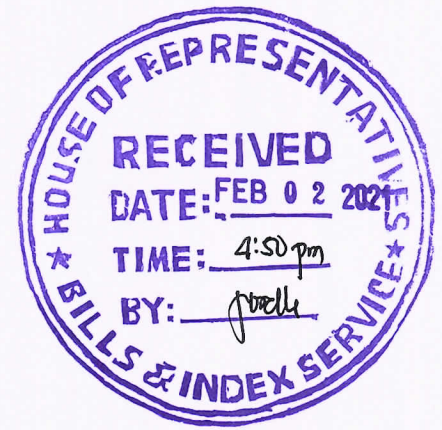


Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City, Metro Manila

Eighteenth Congress
Second Regular Session

HOUSE BILL NO. 8611



Introduced by **Hon. Cyrille “BENG” F. Abueg-Zaldivar**

EXPLANATORY NOTE

Water is a most valuable natural resource essential for the sustenance of everyday human life. Earth is 71% water. The Philippines is an archipelago surrounded, connected, and teeming with different bodies of water. This notwithstanding, we are urged to act on the water crisis affecting our country.

As early as 2007, a DENR official warned that a shortage of water for domestic, agricultural and industrial uses would likely be felt in the succeeding years, becoming severe by 2025, if conservation measures are not put in place.

In 2015, another news report stated that every single major city in the Philippines is expected to face some form of water shortage by 2025, citing a study funded by the US Agency for International Development (USAID).

In 2016, Manila Times reported that an Asian Water Development Outlook study said the Philippines like countries in the region had generally made significant gains in improving water security. However, the same study also found that despite this improvement the region is a global hotspot for water insecurity.

In 2017, trouble for Pampanga’s groundwater was reported. Decades of indiscriminate domestic, agricultural, and industrial use of groundwater resources have led to a significant decline in the quality of ground water sources not just in Pampanga but in the whole of Central Luzon.

The University of the Philippine National Institute of Geological Sciences has reported that land, which include entire towns, in Pampanga and Bulacan are sinking due to over-extraction of groundwater and these areas are sinking at a rate of five centimeters annually. While Central Luzon was named among the regions identified by the Philippine Environment Monitor and the Environmental Management Bureau with unsatisfactory ratings for water quality.

Similarly, a study by the De La Salle University School of Economics said that several cities are likely to suffer water shortage by 2025 due to their growing population. These include Metro Cebu, Zamboanga City, Davao City, Bacolod City, Cagayan De Oro City, and Baguio City. Almost the same projections were made in a separate study

funded by the National Water Resources Board (NWRB) and undertaken by the University of the Philippines Los Baños in 2017. By 2025, extreme water shortage is expected to occur in four regions including Central Luzon, Southern Luzon, Cagayan Valley, and Bicol, based on the study.

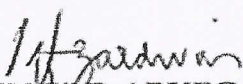
According to the group Movement for Water Security, water demands in the Philippines is estimated to increase by 40 percent in 2030. Just last year, Metro Manila and Rizal suffered what a Rappler article called the “worst water fiasco in recent history.”

There are a multitude of factors contributing to the Philippine water crisis. According to experts, they include overpopulation, over extraction, degradation of watersheds, “a lack of water allocation formula” and weak regulations on water use. With these slew of factors, one thing is clear, it is time to take a proactive stance toward the conservation and efficient use of our water. This is the objective of the present proposal, to alleviate the water crisis through the active participation of consumers with the installation and use of graywater reuse systems.

Gray water reuse is not a novel concept. It is as simple as collecting used water from washing dishes and reusing it to water garden plants. As early as the 1980’s, some jurisdictions have implemented safety regulations and laws protecting and encouraging the use of gray water systems. With this bill, we aim not only to make monetary savings for the cost of water but also to protect Mother Earth from whom all the natural and free-flowing gifts spring.

We recognize the vital role that science and technology plays in our movement towards water security. We want to encourage our inventors and scientists in creating more tools towards safeguarding our environment and securing a better quality of life for our people.

For all the foregoing reasons, the approval of this bill is earnestly recommended.


CYRILLE “BENG” F. ABUEG-ZALDIVAR
Representative, 2nd District of Palawan

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HOUSE OF REPRESENTATIVES
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HOUSE BILL NO. 8611

Introduced by **Hon. Cyrille “BENG” F. Abueg-Zaldivar**

AN ACT
MANDATING THE INSTALLATION AND USE OF GRAY WATER
TREATMENT SYSTEMS/FACILITIES IN BUILDINGS AND IMPOSING
PENALTIES FOR VIOLATION THEREOF

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

1 **Section 1. Short Title.** — This Act shall be known as “*The Gray Water Treatment and*
2 *Reuse Act of 2021.*”

3
4 **Section 2. Declaration of Policy.** — It is hereby declared the policy of the State to
5 conserve, to the fullest extent possible, its water resources, by proactively promoting
6 the utilization of alternative sources of water. In line with this, the State shall ensure
7 that all buildings within its territory are properly equipped with treatment facilities or
8 systems that will enable them to efficiently maximize the use of the water sources at
9 their disposal.

10
11 **Section 3. Definition of Terms.** — As used in this Act, the following terms shall mean:

- 12 a. Gray water – wastewater which, though not potable, is understood as not
13 pathologically infectious and is not contaminated with fecal matter, which may
14 be used for watering plants, laundry, flushing toilets, cleaning, and other uses not
15 related to human consumption;
- 16 b. Gray water treatment system – any appliance, equipment, or combination
17 thereof designed to remove pathogens from gray water and render the same
18 suitable for reuse on-site in toilets, urinals, or subterranean irrigation systems;
- 19 c. Blackwater – wastewater that has been contaminated with fecal matter; and
- 20 d. Building- any structure built for the support, shelter, or enclosure of persons,
21 animals, chattels, or property of any kind.
- 22

1 **Section 4. *Installation of Gray Water Treatment Systems in All Buildings.*** — Within
2 one (1) year from the effectivity of this Act, every owner of a building with a floor
3 area of more than thirty thousand (30,000) square meters or with potential non-
4 potable water demand of higher than one hundred (100) cubic meters per day shall
5 install therein a *gray water treatment system* with sufficient capacity to treat all gray
6 water produced in the said building.

7
8 Upon request by an owner of a building with a floor area of not exceeding thirty
9 thousand (30,000) square meters floor area or potential non-potable water demand
10 not exceeding one hundred (100) cubic meters per day, the water utility servicing
11 such building shall install therein a gray water treatment system with a capacity
12 sufficient to treat all of the gray water produced in the said building.

13
14 The costs of the system and its installation shall be borne by the owner of the building
15 and, at the option of the building owner, may be repaid in installments to be included
16 in the monthly bill; *Provided* that each installment shall not exceed more than ten
17 percent (10%) of the monthly bill.

18
19 **Section 5. *Tax incentives*** — The fiscal incentives provided under Section 26 of Republic
20 Act No. 9275 (R.A. No 9275), otherwise known as the Philippine Clean Water Act of
21 2004, shall similarly apply to any undertaking, development and/or adoption of water
22 recycling and reuse projects, technologies, processes, techniques or activities by private
23 entities and individuals. These include the following:

24
25 1) ***Tax and Duty Exemption on Imported Capital Equipment*** — Private entities and
26 individuals shall enjoy tax-and-duty-free importation of machinery, equipment
27 and spare parts used for gray water recycling and reuse: *Provided*, that the
28 importation of such machinery, equipment and spare parts shall comply with the
29 following conditions:

- 30 a) They are not manufactured domestically in sufficient quantity, of
31 comparable quantity and at reasonable prices.
32 b) They are reasonably needed and will be used actually, directly, and
33 exclusively for water recycling; and
34 c) The importation is with the written endorsement of the Department of
35 Natural Resources (“DENR”) stating that the importation of such
36 machinery, equipment, and spare parts would be beneficial to the
37 environmental protection and management: *Provided*, further, That the
38 sale, transfer, or disposition of such machinery, equipment and spare parts
39 would be beneficial to environmental protection and management:
40 *Provided*, further, That the sale, transfer, or disposition of such

1 machinery, equipment and spare parts without prior approval of the
2 Bureau of Investments (“BOI”) within five (5) years from the date of
3 acquisition shall be prohibited, otherwise the private entity or individual
4 and concerned vendee, transferee or assignee shall be solidarily liable to
5 pay twice the amount of tax and duty exemption given it.
6

7 2) *Tax Credit on Domestic Capital Equipment* – A tax credit equivalent to one
8 hundred (100%) of the value of the national internal revenue taxes and customs
9 duties that would have been waived on the machinery, equipment, and spare
10 parts, had these items been imported shall be given to private entities and
11 individuals, subject to the same conditions and prohibition cited in the preceding
12 paragraph.
13

14 3) *Tax and Duty Exemption of Donations, Legacies and Gifts* – All legacies, gifts,
15 and donations to private entities and individuals for the support and maintenance
16 of water recycling and reuse projects, technologies, processes and techniques or
17 activities shall be exempt from donor’s tax and shall be deductible from the gross
18 income of the donor for income tax purposes. Imported articles donated to, or
19 for the account of any private entities and individuals to be donated to, or for the
20 account of any private entities and individuals to be exclusively used for water
21 recycling and reuse programs shall be exempted from the payment of customs
22 duties and applicable internal revenue taxes.
23

24 **Section 6. Rewards.** — The rewards provided under Section 25 of R.A. No 9275, shall
25 likewise apply to outstanding and innovative projects, technologies, processes and
26 techniques or activities in water recycling and reuse. Accordingly, rewards, monetary
27 and otherwise shall also be provided to individuals, private organization and entities
28 including, civil society that have undertaken outstanding and innovative projects,
29 technologies, processes and techniques or activities in water recycling and reuse.
30

31 **Section 7. Inclusion of a Gray Water System in Building Plans and Specifications.** —
32 Upon effectivity of this Act, no building with a floor area of more than thirty thousand
33 (30,000) square meters or with potential non-potable water demand higher than one
34 hundred (100) cubic meters per day shall be permitted for construction unless the plans
35 and specifications therefor provide for a gray water system with a capacity sufficient to
36 treat all gray water produced in the contemplated building. Should the completed
37 building fail to comply with such plans and specifications, the same shall not be
38 permitted for occupancy and/or operation.
39

1 **Section 8. *Reuse of Gray Water.*** — Treated gray water shall not be reused for human
2 consumption or for any purpose other than on-site in toilets, urinals, and subterranean
3 irrigation.

4
5 **Section 9. *Storage and Commingling with Other Water Sources-*** Gray water, whether
6 treated or untreated shall not be commingled with potable sources of water fit for human
7 consumption. For entities who collect rainwater, only treated gray water may be
8 commingled with such rainwater subject to rules and regulations of appropriate
9 government agencies.

10
11 **Section 10. *Penal Provisions.*** — The penalty of six (6) months and one (1) day to one
12 (1) year imprisonment; a fine of not less than fifty thousand pesos (Php 50,000.00), but
13 not more than one hundred thousand pesos (Php 100,000.00); or both, at the discretion
14 of the court, shall be imposed upon:

- 15
16 a. Any owner of a building who fails to install a gray water system, as provided for
17 under the first paragraph of Section 4 of this Act. In case the owner is a
18 partnership or a corporation, the penalty shall be imposed upon the responsible
19 partners or members of the board;
20
21 b. The proprietor, responsible partners, or responsible members of the board of water
22 utilities which shall refuse to install a gray water system, as provided for under
23 the second paragraph of Section 4 of this Act;
24 c. Any government officer or employee who shall permit the building or
25 occupancy of any building in violation of Section 5 of this Act; and
26 d. Any person who stores and reuses gray water in violation of Sections 6 and 7
27 of this Act.

28
29 **Section 11. *Implementing Rules and Regulations.*** — Within sixty (60) days from the
30 promulgation of this Act, the necessary rules and regulations for the proper
31 implementation of its provisions shall be formulated by the appropriate government
32 office or agency in coordination with all the stakeholders and covered establishments
33 and institutions.

34
35 **Section 12. *Separability Clause.*** — If any provision of this Act is declared invalid or
36 unconstitutional, the other provisions hereof which are not affected thereby shall
37 continue to be in full force and effect.

1 **Section 13. *Repealing Clause.*** — Any law, rule, and regulation or portion thereof
2 contrary to or inconsistent with any provision of this Act is hereby repealed or
3 modified accordingly.

4
5 **Section 14. *Effectivity.*** — This Act shall take effect upon completion of its
6 publication in the *Official Gazette* or in at least two (2) newspapers of general
7 circulation.

8
9 *Approved,*