATERWORKS AND SEWERAGE SYSTEM (MWSS) WITH WATER
CONCESSIONAIRES MANILA WATER AND MAYNILAD, IN LIGHT OF THE PROLONGED WATER CRISIS
AFFECTING MILLIONS OF FAMILIES IN METRO MANILA

WHEREAS, Section 9 of the 1987 Constitution states that the State "shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all;

WHEREAS, under the National Water Crisis Act (RA 8041), the Metropolitan Waterworks and Sewerage System (MWSS) was given the authority to enter into contracts with the private sector for the provision of water and wastewater services in Metro Manila;

WHEREAS, the MWSS was privatized and its service area divided into East and West Zones, with Manila Water and Maynilad taking over such respectively through a 25-year concession agreement signed in 1997;

WHEREAS, the succeeding decades witnessed the drastic increase in the water rates of the two concessionaires: Manila Water's rate surged from P4.02 per cubic meter in 1997 to P34.65 per cubic meter in 2017 or a 762 % increase , while Maynilad's rate went up from P7.21 per cubic meter to P46.75 per cubic meter in 2017 or a 548% increase;

WHEREAS, the concession agreement authorized Maynilad and Manila Water to collect increases in the connection charges and in water rates based on the rate rebasing scheme, foreign currency differential adjustment (FCDA), adjustments in the Consumer Price Index (CPI), and other factors that are way beyond the control of ordinary consumers;

WHEREAS, the water service of Maynilad and Manila Water have remained dismal and inefficient through the years despite the massive increase in water rates;

WHEREAS, more than 1 million families serviced by Manila Water in the East Zone experienced a severe water crisis in March 2019, with many suffering from zero water supply for more than a week while others struggled with daily water service interruptions lasting for around 12 hours;


WHEREAS, the water crisis even worsened in June 2019, now with West Zone customers serviced by Maynilad and nearby provinces also experiencing water supply interruptions allegedly due to the below-critical water level in Angat Dam;

WHEREAS, the concession agreement provides private concessionaires a cloak of impunity for failed water supply service under an Event of Force Majeure, which upon determination and confirmation of the MWSS absolves them from the obligations stipulated in the agreement;

WHEREAS, in order to ensure that the consumers will enjoy improved water services, the government should take full control and responsibility over utilizing and developing water resources and over the efficient distribution of clean water supply to households;

NOW THEREFORE, BE IT RESOLVED, that the appropriate House committee conduct a comprehensive review of the concessionaire agreement between MWSS and private firms Maynilad and Manila Water, with the end view of reversing the privatization of water services in Metro Manila.

Adopted,


ARLENE D. BROSAS
Gabriela Women's Party

CARLOS ISAGANI T. ZARATE
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