



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session



COMMITTEE REPORT NO. 47

Submitted by the Committees on Public Works and Highways, Government Reorganization, Ways and Means, and Appropriations on **December 10, 2025**

Re: House Bill No. **6789**

Recommending its approval in substitution of House Bills Numbered 194, 247, 589, 679, 722, 811, 1019, 1060, 1189, 1233, 1252, 1499, 1557, 1685, 2216, 2424, 2531, 2684, 2746, 2859, 3022, 3144, 3247, 3360, 3424, 3479, 4123, 4162, 4526, 4545, 4690, 4854, 5831, 6047, 6293, 6354, and 6479.

Sponsors: Representatives Romeo S. Momo Sr., Salvador A. Pleyto, Atty. Miro S. Quimbo, Mikaela Angela B. Suansing, and Jonathan Keith T. Flores

Mr. Speaker:

The Committees on Public Works and Highways, Government Reorganization, Ways and Means, and Appropriations to which were referred:

House Bill No. 194, introduced by Representative Edvic G. Yap, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 247, introduced by Representative Robert Nazal, entitled:

“AN ACT RATIONALIZING THE RESOURCE MANAGEMENT OF THE WATER SECTOR, CREATING THE DEPARTMENT OF WATER, IRRIGATION, SEWAGE, AND SANITATION, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 589, introduced by Representative Jaime R. Fresnedi, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 679, introduced by Representatives Lani Mercado-Revilla, Bryan B. Revilla, and Ramon Jolo B. Revilla III, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 722, introduced by Representative Jonathan Keith T. Flores, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 811, introduced by Representative Lordan G. Suan, entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER RESOURCES, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 1019, introduced by Representative Ferdinand “B1” L. Beltran, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 1060, introduced by Representative Gloria Macapagal-Arroyo, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSE”;

House Bill No. 1189, introduced by Representative Brian Poe, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 1233, introduced by Representative Jefferson F. Khonghun, entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER RESOURCES DEFINING ITS POWER AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 1252, introduced by Representative Marcelino “Marcy” R. Teodoro, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 1499, introduced by Representatives Rufus B. Rodriguez and Maximo B. Rodriguez Jr., entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 1557, introduced by Representatives Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, and Terry L. Ridon, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 1685, introduced by Representative Keith Micah “Atty. Mike” D.L. Tan, entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER, IRRIGATION, SEWAGE AND SANITATION RESOURCE MANAGEMENT, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 2216, introduced by Representative Ryan S. Recto, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES”;

House Bill No. 2424, introduced by Representative Carmelo G. Lazatin Jr., entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER RESOURCES, DEFINING ITS POWERS AND FUNCTIONS”;

House Bill No. 2531, introduced by Representative Audrey Kay T. Zubiri, entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER RESOURCES, DEFINING ITS POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR”;

House Bill No. 2684, introduced by Representative Jaime Eduardo D. Marc Cojuangco, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 2746, introduced by Representative Julius Cesar “Jay” V. Vergara, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 2859, introduced by Representative Eric Go Yap, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 3022, introduced by Representative Binky April M. Tupas, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 3144, introduced by Representative Linabelle Ruth R. Villarica, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE “MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 3247, introduced by Representative Eric L. Olivarez, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 3360, introduced by Representative Laarni Lavin Roque, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 3424, introduced by Representative Salvador A. Pleyto, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 3479, introduced by Representative Adrian E. Salceda, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 4123, introduced by Representative Jan “Atty. JP” Padiernos, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 4162, introduced by Representative Eduardo “Bro. Eddie” C. Villanueva, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 4526, introduced by Representative Iris Marie Demesa Montes, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 4545, introduced by Representative Marlyn L. Primicias-Agabas, entitled:

“AN ACT CREATING A NATIONAL FRAMEWORK FOR INTEGRATED WATER RESOURCE MANAGEMENT, CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 4690, introduced by Representatives Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, and Jude A. Acidre, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 4854, introduced by Representative Jesus “Jess” R. Marquez, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 5831, introduced by Representative Agatha Paula Aguilar Cruz, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER

REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”;

House Bill No. 6047, introduced by Representative Christopherson “Coco” M. Yap, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 6293, introduced by Representative Joseph “Jojo” L. Lara, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES, POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”;

House Bill No. 6354, introduced by Representatives Jocelyn P. Tulfo and Ralph Wendel P. Tulfo, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATE, POWERS AND FUNCTIONS, APPROPRIATING FUNDS THEREFOR, AND FOR OTHER PURPOSES”; and

House Bill No. 6479, introduced by Representative Elisa “Olga” T. Kho, entitled:

“AN ACT CREATING THE DEPARTMENT OF WATER RESOURCES MANAGEMENT, DEFINING ITS POWERS AND FUNCTIONS, AND FOR OTHER PURPOSES”

have considered the same and recommend that the attached House Bill No. **6789**, entitled:

“AN ACT ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER RESOURCE MANAGEMENT AND CREATING THE DEPARTMENT OF WATER RESOURCES AND THE WATER REGULATORY COMMISSION, DEFINING THEIR MANDATES,

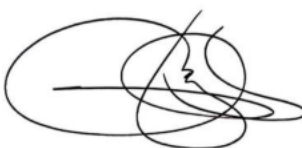
POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS THEREFOR”

be approved in substitution of House Bills Numbered 194, 247, 589, 679, 722, 811, 1019, 1060, 1189, 1233, 1252, 1499, 1557, 1685, 2216, 2424, 2531, 2684, 2746, 2859, 3022, 3144, 3247, 3360, 3424, 3479, 4123, 4162, 4526, 4545, 4690, 4854, 5831, 6047, 6293, 6354, and 6479 with Representatives Edvic G. Yap, Robert Nazal, Jaime R. Fresnedi, Lani Mercado-Revilla, Bryan B. Revilla, Ramon Jolo B. Revilla III, Jonathan Keith T. Flores, Lordan G. Suan, Ferdinand “B1” L. Beltran, Gloria Macapagal-Arroyo, Brian Poe, Jefferson F. Khonghun, Marcelino “Marcy” R. Teodoro, Rufus B. Rodriguez, Maximo B. Rodriguez Jr., Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, Terry L. Ridon, Keith Micah “Atty. Mike” D.L. Tan, Ryan S. Recto, Carmelo G. Lazatin Jr., Audrey Kay T. Zubiri, Jaime Eduardo D. Marc Cojuangco, Julius Cesar “Jay” V. Vergara, Eric Go Yap, Binky April M. Tupas, Linabelle Ruth R. Villarica, Eric L. Olivarez, Laarni Lavin Roque, Salvador A. Pleyto, Adrian E. Salceda, Jan “Atty. JP” Padiernos, Eduardo “Bro. Eddie” C. Villanueva, Iris Marie Demesa Montes, Marlyn L. Primicias-Agabas, Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, Jude A. Acidre, Jesus “Jess” R. Marquez, Agatha Paula Aguilar Cruz, Christopherson “Coco” M. Yap, Joseph “Jojo” L. Lara, Jocelyn P. Tulfo, Ralph Wendel P. Tulfo, Elisa “Olga” T. Kho, Romeo S. Momo Sr., Atty. Miro S. Quimbo, Mikaela Angela B. Suansing, Karen Hope F. Garcia, Roy M. Loyola, Noel “Bong” N. Rivera, Javier Miguel Lopez Benitez, Maria Cristina C. Angeles, Crispin Diego D. Remulla, Maria Rachel J. Arenas, Jeyzel Victoria C. Yu, Joseph Kim C. Yu, Maria Kristina Jihan B. Glepa, Roger Gaviola Mercado, De Carlo L. Uy, Edwin L. Cruzado, M.D., Richard I. Gomez, DPA, Carlos Andes Loria, Maria Angela S. Garcia, Albert S. Garcia, Mario “Kokoy” O. Salvador, Shirlyn L. Bañas-Nogralles, Dale B. Corvera, Roberto “Pinpin” T. Uy Jr., Sittie Aminah Q. Dimaporo, Antolin A. Oreta III, Mauricio G. Domogan, Reynaldo P. Salvacion, Kenneth T. Gatchalian, Renee Louise M. Co, Jose Manuel Tadeo “Chel” I. Diokno, Gil “Kabarangay Jr.” A. Acosta, Presley C. De Jesus, Jesus “Bong” C. Suntay, Monique Yazmin Maria Q. Lagdameo, Jose C. Alvarez, Charisse Anne C. Hernandez, Ma. Cristina Talavera Lopez, Arthur C. Yap, Atty. Gerville “Jinky Bitrics” R. Luistro, Yevgeny Vincente B. Emano, Kristine Singson-Meehan, Katrina Reiko Chua-Tai, Antonio B. Legarda Jr., Elijah Rumbaoa San Fernando, Ciriaco B. Gato Jr., MD, FPSO-HNS, Joel R. Chua, Antonino B. Roman III, Walfredo “Arman” R. Dimaguila Jr., Loreto S. Amante, JC Rahman A. Nava, MD, Steve Chiongbian Solon, Anna Victoria Veloso-Tuazon, Atty. Jennifer “Karen” A. Lagbas, Bella Vanessa B. Suansing, Niko Raul S.J. Daza, and Zaldy “Jecoy” S. Villa as authors thereof.

Respectfully submitted,



SALVADOR A. PLEYTO
Chairperson
Committee on Government
Reorganization



ROMEO S. MOMO SR.
Chairperson
Committee on Public Works and Highways



ATTY. MIRO S. QUIMBO
Chairperson
Committee on Ways and Means



MIKAELA ANGELA B. SUANSING
Chairperson
Committee on Appropriations

THE HONORABLE SPEAKER
HOUSE OF REPRESENTATIVES
QUEZON CITY



Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

HOUSE BILL NO. 6789

(In substitution of House Bills Numbered 194, 247, 589, 679, 722, 811, 1019, 1060, 1189, 1233, 1252, 1499, 1557, 1685, 2216, 2424, 2531, 2684, 2746, 2859, 3022, 3144, 3247, 3360, 3424, 3479, 4123, 4162, 4526, 4545, 4690, 4854, 5831, 6047, 6293, 6354, and 6479)

Introduced by Representatives Edvic G. Yap, Robert Nazal, Jaime R. Fresnedi, Lani Mercado-Revilla, Bryan B. Revilla, Ramon Jolo B. Revilla III, Jonathan Keith T. Flores, Lordan G. Suan, Ferdinand “B1” L. Beltran, Gloria Macapagal-Arroyo, Brian Poe, Jefferson F. Khonghun, Marcelino “Marcy” R. Teodoro, Rufus B. Rodriguez, Maximo B. Rodriguez Jr., Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, Terry L. Ridon, Keith Micah “Atty. Mike” D.L. Tan, Ryan S. Recto, Carmelo G. Lazatin Jr., Audrey Kay T. Zubiri, Jaime Eduardo D. Marc Cojuangco, Julius Cesar “Jay” V. Vergara, Eric Go Yap, Binky April M. Tupas, Linabelle Ruth R. Villarica, Eric L. Olivarez, Laarni Lavin Roque, Salvador A. Pleyto, Adrian E. Salceda, Jan “Atty. JP” Padiernos, Eduardo “Bro. Eddie” C. Villanueva, Iris Marie Demesa Montes, Marlyn L. Primicias-Agabas, Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, Jude A. Acidre, Jesus “Jess” R. Marquez, Agatha Paula Aguilar Cruz, Christopherson “Coco” M. Yap, Joseph “Jojo” L. Lara, Jocelyn P. Tulfo, Ralph Wendel P. Tulfo, Elisa “Olga” T. Kho, Romeo S. Momo Sr., Atty. Miro S. Quimbo, Mikaela Angela B. Suansing, Karen Hope F. Garcia, Roy M. Loyola, Noel “Bong” N. Rivera, Javier Miguel Lopez Benitez, Maria Cristina C. Angeles, Crispin Diego D. Remulla, Maria Rachel J. Arenas, Jeyzel Victoria C. Yu, Joseph Kim C. Yu, Maria Kristina Jihan B. Glepa, Roger Gaviola Mercado, De Carlo L. Uy, Edwin L. Cruzado, M.D., Richard I. Gomez, DPA, Carlos Andes Loria, Maria Angela S. Garcia, Albert S. Garcia, Mario “Kokoy” O. Salvador, Shirlyn L. Bañas-Nogales, Dale B. Corvera, Roberto “Pinpin” T. Uy Jr., Sittie Aminah Q. Dimaporo, Antolin A. Oreta III, Mauricio G. Domogan, Reynaldo P. Salvacion, Kenneth T. Gatchalian, Renee Louise M. Co, Jose Manuel Tadeo “Chel” I. Diokno, Gil “Kabarangay Jr.” A. Acosta, Presley C. De Jesus, Jesus “Bong” C. Suntay, Monique Yazmin Maria Q. Lagdameo, Jose C. Alvarez, Charisse Anne C. Hernandez, Ma. Cristina Talavera Lopez, Arthur C. Yap, Atty. Gerville “Jinky Bitrics” R. Luistro, Yevgeny Vincente B. Emano, Kristine Singson-Meehan, Katrina Reiko Chua-Tai, Antonio B. Legarda Jr., Elijah Rumbaoa San Fernando, Ciriaco B. Gato Jr., MD, FPSO-HNS, Joel R. Chua, Antonino B. Roman III, Walfredo “Arman”

R. Dimaguila Jr., Loreto S. Amante, JC Rahman A. Nava, MD, Steve Chiongbian Solon, Anna Victoria Veloso-Tuazon, Atty. Jennifer "Karen" A. Lagbas, Bella Vanessa B. Suansing, Niko Raul S.J. Daza, and Zaldy "Jecoy" S. Villa

AN ACT
ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER
RESOURCE MANAGEMENT AND CREATING THE
DEPARTMENT OF WATER RESOURCES AND THE WATER
REGULATORY COMMISSION, DEFINING THEIR MANDATES,
POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS
THEREFOR

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

CHAPTER I

GENERAL PROVISIONS

SECTION 1. *Short Title.* – This Act shall be known as the "National Water Resources Management Act".

SEC. 2. *Declaration of Policy.* – Access to water is a basic human right. All water belongs to the State which shall govern its development and utilization for the people.

It is hereby declared the policy of the State to ensure the provision of safe, adequate, affordable, and sustainable water supply and improved sanitation services, while maintaining the protection, preservation, and revival of the quality of the country's water resources and ecological balance.

In pursuit of this policy, this Act shall have the principal objective of ensuring and accelerating universal access to water supply and sanitation services, in a regulatory regime that encourages responsible private sector participation and shall foster and prioritize the establishment of infrastructure and public works that adopt innovative solutions and international best practices to address the challenges of climate change. Further, all water and water treatment infrastructure projects are hereby declared as projects imbued with national interest.

SEC. 3. *Definition of Terms.* – As used in this Act:

1 (a) **Bulk water supplier** refers to any entity, natural or juridical,
2 whether public or private, supplying or intending to supply large quantities of
3 raw or treated water to buyers for their own consumption, such as industrial
4 companies, or for retail distribution to consumers such as water service providers
5 or real estate developers managing their own distribution network.

6 (b) **Flood control** refers to methods, acts, and protocols to be observed
7 in order to prevent and reduce the detrimental and catastrophic effects of flood
8 waters which include sediment-laden or turbid flows, and hyper-concentrated
9 flows or debris flows.

10 (c) **Flood Risk Management (FRM)** refers to acts of defining and
11 determining the appropriate methods, acts, and protocols aimed at preventing
12 and reducing the risk of loss of both life and property due to flood waters. Flood
13 risk management consists of a cycle of prevention, mitigation, adaptation,
14 preparedness, and early warning, and response and recovery. The elements of
15 FRM include: integrating land-use planning and coastal zone management into
16 water management; adopting a holistic approach so that FRM is part of wider
17 risk or multi-hazard management of earthquakes, landslides, droughts, and
18 storm surges; managing risk and uncertainty as a whole so it not only mitigates
19 hydrological uncertainties but also social, economic and political uncertainties on
20 account of human behavior and the cultural dimensions of FRM.

21 (d) **Gender equality** refers to the principle asserting the equality of men
22 and women and their right to enjoy equal conditions realizing their full human-
23 potentials to contribute to and benefit from the results of development, and with
24 the State recognizing that all human beings are free and equal in dignity and
25 rights.

26 (e) **Infrastructure and public works** refer only to wholly or primarily
27 water-related projects and does not include projects that do not fall within the
28 purview of the objectives, power, and duties of the Department of Water
29 Resources created under this Act.

30 (f) **Integrated Water Resource Management (IWRM)** refers to a
31 systematic, collaborative, and multi-stakeholder process which promotes the
32 coordinated development and management of water, land, and related resources

1 within geophysical boundaries in order to maximize the resultant economic and
2 social welfare in an equitable manner, and without compromising the
3 sustainability of vital ecosystems.

4 (g) **License** refers to the Water Supply or Sanitation Services Operating
5 License that the Water Regulatory Commission is authorized to grant and issue
6 to service providers.

7 (h) **Licensee** refers to a service provider to whom a license is granted or
8 issued by the Water Regulatory Commission.

9 (i) **National Water Resources Management Plan (NWRMP)** refers
10 to a policy document that contains a framework to guide the development and
11 management of all the water resources in the Philippines, the general strategies
12 and work to be pursued to ensure the sustainability of the resource towards
13 water security, and top-level direction on the utilization of existing water
14 resources in line with national development plans, policies, and programs in
15 accordance with the IWRM framework. The NWRMP shall also include a water
16 infrastructure development program or all waters of the country as well as
17 provide general guidance on how this shall be supported within an integrated
18 financing framework that can draw from public, private, and international
19 development funding sources.

20 (j) **Net Waste Load** refers to the difference of the initial waste load of
21 the abstracted water and the waste load of the final effluent discharge of an
22 industry.

23 (k) **River basin** refers to an area of land drained by a stream or body of
24 fixed water and its tributaries which have a common outlet for surface run-off.

25 (l) **River Basin Organization (RBO)** refers to a multi-stakeholder
26 organization which plans, coordinates, and monitors activities within a river
27 basin cluster.

28 (m) **Sanitation** refers to the provision of facilities and services for the
29 safe management of human excreta and wastewater, from collection to
30 containment, and storage and treatment onsite or conveyance, treatment and
31 eventual safe end use or disposal, and includes the safe management of solid
32 waste and animal waste.

(n) **Sediment management** refers to control of sediment erosion and deposition in rivers, reservoirs, and coastal zones through non-structural and structural measures and control works.

(o) **Septage** refers to the liquid and solid material pumped from a septic tank, cesspool, or other primary treatment source.

(p) **Septage management** refers to the provision of proper collection, treatment, and disposal of septage.

(q) **Service area** refers to the area covered by the water distribution system, sewerage or septage management services.

(r) **Sewage** refers to water borne human or animal wastes, excluding oil or oil waste, removed from residences, buildings, institutions, and industrial and commercial establishments together with such groundwater, surface water and storm water as may be present including such waste from vessels, offshore structures, other receptacles intended to receive or retain waste or other places or the combination thereof.

(s) **Sewerage** refers to any system or network of pipelines, ditches, channels or conduits including pumping stations, lift stations and force mains, service connections including other infrastructure, devices, or appliances appurtenant thereto, which include the collection, transport, pumping and treatment of sewage to a point of disposal.

(t) **Social inclusion** refers to the process of improving the terms for marginalized and disadvantaged individuals, indigenous peoples, and similar groups to take part in society.

(u) **Tariffs** refer to amounts which may be charged by licensees for their water supply and sanitation services based on principles, standards, and guidelines established by the Water Regulatory Commission.

(v) **Water Demand Management** refers to any method, whether technical, economic, administrative, financial, or social, that will accomplish one or more of the following:

- (1) Reduce the quantity or quality of water required to accomplish a specific task;

- 1 (2) Adjust the nature of the task or the way it is undertaken so that it
2 can be accomplished with less water or with lower quality water;
3 (3) Reduce the loss in quantity or quality of water as it flows from
4 source, through use, to disposal;
5 (4) Shift the timing of use from peak to off-peak periods; and
6 (5) Increase the ability of the water system to continue to serve society
7 during times when water is in short supply.

8 (w) **Water Districts** refer to government-owned and controlled
9 corporations, organized under Presidential Decree (P.D.) No. 198, series of 1973,
10 as amended, or the “Local Water Utilities Administration Law”, created
11 primarily to acquire, install, operate, maintain, and improve water supply and
12 distribution systems for domestic, industrial and municipal uses of residents and
13 to provide, maintain and operate waste water collection, treatment and disposal
14 facilities within the boundaries of the district.

15 (x) **Water pollution** refers to any alteration of the physical, chemical,
16 biological, or radiological properties of a body of water resulting in the
17 impairment of its purity or quality.

18 (y) **Water resource** refers to water under the ground or groundwater,
19 water above the ground such as surface water, run-offs, floods, storm water and
20 urban drainage, treated wastewater, water in the atmosphere or rainwater, and
21 the waters of the sea within the territorial jurisdiction of the Philippines.

22 (z) **Water resource allocation** is the process of sharing limited water
23 resources between competing users. This consists of (i) determining water
24 availability, and (ii) determining how the water should be shared among
25 competing users. For the purposes of this Act, resource allocation shall also mean
26 water resources allocation.

27 (aa) **Water resources regions** refer to the contiguous clusters of river
28 basins which are grouped together according to the hydrological boundaries,
29 physiographic features, and homogeneity in climate, whether or not they
30 straddle different local government units (LGUs), for administrative purposes
31 under the Department of Water Resources.

(bb) **Water Service Provider (WSP)** refers to the water district, any LGU-run water utility, Barangay Waterworks and Sanitation Association, Rural Waterworks Sanitation Association, cooperatives engaged in water service provision, or private sector entity that provides water supply services to any given area.

(cc) **Water supply service** refers to any activity comprising Levels I, II and III water supply including bulk suppliers, suppliers to subdivisions, and other water service providers (WSPs).

CHAPTER II

THE DEPARTMENT OF WATER RESOURCES

SEC. 4. *The Department of Water Resources.* – There is hereby created and established the Department of Water Resources, hereinafter referred to as the Department.

SEC. 5. *Mandate of the Department.* – The Department shall be the primary agency responsible for the comprehensive and integrated identification and mapping of all water resources, planning, policy formulation, and management of the ownership, appropriation, utilization, exploitation, development, and protection of water resources in the Philippines to ensure the optimal use thereof for domestic and municipal water supply, sanitation, irrigation, hydropower, industry, navigation, flood management, and recreation, and water utilization aspects of fisheries or aquaculture.

The Department shall also be the primary agency responsible for the planning and policy formulation towards the attainment of universal access to safe, adequate, affordable, and sustainable water supply, and improved sanitation services for all Filipinos.

The Department shall be the primary national agency to enforce PD 1067, series of 1976, instituting “The Water Code of the Philippines”.

In the implementation of Republic Act (RA) No. 9275, or the “Philippine Clean Water Act of 2004”, the Department shall be responsible for preparing, formulating and implementing a five-year plan of action for a national and a regional septage management plan, which shall contain measures for the construction of waste water treatment facilities and provision, installation,

operation and maintenance and, where practicable, the integration of sewerage, septage management, storm water management and other sanitation facilities. Compliance with the mandate to implement septage management services arid systems by any WSP pursuant to RA 9275 shall be reckoned within five (5) years from the date of promulgation or publication of the septage management plan formulated by the Department.

SEC. 6. Guiding Principles. – In the pursuit of its mandate, the Department shall be guided by the following key principles:

- (a) The concept of good water governance for water security and sufficiency shall be adopted across all levels of governance by stakeholders such as the national government, LGUs, non-government organizations, private organizations, individuals, global societal actors, and in various sectors such as water supply, irrigation, fisheries, hydropower, navigation, ecosystem services, climate change, and recreation. It shall entail publicly transparent, socially accountable, and multi-stakeholder participatory water policy planning, management, and decision-making processes;
- (b) Access to safe water supply and improved sanitation is a human right that needs to be fulfilled and protected;
- (c) IWRM shall be adopted as the basic framework which is the coordinated development and management of water, land, and related resources within hydrological boundaries to optimize economic and social welfare without compromising the sustainability of vital ecosystems. The IWRM Framework shall include an enabling environment that utilizes proper policies, legal instruments, and institutional frameworks for effective implementation, participatory and collaborative water policy and management decisions, and management instruments for efficient use of updated and accurate data, science-based decision support systems, proper information, education, communication programs, assessment and allocation tools, or regulatory functions. It shall observe the mutual accountability mechanism among stakeholders

1 at the national, regional, and global levels reinforcing multi-
2 stakeholder decision-making following a framework with specific,
3 measurable, attainable, relevant, and timely actions;

4 (d) Each river basin has its unique characteristics relating to the
5 physical, sociocultural, and other aspects, and water management
6 shall be performed at river-basin level, involving all the
7 stakeholders at that particular river basin;

8 (e) Integrated and accurate data collection and analysis and the use of
9 scientific decision support systems shall be undertaken in water
10 resources management including flood modeling and warning
11 systems that are essential for an effective, efficient, and sustainable
12 water resources management system;

13 (f) The State shall prioritize the development of surface water to
14 ensure adequate and reliable supply of water: *Provided*, That the
15 development of water resources shall include strategies for the
16 mitigation of water-related hazards and climate change adaptation;

17 (g) Water resources and services should be provided where they are
18 intended and most needed so that water is fairly and sustainably
19 managed;

20 (h) The proper operation and maintenance of waterworks systems
21 resulting in the uninterrupted and adequate supply and
22 distribution of potable water for domestic and other purposes, and
23 the proper operation and maintenance of sewerage systems which
24 are essential services to public health and safety, are to be ensured
25 at all times; and

26 (i) The State recognizes the role of the private sector and mobilization
27 of private resources in the development of waterworks systems
28 through concession agreements, joint venture agreements, bulk
29 water supply agreements, management and service agreements and
30 other contracts for water supply provision, water sanitation and
31 treatment services and the development, operation and
32 maintenance of water supply and septage management systems.

1 The State shall encourage the private sector to provide the needed
2 investments for programs and projects to ensure adequate water
3 supply and promote water security.

4 **SEC. 7. *Objectives of the Department.*** – The Department shall:

- 5 (a) Promote and adopt water demand management as a national policy
6 to ensure that water is optimized, that water efficiency and
7 conservation become a way of life, that the recycling and reuse of
8 water and treated wastewater are widely practiced, that water is
9 properly priced to encourage efficient use and conservation, and
10 that rainwater, flood waters, and run-offs are captured or
11 harvested, stored and treated for future use;
- 12 (b) Prioritize and seek the immediate attainment of universal access to
13 safe, adequate, affordable and sustainable water supply and
14 improved sanitation services for all Filipinos, either through public
15 programs and projects or public-private partnership or other
16 mechanisms, in a manner consistent with the protection,
17 preservation, and revival of the quality of the country's water
18 resources, and to adopt all needed measures to advance the right of
19 the people to a balanced and healthful ecology in accord with the
20 rhythm and harmony of nature: *Provided*, That the Department
21 shall pursue universal access to clean water by 2030;
- 22 (c) Strengthen and coordinate integrated water resources management
23 planning and policy making to ensure sustainable and fair
24 allocation and efficient use of water resources among competing
25 uses and users;
- 26 (d) Ensure that integrated water resources management is strongly
27 coordinated with land use and coastal and multi-hazard planning
28 and management;
- 29 (e) Develop sustainably, and manage water sources and water
30 resources toward water security, taking into consideration water,
31 land, and related resources aimed at increasing water dependability
32 for different uses, optimizing economic benefits and social welfare

without compromising the sustainability of vital environmental systems;

(f) Strengthen and coordinate policy making and planning towards ensuring the availability of water for food security and energy security, as well as towards the protection of communities and environments against flood and other water induced hazards including sediment hazards;

(g) Ensure that the strategy for water resources development and conservation is participatory, and that planners, policymakers, and other stakeholders, including water users, community members, indigenous and marginalized peoples, are involved at all levels;

(h) Develop a standardized pricing framework for water use, septage and sewerage services that accounts for environmental externalities and pricing considerations such as reasonable rate of return; rate adjustment mechanisms for consumer price indices and currency fluctuations; and other factor relevant to the operation of waterworks systems and infrastructure;

(i) Ensure that all sources of water, including surface water, groundwater, rainwater and floodwater are identified, mapped, monitored, conserved and managed for productive use and the resulting wastewater is managed properly, reused, and responsibly disposed of following approved environmental standards; and

(j) Prioritize and provide technical and financial assistance to fourth, fifth and sixth class municipalities in the Philippines in the development of water resources and waterworks systems and provision of water and sanitation services.

SEC. 8. Powers and Functions of the Department. – The Department shall have the following powers and functions:

I. Policymaking and Planning

(a) Ensure that IWRM is adopted as the strategic framework for water management policymaking and planning in the country and

- 1 coordinate the implementation, promotion, revision and
2 enhancement of IWRM plans;
- 3 (b) Formulate policies, strategies, and targets in coordination with
4 other relevant agencies to meet the goals and objectives for water
5 supply and sanitation, water quality, irrigation, hydropower, flood
6 control, storm water utilization, and urban drainage. Such policies
7 shall, among other guidelines, integrate the issues of water and
8 sanitation, food security, energy, environment and flood control, and
9 climate change;
- 10 (c) Formulate and develop policies to promote universal access to safe,
11 adequate, affordable, and sustainable water supply, and improved
12 sanitation services for all Filipinos;
- 13 (d) Prepare the NWRMP in consultation with other agencies and
14 stakeholders, following the IWRM framework and integrating
15 therein a national land use plan, submit the NWRMP to the
16 Economy and Development Council (ED Council) for approval and
17 eventual adoption, and regularly update, every five (5) years or as
18 deemed necessary by the Department, in order to ensure its
19 relevance to the times;
- 20 (e) Undertake river basin survey, inventory and appraisal of water and
21 related resources, and develop comprehensive basin-wide plans of
22 storage, retardation, and control to maximize conservation and
23 multipurpose use of water in the basin;
- 24 (f) Conduct continuing hydrological and hydrometeorological surveys
25 and studies of the country's renewable water supply, and establish,
26 operate, and maintain observation station networks;
- 27 (g) Formulate long-term policies to balance the sustainability and
28 optimal multiple use of water resources, define the hydrologic
29 boundaries of basins of the existing water supply sources, and
30 develop or update existing River Basin Master or Comprehensive
31 Plans which includes all aspects of water management and
32 development such as water supply and sanitation, irrigation, flood

1 control and storm water or urban drainage, drought risk
2 management, water resource development systems and other public
3 water works projects, including phasing of implementation;

4 (h) Identify, based on the river basin master plans, priority packages
5 for water infrastructure development per river basin, including
6 water supply, sanitation, irrigation, hydropower, flood control and
7 storm water or urban drainage, drought risk management, water
8 resource development systems and other public works projects;

9 (i) Evaluate and appraise all regional and inter-regional infrastructure
10 water development plans and programs as to their feasibility and
11 consistency with approved strategies and medium and long-term
12 plans;

13 (j) Formulate policy, strategies, master plans and programs on flood
14 risk management in the context of integrated flood management
15 (IFM) which integrates water, land, coastal zone and multi-hazard
16 management. In integrating land use planning and water
17 management, the Department shall harmonize and synthesize
18 plans to enable the sharing of information between land-use
19 planning and water management authorities. In this regard, a
20 holistic approach shall be adopted by making the IFM apart of a
21 wider risk or multi-hazard management system that includes
22 earthquakes, landslides, fires, tsunamis, droughts, and other
23 calamities of the same gravity or nature;

24 (k) Strengthen and coordinate policy making and planning for flood
25 management, integrated with storm water or urban drainage and
26 appropriate retention or retarding basins in order to harvest and
27 reuse water, and to plan against, prevent, and minimize the
28 detrimental and catastrophic effects of flooding;

29 (l) Assist and provide the Department of Economy, Planning, and
30 Development (DEPDev) with the required data and input from the
31 water sector in the formulation of the country's short-term and
32 long-term strategic development plans and actions, and recommend

1 to the ED Council the adoption of general policies and guidelines for
2 water resources development;

3 (m) Review, approve, and provide oversight over all water-related
4 development plans, programs, and projects of any agency within the
5 context of the NWRMP, and overall national plans and programs;

6 (n) Develop and implement, in coordination with other relevant
7 agencies and stakeholders, effective codes, standards, benchmarks,
8 and reasonable guidelines to ensure the safety of all public, and
9 private water structures in the country, and assure efficiency and
10 proper quality in the construction of water supply, sanitation,
11 irrigation, hydropower, flood control, and drainage infrastructure;

12 (o) Ensure that gender equality, social inclusion, environmental
13 protection, climate resiliency, disaster risk reduction, and
14 indigenous knowledge systems and practices are integrated into any
15 water resource management planning, policy making, and the
16 design and construction of water infrastructure;

17 (p) Ensure that the planning of water infrastructure considers the
18 highest efficiency and most appropriate technology and quality, in
19 accordance with national development objectives;

20 (q) Review existing guidelines appropriate for private sector
21 participation in the water sector and submit recommendations to
22 the Public-Private Partnership (PPP) Center of the DEPDev and
23 other concerned agencies to promote and enable more PPPs in the
24 sector;

25 (r) Gather, analyze, and organize needed statistical data and
26 information; for those water-related data generated by other
27 concerned agencies, establish, in coordination with these agencies,
28 the guidelines, standards, methodologies, and protocols for data
29 collection that will be officially recognized by the Department, and
30 institute mechanisms for coordination with other agencies as
31 regards their submission and certification of submitted water-
32 related data to the Department;

- 1 (s) In case of gaps in data collection by other agencies, under item (r)
2 above, the Department may collect the said data in accordance with
3 the established guidelines, standards, methodologies and protocols,
4 and in coordination with the respective agencies: *Provided, That*
5 both the Department another agency ensure that duplication of
6 roles in data collection is prevented;
- 7 (t) Ensure continued stakeholder engagement through the creation of a
8 Multi-Sectoral Stakeholder Council with representatives from all
9 water sector, including vulnerable and indigenous communities:
10 *Provided, That* the Multi-Sectoral Stakeholder Council shall be the
11 primary avenue for all multi-sectoral consultations mandated under
12 this Act, and shall be consulted in the formulation of all national
13 plans, programs, and policies of the Department: *Provided, further,*
14 That the sectoral representatives shall be appointed by the
15 President of the Philippines, hereinafter referred to as the
16 President;
- 17 (u) Build a central repository of water data and effect inter-sectoral,
18 interagency, and inter-departmental coordination on all aspects of
19 data gathering and management for water resources development
20 planning and compel the submission of statistics and data on water
21 utilization with the aim of operationalizing the integrated approach
22 to water resources management;
- 23 (v) Ensure the effective implementation of all the provisions of PD
24 1067;
- 25 (w) Promote Philippine participation in information sharing and
26 education on best practices in support of international efforts to
27 achieve universal access to safe water and improved sanitation; and
28 the integration of water, energy, environment and food security;
- 29 (x) Ensure that the easements provided for in Title VII, Chapter 2,
30 Section 2 of RA 386, or the “Civil Code of the Philippines”, and other
31 relevant laws are enforced, especially in all the esteros and
32 waterways, as well as abate the dumping of untreated wastewater

1 and sewage into water bodies, including all acts and omissions in
2 violation of PD 984, series of 1976, providing for the revision of RA
3 3931, commonly known as “The Pollution Control Law”, and for
4 other purposes, as amended, and other related laws; and

- 5 (y) Issue and promulgate rules, regulations and guidelines as may be
6 necessary to implement and enforce its powers and functions under
7 this Act.

8 **II. Resource Allocation and Regulation**

- 9 (a) Manage and conserve the country's water resources to ensure the
10 optimal use thereof for domestic water supply, sanitation,
11 irrigation, hydropower, navigation, flood control, and recreation
12 purposes, and enhance and maintain water quality, conserve
13 watersheds, control water pollution, and restore the environment,
14 without compromising the natural ecosystem functions and
15 services;
- 16 (b) Regulate and control the utilization, abstraction, diversion and
17 development of water resources, taking into consideration their
18 equitable distribution among competing demands and determine
19 the standards of beneficial and priority uses of water in times of
20 crisis and national emergencies;
- 21 (c) Formulate, promulgate, and enforce rules and regulations for the
22 development and optimum use of water resources and its
23 administration and management, including coherent water
24 protocols, operating rules of all existing and future water
25 infrastructure; general criteria, methods and standards for basic
26 data collection and project identification, formulation and planning,
27 and appropriate sanctions to be imposed for noncompliance;
- 28 (d) Regularly review regulations prescribed by any government agency
29 pertaining to water use, exploitation, development, and
30 conservation or protection of waters, water resources, and
31 watershed or basin areas with respect to this Act;

- 1 (e) Impose fees or charges, as may be deemed necessary for water
2 resources development, conservation and protection, such as:
- 3 (1) Polluter's Fee, which shall be based on the net waste load
4 depending on the wastewater charge formula pursuant to
5 Section 13 of RA 9275: *Provided*, That the implementation of
6 which shall be transferred from the Department of
7 Environment and Natural Resources (DENR) to the
8 Department of Water Resources;
- 9 (2) Raw water price, which shall take into account, among
10 others, the scarcity of water; and
- 11 (3) Appropriate payment structures for ecosystem services,
12 which shall not exceed five centavos (P0.05) per cubic meter
13 of water consumption.
- 14 (f) Deputize LGUs to collect the national fees or charges for resource
15 regulation within their respective jurisdictions;
- 16 (g) Collect, regularly update, monitor, and analyze water resources
17 data including climatology, hydrological and other water-related
18 data and ensure that such data is easily accessible by relevant and
19 authorized users;
- 20 (h) Establish, operate, and maintain observation station networks and
21 a centralized water resources data center for the scientific survey
22 and appraisal of surface and groundwater potentials of the country,
23 and determine the annual renewable water available per water
24 resources region;
- 25 (i) Maintain a database that will contain updated relevant information
26 on water data which will be accessible by relevant and authorized
27 users;
- 28 (j) Develop and continuously update a computerized decision support
29 system that incorporates data management systems relating to
30 acquisition and database, model base in terms of physical design,
31 planning and decision models, and user-friendly interface
32 concerning graphical and visualization tools;

- 1 (k) Conduct and promote special studies and research on water
2 economics and other aspects of water resources development and
3 management as may be needed to support the policy and plan
4 proposals of the Department, such as, but not limited to, impacts of
5 climate change, weather modification, flood monitoring and
6 modeling, environmental quality, and desalination;
- 7 (l) Raise public awareness through information, education and
8 communications programs and build capacities for informed
9 participation in water resources management at the national and
10 river-basin level; and
- 11 (m) Review the status of water permits issued and outstanding as of the
12 date of the effectivity of this Act and compliance by the water
13 permit holders with the terms of their respective water permits.

14 If, in the determination of the Department, acting on the basis of
15 information, records and reports submitted by any holders of such water permits,
16 there is non-use of the water resource covered by such water permits for a period
17 of one (1) year from the date of issuance thereof, the Department shall cause the
18 termination or cancellation of any such water permits to the National Water
19 Resources Allocation Board: *Provided*, That the review made by the Department
20 shall be considered *prima facie* evidence of non-use in respect of any affected
21 water permit. For purposes of this Section, "non-use" refers to the failure of the
22 water permit holder to utilize the water resource or construct substantial works,
23 facilities, systems or other infrastructure had been constructed in pursuit of or
24 for the purpose stipulated in the water permit.

25 The Department shall submit a report to Congress on the completion of its
26 review under this section within one (1) year from the effectivity of this Act.

27 **III. Institutional Arrangement with Public Water Agencies and** 28 **Organizations**

- 29 (a) Develop guidelines including rules of partnership, between and
30 among the Department field offices of national government
31 agencies, LGUs and other stakeholders in water resource
32 management, and facilitate the establishment of multi stakeholder

- 1 RBOs per river basin, and strengthen and support existing RBOs
2 and monitor their activities;
- 3 (b) Coordinate the planned and ongoing river basin initiatives of
4 government agencies and corporations, to which the Department
5 shall review and endorse approval and funding from the national
6 budget thereof, as may be provided under existing laws, rules and
7 regulations;
- 8 (c) Harmonize all relevant national river basin policies and formulate
9 new policies and create an enabling policy environment that shall
10 allow effective and efficient management and governance of the
11 country's river basins. To this end, all concerned national
12 government agencies and corporations shall consult the Department
13 in such planning and implementation;
- 14 (d) Serve as the national policy coordination office for LGUs and non-
15 governmental organizations in the development and sustainability
16 of all river and catchment basins, for which the Department shall
17 recommend the approval and funding thereof of national
18 government agency and corporations' support to such local and
19 nongovernment river and catchment basin initiatives;
- 20 (e) Serve as the government's central river basin database
21 management agency, to which all government agencies and existing
22 river basin organizations with relevant mandates and
23 developmental initiatives within the river basins are required to
24 cooperate and regularly submit their updated databases for
25 integration and consolidation;
- 26 (f) Develop materials for capacity building and training of prospective
27 RBOs, as well as other concerned units of the Department and other
28 water-related agencies, LGUs, and WSPs particularly in the areas
29 of integrated water resources management and river basin master
30 planning;
- 31 (g) Authorize its representatives or any deputized agent to enter any
32 property of public dominion with prior notice and consent: and any

private land, building or enclave, whether inhabited or not, for the purpose of conducting hydrologic surveys and investigations, including assessing and evaluating the conditions of water facilities installed, and determining compliance with water laws and standards;

- (h) Provide technical assistance to water users including farmers, communities, and LGUs and other WSPs whether directly or in coordination with other agencies on all aspects of integrated water resources management;
- (i) Respond to consumer complaints, and ensure the adequate promotion of consumer interests; and
- (j) Deputize agents, whether from the public or private sector, to assist in the performance of any of the powers and functions of the Department.

IV. Coordination

- (a) Coordinate and integrate water resources development activities of the country within the context of national plans and policies for social and economic development;
- (b) Coordinate with other government agencies, universities, academe and private professional groups in all aspects of data gathering, the conduct of special studies and research on all related aspects of water resources management and development such as climate change, environmental quality, desalination, and the development of operating strategies, procedures, and protocols and accompanying computerized decision tools for major water facilities;
- (c) Coordinate with the concerned and relevant agencies engaged in flood control, flood risk management, and drought risk management; and
- (d) Coordinate proactively with LGUs to ensure the integration of water resources development plans into their comprehensive land use plans, Comprehensive Development Plans or Provincial Physical Framework and Development Plan.

V. Other Functions

- (a) Create, when necessary, water resource subsidiaries, instrumentalities, and entities to engage in water transmission, water distribution, wastewater treatment and management, and sanitation in accordance with existing relevant laws, without prejudice to private entities capable of and willing to engage in the aforementioned activities through concession agreements, joint venture agreements, bulk water agreements, or service agreements or contracts. For this purpose, the Department shall ensure compliance with existing frameworks, rules, regulations and guidelines for private sector participation in water transmission, water distribution, wastewater treatment and management, storm water management, and sanitation.
- (b) Enter into contracts, joint venture agreements, public-private partnerships, and memorandum of agreements or understanding, either domestic or foreign relating to investment and financing water-related projects, under such terms and conditions as the Department may deem proper and reasonable subject to existing laws; *Provided*, That government entities with mandates to enter into contracts with private entities under existing laws shall continue to have such authority: *Provided, further*, That nothing in this Act shall be interpreted as adding approval, endorsement, or consent requirements for water-related government projects;
- (c) Appoint, hire, and maintain adequate staff and personnel, advisers or consultants with suitable qualification and experience, as necessary, subject to existing rules and regulations; and
- (d) Exercise such other powers and functions necessary or incidental to the effective administration and management of the country's water resources.

SEC. 9. Composition. – The Department shall be composed of the Office of the Secretary, and the various bureaus and services, and regional offices. The Office of the Secretary shall house the Office of the Department Secretary, the

1 Offices of the Undersecretaries, the Offices of the Assistant Secretaries, and
2 their immediate support staff.

3 **SEC. 10. Secretary of the Department of Water Resources.** – The
4 authority and responsibility for the exercise of the mandate of the Department
5 and for the discharge of its powers and functions shall be vested in the Secretary
6 of the Department, hereinafter referred to as the Secretary of Water Resources,
7 who shall be appointed by the President. The Secretary of Water Resources shall:

- 8 (a) Submit to the ED Council the Department's recommendations on
9 policies on water resources requiring presidential decision and
10 advise the President on the promulgation of executive or
11 administrative orders, and other issuances relative to matters
12 under the jurisdiction of the Department;
- 13 (b) Establish the policies and standards for the operation of the
14 Department pursuant to the President's guidelines;
- 15 (c) Advise the President on the status of water management and
16 supply in the country, recommend to the President the declaration
17 of a state calamity in areas affected by water supply, and submit
18 proposals to restore normalcy in the affected areas;
- 19 (d) Promulgate rules and regulations necessary to carry out the
20 objectives, policies, and functions of the Department;
- 21 (e) Exercise supervision and control over all bureaus and offices under
22 the Department;
- 23 (f) Supervise all attached agencies and corporations in accordance with
24 law;
- 25 (g) Represent the Department in contracts, awards, and others similar
26 agreements;
- 27 (h) Delegate authority for the performance of any power or function, as
28 defined herein, to officials and employees under his direction as
29 deemed appropriate;
- 30 (i) Act as the Chairperson of the governing board of the attached
31 agencies of the Department;

- 1 (j) Designate and appoint officers and employees of the Department,
2 excluding the Undersecretaries, Assistant Secretaries, and Regional
3 and Assistant Regional Directors, in accordance with the civil
4 service laws, rules and regulations;
- 5 (k) Discipline the officials and employees of the Department, including
6 officials and employees of all the bureaus and offices under it, in
7 accordance with civil service laws, rules, and regulations; and
- 8 (l) Perform such other duties and responsibilities as may be provided
9 by law.

10 The Secretary of Water Resources shall also serve as a voting member of
11 the ED Council, the Governing Boards of the Climate Change Commission, the
12 National Disaster Risk Reduction and Management Council, and the National
13 Land Use Committee.

14 **SEC. 11. *Undersecretaries and Assistant Secretaries.*** – The Secretary
15 of Water Resources shall be assisted by not more than three (3) Undersecretaries
16 and three (3) Assistant Secretaries, all of which shall be appointed by the
17 President upon the recommendation of the Secretary of Water Resources:
18 *Provided*, That at least one (1) Undersecretary and one (1) of the Assistant
19 Secretaries shall be career officers.

20 The Secretary of Water Resources is hereby authorized to delineate and
21 assign the respective functional areas of responsibility of the Undersecretaries
22 and Assistant Secretaries in accordance with the mandate and objectives of the
23 Department. Within their respective functional areas of responsibility, the
24 Undersecretaries and Assistant Secretaries shall have the powers and functions
25 as provided for in Chapter 2, Book IV of Executive Order (EO) No. 292, series of
26 1987, or the “Administrative Code of 1987”.

27 **SEC. 12. *Qualifications and Appointment.*** – No person shall be
28 appointed Secretary, Undersecretary, and Assistant Secretary of the Department
29 unless the person is a citizen and resident of the Philippines, of good moral
30 character, of proven integrity, competence and expertise in water resource
31 management.

1 **Sec. 13. *Department Bureaus and Services, and Regional Offices.* -**

2 The Department shall establish, operate, and maintain the Bureau and Services
3 under it such as, but not limited to:

- 4 (a) Policy and Planning Bureau;
- 5 (b) Decision Support Systems Bureau;
- 6 (c) Bureau of Technical Services;
- 7 (d) Legal and Legislative Service;
- 8 (e) Internal Audit Service;
- 9 (f) Public Affairs Service;
- 10 (g) Administrative and Human Resources Service;
- 11 (h) Flood Control and Drainage Coordination Service;
- 12 (i) Comptrollership and Financial Management Service; and
- 13 (j) Local Water Service Providers Bureau.

14 A Water Resources Regional Office shall be organized per water resources
15 region and shall be responsible for implementing the mandates, powers, and
16 duties of the Department at the field level, except for policymaking which will be
17 vested solely in the Department.

18 The Bureaus, Services and Regional Offices shall each be headed by a
19 Director, who shall be responsible for the efficient discharge of the functions of
20 the Bureau, Service, or Office concerned. The Bureau Director and Regional
21 Director shall be assisted by one (1) Assistant Director.

22 The Department shall retain existing Project Management Offices as may
23 be required, which shall be under the supervision and control of the appropriate
24 official determined by the Secretary of Water Resources.

25 **SEC. 14. *Attached Agencies.*** – The following agencies shall be attached
26 to the Department for purposes of policy and program coordination,
27 monitoring, and evaluation:

- 28 (a) The Metropolitan Waterworks and Sewerage System (MWSS), whose
29 mandate, powers, and functions are defined under RA 6234, as
30 amended entitled, “An Act Creating the Metropolitan Waterworks
31 and Sewerage System and Dissolving the National Waterworks and
32 Sewerage Authority, and For Other Purposes,” shall be transferred

1 from the DENR and attached to the Department: *Provided*, That
2 the MWSS shall continue to facilitate the exercise by the
3 concessionaires of their responsibility; carry out accounting and
4 notification functions; monitor, report, and administer loans;
5 perform related functions in connection with existing projects;
6 manage, operate, and dispose its retained assets: *Provided, further*,
7 That its regulatory arm, the MWSS-Regulatory Office, shall be fully
8 absorbed by the Water Regulatory Commission created under this
9 Act;

10 (b) The National Irrigation Administration (NIA), whose mandate,
11 powers, and functions are defined under RA 3601 entitled “An Act
12 Granting the National Irrigation Administration,” as amended by
13 PD 552, series of 1974, and PD 1702, series of 1980; and

14 (c) The Laguna Lake Development Authority (LLDA), whose mandate,
15 powers and functions are defined under RA 4850, as amended
16 entitled “An Act Creating the Laguna Lake Development Authority,
17 Prescribing Its Powers, Functions and Duties, Providing Funds
18 Therefor, and For Other Purposes” shall be transferred from the
19 DENR and attached to the Department. The LLDA shall continue
20 to serve as the lake management and development authority
21 similar to a multi-stakeholder river basin organization and shall
22 ensure the implementation of the Laguna Lake Master Plan which
23 shall be updated by the Department to ensure alignment with the
24 NWRMP.

25 The Secretary of Water Resources shall be the Chairperson of the
26 Governing Boards of the aforementioned government-owned and controlled
27 corporations to be attached under the Department. In case existing laws, rules
28 and regulations provide a specific process in appointing the agency’s
29 Chairperson, the Secretary of Water Resources shall serve as Co-Chairperson.

30 Any other agency performing water resources management, conservation
31 and protection functions may be transferred to the Department as the President
32 deems necessary.

1 **Sec. 15. Offices, Functions, and Personnel to be Completely**
2 ***Subsumed by the Department.*** – The following offices with their applicable
3 powers, functions, personnel, funds and appropriations, records, equipment and
4 property shall be subsumed under the Department:

5 (a) National Water Resources Board (NWRB) with all its divisions and
6 sections, whose mandate, powers, and functions are provided in PD
7 424, series of 1974, creating the National Water Resources Council,
8 now NWRB, as amended: *Provided*, That its water utility regulation
9 units and functions, vested under Commonwealth Act No. 146, or
10 the “Public Service Act”, as amended, which shall be absorbed by
11 the Water Regulatory Commission created under this Act, *Provided*,
12 *further*, That its resource allocation or regulation units vested
13 under PD 1067 shall be absorbed by the National Water Resources
14 Allocation Board and the Resource Allocation Office, also created
15 under this Section 18 of this Act;

16 (b) The Local Water Utilities Administration (LWUA) with its services,
17 departments and divisions, whose mandate, powers and functions
18 are provided for in Title III of PD 198, as amended, otherwise
19 known as the “Local Water Utilities Administration Law”: *Provided*,
20 That its economic regulatory functions over local water districts
21 shall be fully absorbed by the Water Regulatory Commission
22 created under this Act. In the implementation of its functions, the
23 LWUA will be transformed into the Local Water Service Providers
24 Bureau (LWSPB) which shall:

- 25 (1) furnish technical assistance and personnel training including
26 training programs for accounting and fiscal practices of local
27 water service providers;
28 (2) monitor and evaluate compliance with local water standards
29 of water service providers; and
30 (3) effect system integration, joint investment and operation,
31 district annexation and de-annexation whenever
32 economically warranted, in accordance with Section 50 of PD

1 198, as amended by Section 22 of PD 768, series of 1975. The
2 authority of LWUA to review, approve and regulate the tariff
3 rates of local water utilities to whom it has extended loans or
4 other financing under Section 64 of PD 198, as amended, is
5 hereby transferred to the Water Regulatory Commission as
6 provided in this Act;

7 (c) The River Basin Control Office (RBCO) of the DENR whose
8 mandate, powers and functions are provided in Executive Order
9 (EO) No. 510, series of 2006 and EO 816, series of 2009, as
10 amended: *Provided*, That its function pertaining to watershed
11 reforestation activities shall be transferred to the DENR-Forest
12 Management Bureau, but the targeting of priority watershed areas
13 shall be coordinated with the Department;

14 (d) The Manila Bay Coordinating Office of the DENR which was
15 strengthened by virtue of DENR Administrative Order No. 2011-01
16 to coordinate the efforts of the fourteen (14) national agencies
17 covered by the Mandamus Order of Supreme Court to rehabilitate
18 Manila Bay;

19 (e) The Water Supply and Sanitation Unit of the Department of the
20 Interior and Local Government (DILG); and

21 (f) Water Resource Management Office of the DENR whose mandate,
22 powers, and functions are provided in EO 22, series of 2023.

23 **Sec. 16. *Functions to be Transferred to the Department.*** – The
24 following functions of the respective agencies, bureaus, and units shall be
25 transferred to the Department:

26 (a) The planning, programming, administration, monitoring, and
27 management of the National Sewerage and Septage Management
28 Program (NSSMP) of the Department of Public Works and
29 Highways (DPWH);

30 (b) The following functions of the dissolved Pasig River Rehabilitation
31 Commission and transferred to the Manila Bay Task Force per EO
32 93, series of 2019:

- (1) Updating and leading in the overall implementation of the Pasig River Rehabilitation Master Plan; and
- (2) Ensuring that the easements provided for in the Civil Code and their relevant laws are enforced, especially in all the esteros and waterways as well as abating the dumping of untreated wastewater and sewage into water systems, including all acts and omissions in violation of PD 984, as amended, and other related laws.

CHAPTER III

INTERDEPARTMENTAL RELATIONS AND INSTITUTIONAL ARRANGEMENT OF THE DEPARTMENT

SEC.17. *Interface and Institutional Arrangements with Other Agencies.* –

- (a) The Department of Health (DOH) shall continue to have primary authority and responsibility for setting and enforcing drinking water quality standards. The Department shall coordinate with the DOH in this aspect, and shall ensure consistency of standards and targets, as well as the compliance of permittees with mandated standards;
- (b) The DENR shall continue to have primary authority and responsibility for protecting the environment and managing the country's watersheds. Further, the Pollution Adjudication Board shall remain to have jurisdiction with respect to adjudication of pollution cases based on exceedance of the DENR Effluent Standards and other acts defined as prohibited under Section 27 of RA 9275 and filed by this Department. Furthermore, the Department shall coordinate with the DENR regarding the establishment of protocols for management of all water-related data being collected by the DENR;
- (c) The Department of Energy and the National Power Corporation shall ensure that hydropower plant development plans are consistent with the National Water Development and Management Plan;

- (d) The Department shall coordinate with the Department of Agriculture (DA) to ensure agricultural development that reduces long-term pollution for surface water and ground water, and agricultural and industrial economic development that employs water efficiency, water recycling or reuse, and the appropriate treatment of wastewater. Furthermore, the Department shall coordinate with the DA and its Bureau of Soils and Water Management (BSWM) regarding the establishment of protocols for management of all water-related data being collected by DA, as well as the outputs of research and studies by BSWM which may serve as input to policy formulation by the Department.
- (e) The Department shall coordinate with the National Disaster Risk Reduction and Management Council to ensure that its plans and designs for flood control, flood risk management and drought risk management are aligned with the objectives and plans of the Department;
- (f) The Department shall coordinate with Climate Change Commission, Philippine Atmospheric, Geophysical and Astronomical Services Administration, and National Mapping and Resource Information Authority for scientific studies, integrated surveys, mapping, charting, and decision support systems;
- (g) The Department shall coordinate with the Department of Tourism on recreational or visual use of water resources;
- (h) The Department shall coordinate with the Philippine Reclamation Authority, Tourism Infrastructure and Enterprise Zone Authority (TIEZA), and economic zone authorities on water resources development and water requirements within reclamation areas, tourism development areas, and economic zones, respectively;
- (i) The Department shall coordinate with the Bangsamoro Autonomous Region in Muslim Mindanao (BARMM), specifically its Economic and Development Council, Disaster Risk Reduction and Management Council, and Ministry of Environment, Natural

Resources and Energy, regarding the preparation of master plans of river basins that overlap with the inland waters within the BARMM's jurisdiction, and ensure the alignment of these plans with the NWRMP and the Bangsamoro Development Plan and other related regional plans of BARMM;

(j) The Department shall coordinate with the DPWH as regards the construction of water projects including flood control and other related projects within the purview of the DPWH: *Provided, That* the flood management plans are aligned with the NWRMP, and that flood waters be considered and harnessed as potential water source: *Provider, further, That* the Department shall coordinate with the DPWH regarding the establishment of protocols for management of all water-related data being collected by the DPWH and its Bureaus;

(k) The Department shall coordinate with the LGUs that own the specific areas or land where raw water will be sourced, as regards the implementation of Section 38 of this Act, specifically on the sharing of the total income generated from raw water pricing;

(l) The Department shall coordinate with the Department of Human Settlements and Urban Development in planning, monitoring and enforcing integrated land use and water resources management in the Comprehensive Land Use Development Plans and Zoning Ordinances of the LGUs to ensure, among others, the protection of water sources and that water availability is factored in proposed land use development plans and projects;

(m) The Department shall coordinate with relevant government agencies, including LGUs, with respect to development projects and to ensure cross-cutting collaboration between and among all water subsectors and facilitate inter-agency subsector coordination, strategic development, planning, monitoring and provision of technical, institutional and financial capacity building support to their different stakeholders at the water subsector level; and

- 1 (n) All other departments and agencies of the government
2 implementing water-related functions and projects shall ensure
3 that the programs and projects are consistent with the national
4 water management plan of the Department.

5 CHAPTER IV

6 NATIONAL WATER RESOURCES ALLOCATION BOARD AND THE 7 RESOURCE ALLOCATION OFFICE

8 **Sec. 18. *Reconstitution of the National Water Resources Board***
9 ***(NWRB) as the National Water Resources Allocation Board.*** – The NWRB
10 is hereby reconstituted and shall henceforth be known as the National Water
11 Resources Allocation Board, hereafter referred to as the “Board”. The water
12 resources allocation and regulation functions of the NWRB are hereby
13 transferred to the Board, which shall supervise the effective appropriation and
14 regulation of the water resources in the country in accordance with PD 1067.

15 The Board shall be composed of the Secretary of Water Resources as the
16 Chair, with the Secretary of Environment and Natural Resources as the Vice
17 Chairperson, and the heads of agencies of the DEPDev, Department of Justice,
18 Department of Science and Technology, and the University of the Philippines–
19 National Hydraulic Research Center as members.

20 **Sec. 19. *Functions of the Board.*** – The Board shall perform the
21 following functions:

- 22 (a) Promulgate rules and regulations for the exploitation and optimum
23 utilization of water resources, in accordance with PD 1067 and
24 other existing laws, including the imposition on water appropriators
25 of such fees or charges by the Department of Water Resources;
26 *Provided, That the imposition and collection of such fees and*
27 *charges shall be implemented by the Department of Water*
28 *Resources;*
- 29 (b) Approve the guidelines and processes pertaining to water
30 regulation, as recommended by the Secretariat;
- 31 (c) Review and decide on requests for permits to extract or utilize the
32 country’s water resources and grant the corresponding water rights,

1 upon recommendation of the Resource Allocation Office: *Provided*,
2 That the water rights are exercised within five (5) years of granting
3 of such rights: *Provided, further*, That applicants for water permits
4 shall submit proof of land ownership of, or right to use the property
5 where the water source is located: *Provided, finally*, That, if the
6 applicant is currently using the water source being applied for
7 domestic or municipal purposes upon the effectivity of this Act, such
8 applicant may submit such proof of prior use of possession of said
9 property *in lieu* of ownership or right to use;

10 (d) Exercise original jurisdiction over decisions in cases involving the
11 following:

12 (1) Violations and disputes relating to the appropriation,
13 utilization, exploitation, development, control, conservation,
14 and protection of waters;

15 (2) Violations and disputes on raw water fees; and

16 (3) Violations and disputes involving water permits,
17 administrative allocation of water resources and transfer of
18 water rights;

19 (e) Issue *subpoena duces tecum* and *subpoena ad testificandum*;

20 (f) Cite any person or party in contempt for refusal to appear, testify or
21 comply with the lawful orders of the Board in relation to any matter
22 subject to its investigation;

23 (g) Hear, receive evidence, and decide on cases falling within its
24 jurisdiction;

25 (h) Impose the appropriate sanctions, over violations committed by
26 appropriators in accordance with existing laws, rules and
27 regulations as well as future rules and regulations which the Board
28 shall promulgate;

29 (i) Review, update, and revise all fees, charges, and penalties imposed
30 on all water appropriators as stated under Chapter VII and VIII of
31 PD 1067, upon recommendation by the Secretariat, and based on
32 scientific and evidence-based studies;

- 1 (j) Delegate specific tasks vested unto the Board that may be
- 2 undertaken by the Executive Director, as may be necessary;
- 3 (k) Promulgate its own rules and procedures; and
- 4 (l) Exercise such other powers as may be necessary to carry out its
- 5 duties and responsibilities under this law.

6 No injunction may be issued by any court to restrain any proceeding before
7 the Board except on the basis of question of law by the Supreme Court on
8 *certiorari*.

9 Every order or decision rendered by the Board shall be in writing and shall
10 state clearly and distinctly the facts and the law on which it is based. The Board
11 shall decide on each case or application within thirty (30) days following its
12 formal submission for resolution. It shall publish and make available for public
13 inspection on all decisions and final orders including those in the adjudication of
14 contested cases or applications.

15 **SEC. 20. Resource Allocation Office.** – There is hereby created a
16 Resource Allocation Office which shall be attached to the Department. It shall
17 serve as Secretariat to the Board and shall exercise the following functions in
18 order to provide technical support to the Board towards the effective regulation
19 of the country's water resources:

- 20 (a) Advise the Board on all matters relating to resource allocation and
- 21 regulation;
- 22 (b) Formulate rules and regulation for the exploitation and optimum
- 23 utilization of surface water, groundwater, and seawater extraction
- 24 and use, for the approval of the Board, and for implementation by
- 25 the Office, including the processes for the application of water
- 26 permits, in accordance with PD 1067 and other existing laws;
- 27 (c) Process applications for rights to utilize water resources for the
- 28 appropriate, optimal and sustainable use of surface and ground
- 29 water, for the approval of the Board or its Executive Director, as
- 30 may be delegated by the Board;
- 31 (d) Upon approval by the Board, issue water permits granted to water
- 32 appropriators;

- 1 (e) Monitor performance of water rights grantees including, among
2 others, ensuring that water utilization is in accordance with the
3 terms of the permits granted unto them;
- 4 (f) Investigate, *motu proprio*, violations of water rights and the Water
5 Code;
- 6 (g) In the case of violations and conflicts between and among users, file
7 the necessary cases for the decision of the Board;
- 8 (h) Enforce the decisions promulgated by the Board, and as may be
9 delegated by the Board;
- 10 (i) Coordinate with other relevant units of the Department regarding
11 the generation, updating, managing, and sharing of water data
12 relevant to each other's performance of functions;
- 13 (j) Respond to consumer complaints, and ensure the adequate relating
14 to water rights; and promotion of consumer interests; and
- 15 (k) Perform such other related functions and activities which are
16 necessary for the effective regulation of water-related services.

17 The Office shall be headed by an Executive Director which shall have the
18 rank of Undersecretary and shall be assisted by one (1) Deputy Executive
19 Director which shall have the rank of Assistant Secretary.

20 CHAPTER V

21 Water Regulatory Commission

22 **SEC. 21. *Water Regulatory Commission.*** – There is hereby created and
23 established as an independent, quasi-judicial regulatory body to be known as the
24 Water Regulatory Commission, hereinafter referred to as the Commission, which
25 shall be organized within one hundred eighty (180) days after the effectivity of
26 this Act. The Commission shall have a Board of Commissioners, and shall be
27 vested with powers and functions, as conferred and set forth hereunder.

28 **Sec. 22. *Powers and Functions of the Commission.*** – The overall
29 authority and powers of the Commission shall cover and apply to all service
30 providers, whether private or public, providing or intending to provide water
31 supply, including suppliers to subdivisions or other service providers, sewerage,

1 or septage treatment and disposal services for domestic, residential,
2 institutional, industrial, or commercial use.

3 The Commission shall exercise the following powers and functions:

4 (a) Issue and promulgate rules, regulations and guidelines as may be
5 necessary to implement and enforce its powers and functions under
6 this Act;

7 (b) Promulgate and enforce just and reasonable technical standards,
8 classifications and measurements of service; *Provided*, That local
9 water districts, LGU-run and private utilities, especially level II
10 and III water service providers found performing significantly below
11 prescribed standards shall be required to submit a Public Service
12 Improvement Plan with committed performance improvements with
13 a one-year implementation timeframe: *Provided, further*, That
14 unjustifiable failure to implement provisions of, or meet
15 commitments in, the Public Service Improvement Plan shall be
16 cause for dissolution, consolidation, privatization, or management
17 takeover of the local water district: *Provided, finally*, That the
18 Commission shall have the power to cause such dissolution,
19 consolidation, privatization, or management takeover and shall
20 mandate the Department to implement the same;

21 (c) Coordinate with the Department in the implementation of
22 intervention, consolidation, dissolution, privatization, or takeover,
23 and shall ensure the continuity of delivery of public service;

24 (d) Coordinate with the Philippine Competition Commission (PCC) and
25 provide technical support in the PCC's exercise of authority and
26 jurisdiction to establish rules and enforce regulations to monitor,
27 investigate, provide remedies for, and provide inputs in the PCC's
28 hearings and deliberations on cases involving any market power
29 abuse or anti-competitive or discriminatory act or behavior by or
30 against any participant in the water supply and sanitation sector,
31 including in respect of the determination of whether any merger,
32 acquisition, joint venture or other transaction, agreement or

1 arrangement by, between or among water service providers or any
2 participant in the water supply and sanitation sector is anti-
3 competitive or will substantially prevent, restrict or lessen
4 competition in the relevant market. Without prejudice to the actions
5 that the PCC, pursuant to RA 10667, otherwise known as the
6 “Philippine Competition Act”, may undertake on its own, the Water
7 Regulatory Commission may be directed by the PCC, upon finding
8 that a market participant has engaged in, or fell victim to such act
9 or behavior, to stop or redress the same within the functions and
10 powers granted to the Water Regulatory Commission under this
11 Act;

12 (e) Issue licenses authorizing the operation of water supply and
13 sanitation services, including community water services, in any
14 specified area or areas with water supply and sanitation services in
15 any specified area in the Philippines: *Provided*, That any license to
16 use water resources or operate water supply and sanitation services
17 shall be considered expired if not exercised by the licensee within
18 five (5) years upon the date of issuance;

19 (f) Impose and collect annual levies and reasonable fees and
20 surcharges as may be necessary for achieving the purposes, powers,
21 and functions of the Commission: *Provided*, That the rate of annual
22 levies and fees shall be determined strictly on a cost recovery basis
23 for the reasonable and actual cost of regulation: *Provided, further*,
24 nothing in this section shall be construed as authorizing the
25 Commission to impose and collect *ad valorem* annual levies;

26 (g) With due regard to the standardized pricing framework developed
27 by the Department pursuant to Section 7(h) of this Act, review,
28 determine, fix and approve, consistent with the rules, guidelines,
29 procedures and methodologies which the Commission shall provide,
30 proposed water and sewerage and septage management tariffs,
31 rates and charges that licensees may impose upon their consumers.
32 The sewerage and septage management tariffs, rates and charges

1 may be in the form of an environmental fee based on the actual
2 water consumption of the consumers for regular conduct of
3 desludging and fixed fees for emergency desludging.

4 The Commission shall endeavor to adopt a local pricing framework,
5 which shall provide for the minimum water, sewerage and septage
6 management rates and allow for uniform adjustments to the
7 consumer price index, or foreign exchange, as applicable, across one
8 or more areas: *Provided*, That service providers may apply for
9 adjustments to the tariff rates taking into consideration their actual
10 and proposed expenditures in the construction, operation, and
11 maintenance of their respective water, sewerage, and septage
12 management systems.

13 All applications for the imposition or adjustment of water and
14 sewerage and septage tariffs, rates and charges shall be acted upon
15 by the Commission within a period of four (4) months. If the
16 Commission fails to issue a decision or resolution within said
17 prescribed period, the application shall be deemed approved;

18 (h) Appraise and value property and equipment used by licensees in
19 providing water supply and sanitation services and, for this
20 purpose, develop a database for the value of the property and
21 equipment used by the licensees in providing water supply and
22 sanitation services by requiring each licensee to submit, on a
23 periodic basis, an appraisal report covering such assets duly signed
24 and sealed by an appraisal firm duly accredited by the Securities
25 and Exchange Commission: *Provided*, That unless otherwise
26 expressly warranted, the value of such property and equipment as
27 determined by such independent appraisal firms shall be presumed
28 a true and reasonable valuation thereof;

29 (i) Enforce technical, financial, and other performance standards set
30 by the Commission for licensees or utilities;

- 1 (j) Respond to consumer complaints and ensure the adequate
2 promotion of consumer interests and investigate *motu proprio*
3 violations of Sections 27, 28 and 29 of this Act;
- 4 (k) Investigate accidents directly or indirectly arising from or connected
5 with the maintenance or operation of the service, and make such
6 order or recommendation as the public interest may warrant;
- 7 (l) Require the review or approval of contracts or agreements that may
8 impact on the tariff and rates of service provision entered into by
9 service providers upon petition or *motu proprio* wherein its
10 determination public interest so dictates;
- 11 (m) Require the submission of reports, plans, and other documents that
12 define the performance targets of the licensees or utilities, and
13 regular accomplishment reports;
- 14 (n) Conduct benchmarking and monitor the performance of licensees or
15 utilities under their jurisdiction, and publish reports detailing the
16 results thereof;
- 17 (o) Amend, modify, suspend, or revoke any license issued by them,
18 after due notice and hearing, on any of the following grounds: (1)
19 when the facts and circumstances on the strength of which the
20 license was issued have been materially misrepresented or have
21 materially changed; (2) where the licensee has failed to meet or
22 comply with terms, conditions, and performance targets, including
23 but not limited to service expansion, that may have targets,
24 including but not limited to service expansions, that may have been
25 set in the license; (3) where the licensee is found to be manifestly
26 inefficient in the operation of or provision of water supply and
27 sanitation services in its area; or (4) when the licensee thereof has
28 violated or willfully refused to comply with any order, rule or
29 regulation of the Commission or any provision of this Act;
- 30 (p) Appoint an *interim* committee to ensure continuity of service in
31 cases a licensee, including those run by LGUs, or local water
32 districts, fails to meet conditions of the license;

- (q) Adopt and require that books, records, and accounts be kept and maintained in accordance with the prescribed uniform accounting system;
- (r) Fix and determine, for rate-setting purposes, the proper and adequate rates of depreciation of properties and equipment used in water supply and sanitation services;
- (s) Impose and collect annual levies and reasonable fees and surcharges as may be necessary for achieving the purposes, powers and functions of the Commission;
- (t) Require the submission of reports on finances and operations, verified under oaths by the owner or president and secretary of the board of license;
- (u) Determine and require the monitoring and submission of such data, statistics and other information from any or all licensees as may be necessary for the effective and efficient exercise of its duties, functions, powers, and responsibilities.
- (v) Investigate, *motu proprio* or upon a written complaint, any matter concerning the operation of the service provider and violations of Sections 28 and 29 and other provisions of this Act, including alleged inefficient or inappropriate performance of obligations by water service providers, and, after due process, render decisions thereon within one (1) year;
- (w) Impose penalties and fines against any licensee or against its owners, directors, officers, agents or representatives for any violation of this Act or of the license, order, rule regulation or requirement issued by the Commission;
- (x) Require any licensee to pay the actual expenses incurred by the Commission in any investigation if it shall be found that a licensee violated any provision of this Act or of the conditions of its license, order, rule regulation or requirement issued by the Commission;

- 1 (y) Advise, apprise, and coordinate with other relevant agencies of the
2 national or local government on any matter relating to water supply
3 and sanitation services;
- 4 (z) Deputize agents, whether from the public or private sector, to assist
5 in the performance of any of the powers and functions of the
6 Commission;
- 7 (aa) Appoint an *interim* or temporary management committee upon
8 appeal and after due hearing, to ensure continuity of service in case
9 a licensee, including those run by LGUs, or local water district, fails
10 to meet conditions of the license;
- 11 (bb) Appoint, hire and maintain adequate staff and personnel, advisers,
12 or consultants, with suitable qualifications and experience, as
13 necessary;
- 14 (cc) Exercise original and exclusive jurisdiction over all cases involving
15 disputes between and among participants or stakeholders in the
16 water supply and sanitation services;
- 17 (dd) Issue rules and regulations on terms and conditions prescribing
18 minimum and mandatory terms for concession agreements, joint
19 venture agreements, management agreements, service contracts or
20 other contractual arrangements that may be entered into by
21 government entities including local water utilities and LGUs and
22 private sector entities or other water service providers for the
23 provision of water or sanitation services, such as the (i) the term,
24 scope and total cost of the activity, which may be subdivided into
25 phases; (ii) committed contributions and corresponding performance
26 security requirements in accordance with any agreed phased
27 implementation of the activity; and (iii) cost recovery schemes and
28 percentage of the parties' share in the profits and losses, among
29 others;
- 30 (ee) Upon the recommendation of the Department, and after due notice
31 and hearing, terminate or cancel water permits issued and
32 outstanding as of the date of the effectivity of this Act to any

1 government or private sector entities to ensure optimal and efficient
2 use of water resources. The Commission shall principally rely on
3 the *prima facie* findings of the Department, acting on the basis of
4 information, records and reports submitted by any holders of such
5 water permits as of the effectivity date of this Act, that the water
6 resource covered by such water permits have not been substantially
7 utilized or no substantial water works facilities, systems or other
8 infrastructure has been constructed in pursuit thereof, in each case,
9 for a period one (1) year from the date of issuance thereof, or if the
10 water is used, totally or partially, for any purpose other than those
11 approved in the water permit. The Commission shall decide on the
12 recommendation for the Department within six (6) months from
13 receipt of the recommendation. The Commission by itself may
14 exercise this function;

15 (ff) Issue rules, guidelines, procedures, and methodologies for the
16 determination of the appropriate water and sewerage and septage
17 management tariffs, rates and charges and review and confirm such
18 tariffs;

19 (gg) Issue rules, guidelines, procedures and methodologies for the
20 computation of any adjustment of any approved water and sewerage
21 and septage management tariffs, rates and charges based on the
22 prevailing consumer price index or foreign exchange adjustments
23 set by the appropriate national government agency, or any other
24 factors customary in the water or sanitation industries which
25 require adjustment or rebasing of the tariffs, which adjustment
26 shall be implemented automatically subject to a thirty (30) day
27 prior written notice to the Commission;

28 (hh) Determine the existence of any material adverse government action
29 which has a material and adverse effect on any of the rights and
30 privileges of, or on the enjoyment or exercise thereof by the
31 licensees, or which has a material and adverse effect on the
32 licensees' ability to comply with their financial or other contractual

- obligations to provide water or sanitation services, and determine the appropriate remedial measures therefor, which may include compensation or extension of permits or licenses; and
- (ii) Perform such other incidental powers and functions as may be necessary to attain the objectives of this Act.

Sec. 23. Composition of the Water Regulatory Commission.

- (a) The Commission shall be a collegial body composed of five (5) full-time members consisting of a Chairperson and four (4) members, who shall all be appointed by the President of the Philippines. All members of the Commission must be citizens and residents of the Philippines, at least thirty five (35) years of age, and of good moral character, of recognized integrity and competence in the field of law, business, commerce, finance, accounting or public administration, water or utility economics, management, physical or engineering services, hydrology and other related services, with at least three (3) years actual and distinguished experience in their respective fields of expertise: *Provided*, That out of the four (4) members of the Commission, at least one (1) shall be a member of the Philippine Bar with at least ten (10) years of experience in the active practice of law, at least one (1) shall be a certified public accountant with at least ten (10) years of experience in active practice; and at least one (1) shall be a licensed engineer with experience in the water sector;
- (b) The term of office of each member of the Commission shall be seven (7) years: *Provided*, That among the members first appointed, the Chairperson shall serve for a period of seven (7) years, two (2) members shall serve for five (5) years and the other two (2) members shall serve for three (3) years: *Provided, further*, That any member whose term has expired as specified herein shall serve as such until a successor shall have been appointed and qualified: *Provided, furthermore*, That any appointment to fill a vacancy in the Commission arising from death, removal, retirement or resignation shall be made only for the unexpired term: *Provided*,

1 *finally*, That in no case shall any member serve for more than seven
2 (7) years in the Commission

3 (c) The Commission shall meet as often as may be necessary on such
4 day or days as the Chairperson may fix. The presence of at least
5 three (3) members of the Commission shall constitute a quorum,
6 which shall be necessary for the transaction of any business. The
7 affirmative vote of majority of the members of the Commission
8 where a quorum is present shall be necessary for the adoption of
9 any order, resolution, decisions, or other act of the Commission in
10 the exercise of its quasi-judicial functions: *Provided*, That in
11 promulgating rules, regulations, guidelines and in exercising its
12 quasi-legislative functions, an affirmative vote of three (3) members
13 shall be required.

14 (d) The Chairperson of the Commission shall exercise general executive
15 control and supervision of the Commission and its members, staff
16 and personnel, agents, and representatives. Within three (3)
17 months from the creation of the Commission and the appointment
18 of all members of the Commission, the Chairperson shall submit for
19 the approval by the President of the Philippines the new
20 organizational structure and personnel positions necessary to carry
21 out the powers and functions of the Commission, subject to the
22 review and approval of the Department of Budget and Management
23 (DBM).

24 The *plantilla* positions of the Commission shall be filled by
25 regular appointments in accordance with Civil Service laws, rules,
26 and regulations. Members of the Commission shall enjoy security of
27 tenure and shall not be suspended or removed from office except for
28 just cause as specified by law.

29 (e) The Chairperson and members of the Commission or any of their
30 relatives within the fourth civil degree of consanguinity or affinity,
31 legitimate or common law, shall be prohibited from holding any
32 interest whatsoever, either as investor, stockholder, officer or

1 director, in any company or entity engaged in provision of water
2 supply and distribution, septage management and sewerage
3 services and must, therefore, divest through sale or legal disposition
4 of any and all interests in the water sector upon assumption to
5 office.

6 **SEC. 24. *Secretariat of the Commission.*** — The Commission shall
7 establish a Secretariat which shall provide the Commission with technical and
8 support services including the following:

- 9 (a) Provide the necessary technical inputs and secretariat support to
10 the Commission to facilitate the conduct of its functions;
11 (b) Maintain a database on the water supply and sanitation subsector;
12 and
13 (c) Coordinate with other relevant agencies of the national or local
14 government on any matter relating to water supply and sanitation.

15 **SEC. 25. *Executive Director.*** – The Commission shall appoint an
16 Executive Director who shall head the Commission Secretariat, keep and
17 maintain the official records of the Commission, render a report on the
18 proceedings of the Commission, and administer oaths in all matters falling
19 within the jurisdiction of the Commission.

20 The Executive Director shall be responsible for the effective
21 implementation of the policies, plans, programs, rules, regulations and directives
22 of the Commission; coordinate and supervise the activities of the different
23 operating units under the Commission; and perform such functions as may be
24 assigned by the Chairperson or other members of the Commission.

25 **SEC. 26. *Compensation and Other Emoluments.*** – The compensation
26 of the members of the Commission and its staff shall conform to the provisions of
27 RA 6758, as amended, otherwise known as the Compensation and Position
28 Classification Act of 1989, as amended, and other relevant laws.

29 CHAPTER VI

30 REGISTRATION AND LICENSING

31 **SEC. 27. *Registration and Licensing of All Water Supply and***
32 ***Sanitation Services.*** - All water supply and sanitation service providers,

1 including bulk water suppliers and those providing services to subdivisions and
2 other service providers, shall register with the Commission and, subject to such
3 rules, guidelines, procedures and other issuances of the Commission, obtain a
4 license to operate from the appropriate regulatory units. *Provided*, That the
5 Commission shall act on the application for the issuance or the conversion of
6 such licenses and renewals thereof within the maximum period of one (1) year as
7 provided under this Act or by RA 11032, or the “Ease of Doing Business and
8 Efficient Government Service Delivery Act of 2018”.

9 The Commission shall ensure that the grant and revocation of licenses are
10 carried out fairly, transparently, and without discrimination. Issuances of the
11 Commission shall specify, among others, the qualifications, requirements, and
12 procedure for the grant and revocation of licenses including the standards and
13 performance targets that shall continuously be complied with to keep the
14 licenses valid. Unless otherwise provided in this Act or by the Commission, no
15 public water supply and sanitation service provider shall commence or conduct
16 the business of providing water supply and sanitation services without first
17 obtaining a license. Concession agreements and other contracts for water supply
18 provision and water sanitation and treatment services currently existing shall
19 remain valid and enforceable unless otherwise terminated, after due notice and
20 hearing for reasons provided in the existing terms and conditions under the
21 concession or service agreement or contract, or when invalidated by the
22 Commission, after due notice and hearing, where national security, national
23 emergency or public interest so dictates.

24 Concession agreements, joint venture agreement, bulk water supply
25 agreements, management and service agreements, and other contracts for water
26 supply provision and water sanitation and treatment services currently existing
27 shall remain valid and enforceable unless otherwise terminated, after due notice
28 and hearing for reasons provided in the existing terms and conditions under the
29 concession or service agreement or contract, or when invalidated by the
30 Commission, after due notice and hearing, where national security, national
31 emergency or public interest so dictates. Until the issuance of new or converted
32 or updated registrations, licenses or permits, as contemplated under this Act,

1 such existing concession agreements, joint venture agreements, bulk water
2 supply agreements, management and service agreements and other contracts for
3 water supply provision or water sanitation treatment services shall serve as the
4 license or other legal basis for the authority to engage in water supply or
5 sanitation services during the term thereof.

6 **Sec. 28. *Conditions of License.*** – The Commission may impose such
7 conditions on the issued licensee, as it may deem necessary, such as:

- 8 (a) Tariffs, rates, and charges that may be imposed from its customers
9 or consumers;
- 10 (b) Term fixing the duration of the privilege;
- 11 (c) Grounds for modification, suspension, or cancellation of the license;
- 12 (d) Minimum technical performance and service level standards;
- 13 (e) Expansion targets and service level improvements overtime;
- 14 (f) Restrictions or conditions for transferability of the business or
15 controlling interest in the business;
- 16 (g) Reportorial requirements and obligations of the grantee; and
- 17 (h) Submission to annual performance audit by the Commission or its
18 duly authorized representative(s).

19 The Commission shall specify the requirements and procedure for existing
20 holders of a Certificate of Public Convenience (CPC), Certificates of Public
21 Convenience and Necessity (CPCN) issued by NWRB, or Certificate of
22 Conformance (CoC) issued by LWUA, to convert their existing certificates into
23 licenses to operate in accordance with Section 27 hereof.

24 To ensure continuity of water and sanitation services, a CPC, CPCN,
25 provisional authority or a CoC issued by NWRB or the LWUA prior to the
26 effectivity of this Act shall remain valid for a period of five (5) years counted from
27 the later of the date of issuance thereof or the date of effectivity of the
28 implementing rules and regulations duly issued by the Commission for the
29 conversion thereof into licenses to operate in accordance with this Act.

30 All local water utilities, existing water service providers or holders of
31 CPCN or CoC shall be duly prioritized in the issuance of the licenses to operate
32 over the areas where they currently operate or as may be covered by their

1 franchises. The submission of the CPC, CPCN, provisional authority, or the CoC
2 issued by the NWRB or LWUA shall be sufficient basis for the issuance of the
3 new and converted or updated licenses to operate required and contemplated
4 under this Act. To ensure continuity of service, the Commission shall complete
5 the issuance of such converted or updated licenses not later than six (6) months
6 from the effectivity of the implementing rules and regulation issued by the
7 Commission pursuant to this Act.

8 All existing providers of water supply and sanitation services without a
9 legal and valid CPC, CPCN, provisional authority or CoC shall register with the
10 Commission for a license within six (6) months from the effectivity of this Act.

11 ***Sec. 29. Rights and Duties of Licensees. –***

12 (a) Any person granted a license under this Act shall have the
13 obligation to ensure that licensed activities are conducted to further
14 public interest and, in particular:

15 (1) Foster the maintenance and development of efficient,
16 coordinated, and viable operation of their licensed activities;

17 (2) Ensure that their water supply, septage, sanitation, and
18 sewerage services are provided in a diligent, conscientious
19 and workmanlike manner, in accordance with applicable
20 laws rules and regulations issued by the Commission and
21 the generally accepted standards and practices of the water
22 supply and sanitation industry; and

23 (3) Comply with drinking water quality requirements and
24 standards that may be established by the Commission, and
25 the DOH.

26 (b) Any person granted a license under this Act shall, to the extent
27 allowed by law and specified in the license, has the right to acquire
28 or lease land, lay or repair water or sanitation mains, and other
29 relevant facilities in public ways to fulfill the terms and conditions
30 under the license.

31 (c) Subject to any condition or limitation laid down in the license, a
32 licensee may discontinue water supply, sanitation, and sewerage

1 services to a customer if such customer defaults in the payment of
2 fees due to the licensee for the water supplied or sanitation services
3 provided, or for acts of pilferage pursuant to Sections 8, 9, 10, and
4 11 of RA 8041, or the “National Water Crisis Act of 1995”.

5 (d) Any license issued under this Act shall contain provisions designed
6 to ensure that licensees:

7 (1) Publish the tariff and other charges approved by and the
8 terms and conditions imposed by the Commission for the
9 provision of water supply and sanitation services;

10 (2) Prepare, within three (3) months from the issuance of a
11 license, in consultation with its customers and prospective
12 customers within the service area, a customer service code
13 specifying the manner and procedure for: (a) metering,
14 billing, and collection of the licensee’s approved tariff and
15 other charges; (b) disconnection or suspension of service in
16 case of non-payment of tariffs and other charges, or acts of
17 pilferage; and (c) recommendation and recovery of arrears in
18 tariffs and other charges.

19 (3) Maintain financial accounts in accordance with the manner
20 and procedure specified in the license and as may be required
21 by the Commission; and

22 (4) Maintain and, upon request by anyone during regular office
23 hours, promptly make available for scrutiny and inspection of
24 such data, statistics and other information, as may be
25 required by the Commission.

26 **Sec. 30. Setting Tariffs, Rates and Other Charges.** – The Commission
27 shall establish tariffs, rates and other charges which are fair and reasonable,
28 and ensure environmental sustainability, economic viability, and a fair return on
29 investments.

30 Service providers may apply for the setting of tariffs, rates, and charges
31 based on and consistent with a scientific and evidence-based rate-setting

1 methodology that the Commission shall, after due consultation, define and
2 publish, taking into account the following, among others:

- 3 (a) Reasonable and prudent capital and recurrent costs of providing the
4 service including a reasonable rate of return on capital;
- 5 (b) Efficiency of the service;
- 6 (c) Incentives for enhancement of efficiency;
- 7 (d) Capacity to pay of customers/consumers;
- 8 (e) Equity considerations;
- 9 (f) Administrative simplicity;
- 10 (g) In cases involving valid and subsisting concession agreements prior
11 to the enactment of this Act, the methodology provided under the
12 concession agreement;
- 13 (h) Compliance with obligations as set out under pertinent laws,
14 jurisprudence, and, in cases involving valid and subsisting
15 concession agreements prior to the enactment of this Act, the
16 provisions of the Concession Agreement; and
- 17 (i) To the fullest extent practicable, the terms and conditions of the
18 tariffs, rates or other price-setting mechanisms set forth in any
19 concession agreement, joint venture agreement or other similar
20 agreement for the provision of water, septage, or sanitation services
21 by an existing service provider.

22 Tariffs, rates, and charges set by the Regulatory Units shall be
23 presumed valid and reasonable unless invalidated by the
24 Commission, after due notice and hearing, acting on a protest or
25 contest duly filed with the Commission.

26 To ensure continuity of service, application for setting of tariffs,
27 rates and other charges shall be decided within a non-extendible
28 period of ninety (90) days from the date of filing thereof, and failure
29 of the Commission to act on any applications shall result in a
30 provisional approval: *Provided*, That in no case shall proceedings on
31 any applications for the setting of tariffs, rates and charges shall

1 not exceed to a total of one hundred twenty (120) days reckoned
2 from the date of filing of the application.

3 **Sec. 31. *Direct Access.*** – Fifty-one percent (51%) of the registered water
4 consumers in a service area, municipality, city or province may petition for direct
5 access to water from any water service provider subject to concurrence by and
6 reasonable compensation to the service provider and approval by the
7 Commission. If the petition for direct access from any water service provider is
8 approved by the Commission, the new water service provider shall reimburse the
9 existing service provider for, as applicable, either the book value or the market
10 value as determined by an independent appraiser accredited by the Commission,
11 whichever is higher, of the water source, water supply or water distribution or
12 transmission facilities, pipelines and other equipment which shall be transferred
13 to or utilized by the new water service provider. The Commission shall
14 promulgate the implementing rules and procedures for this mode of service,
15 which shall include, among others, financial and technical capability of the new
16 service provider.

17 **Sec. 32. *Innovative Schemes to Improve Efficiency and Management***
18 ***of Systems.*** – The Commission shall promote innovative schemes such as the
19 consolidation or integration of water supply, sanitation, and sewerage services,
20 or providers in the same service area, where it shall result in improved
21 efficiency, service expansion and lower costs. To this end, the Commission shall
22 establish and issue such rules and guidelines as may be necessary to: (a) create
23 performance-based and time-bound incentives to encourage efficiency and service
24 expansion; (b) establish the standards and targets that service providers are
25 required to meet; and (c) define the fines and penalties that shall be imposed for
26 failure to meet such standards and targets.

27 CHAPTER VII

28 QUASI-JUDICIAL FUNCTIONS OF THE COMMISSION

29 **Sec. 33. *Proceedings before the Commission.*** – For the purpose of any
30 investigation, inquiry or proceeding, the Commission shall:

- 31 (a) Issue *subpoena duces tecum* and *subpoena ad testificandum*;

- 1 (b) Appoint hearing officers to hear and receive evidence on behalf of
2 the Commission; and
- 3 (c) Cite any person or party for contempt for refusal to appear, testify
4 or comply with an order of the Commission on any matter that is
5 the subject of investigation, inquiry or proceeding before the
6 Commission.

7 **Sec. 34. Orders and Decisions of the Commission.** – Any order,
8 resolution, or decision of the Commission shall be promulgated promptly,
9 expeditiously, reasonably, and in writing, and shall state clearly and distinctly
10 the facts and law on which it is based. The Commission shall publish and make
11 available for public inspection, all decisions and final orders in the adjudication
12 of cases or applications.

13 **Sec. 35. Appeals Procedure and Prohibition Against Injunction.** –

- 14 (a) The orders, rulings, and decisions of the Commission are final and
15 executory unless appealed to the Court of Appeals within fifteen
16 (15) days from receipt of notice of such order, ruling or decision:
17 *Provided*, That orders, rulings, and decisions of the Commission
18 approving tariffs, shall be immediately executory and may be
19 suspended only upon appeal and filing of a bond, in an amount to be
20 fixed by the Commission, to answer for damages occasioned by the
21 suspension or stay of execution of such orders, rulings, and
22 decisions.
- 23 (b) No injunction may be issued by any court or administrative agency
24 to restrain any proceeding before, or the implementation or
25 execution of any order, ruling, or decision of the Commission, except
26 on the basis of a question of law brought before the Supreme Court
27 on *certiorari*.
- 28 (c) Any act or decision of the Commission shall not be invalidated
29 merely because of a defect or irregularity in, or in connection with,
30 the appointment or vacancy in the Office of the Chairperson or any
31 other member of the Commission.

32 **CHAPTER VIII**

INTERDEPARTMENTAL RELATIONS OF THE COMMISSION

Sec. 36. Interface with Other Sector Regulators. –

(a) The DENR shall continue to exercise primary jurisdiction over programs aimed at protecting the environment and the quality of water sources from waste and pollution, and shall promulgate rules, regulations, and standards in this regard. The DOH shall continue to exercise primary jurisdiction over the determination and enforcement of standards for quality drinking water and sanitation.

(b) The Commission shall coordinate with the:

- (1) DOH to ensure that the standards and targets for quality drinking water and sanitation are consistently complied with;
- (2) LGUs for development projects relating to water supply and sanitation; and
- (3) PCC for the provision of its technical advisory services in the exercise of the exclusive authority and jurisdiction of the Commission to investigate and act on any market power abuse or anti-competitive or discriminatory act or behavior by or against any participant in the water supply and sanitation sector.

CHAPTER IX

TRANSITORY PROVISIONS

SEC. 37. *Organizational Structure and Staffing Pattern.* – The Secretary of the Department and the Chairperson of the Commission shall determine the respective organizational structure and staffing pattern of the Department and the Commission in accordance with the revised compensation and position classification system subject to the evaluation and approval of the DBM and in compliance with the civil service laws, rules and regulations and other relevant laws.

SEC. 38. *Transfer of Rights and Functions.* — The Department shall, by virtue of this Act, be subrogated to all the rights and assume all the obligations of the government agencies and units whose powers and functions have been subsumed, absorbed, transferred or attached to the Department. The

1 Commission shall also, by virtue of this Act, be subrogated to all rights and
2 assume all the functions, of the Water Utilities Division of the NWRB, the
3 regulatory offices of MWSS and LWUA, the regulatory units of all special
4 economic zones, and all other government agencies and units whose powers and
5 functions have been transferred to the Commission in accordance with the rules
6 and regulations of the Civil Service Commission (CSC).

7 The transfer of powers and functions to the Department or the
8 Commission of the concerned agencies as herein provided for, shall be deemed
9 completed within twelve (12) months after the effectivity of this Act. All agencies
10 transferred, subsumed and attached to the Department or Commission shall
11 continue to function under their present mandates until the six-month transition
12 period mandated under this Act shall have lapsed. The transfer of powers and
13 functions shall include all applicable funds, personnel, records, property and
14 equipment, as may be necessary. The heads of the affected agencies shall
15 continue to serve until they are replaced.

16 All rights and functions of the affected agencies are hereby transferred to
17 and assumed by the Department or Commission and shall be acted upon in
18 accordance with the rules and regulations of the Commission on Audit and other
19 pertinent laws, rules, and regulations.

20 Performance audit of all water-related agencies and institutions, including
21 LWUA and water districts, MWSS, MWSS-RO and its concessionaires, LGU-run
22 utilities, TIEZA, Philippine Economic Zone Authority, Bases Conversion and
23 Development Authority, Subic Bay Metropolitan Authority, DILG, and NIA,
24 shall be conducted by the Department.

25 **Sec. 39. *Application of Government's Optimization Program*** –
26 Notwithstanding the provisions of this Act, the Government Optimization
27 Program of the National Government shall be considered in the creation of the
28 proposed Department, Board, Commission, and Office under this Act.

29 **Sec. 40. *Absorption, Separation or Retirement from Service of***
30 ***Employees of the Subrogated Agencies.*** – The current employees of all
31 government agencies and units whose powers and functions have been
32 transferred to, absorbed or subsumed by the Department or Commission shall

1 enjoy security of tenure, in accordance with their staffing pattern and the
2 selection process as prescribed under RA 6656 entitled “An Act to Protect the
3 Security of Tenure of Civil Service Officers and Employees in the
4 Implementation of Government Reorganization”. Employees opting to be
5 separated from the service as a consequence of the consolidation and
6 reconstitution under the provisions of this Act, shall within one (1) month from
7 their separation or phase out from the service, receive separation benefits in
8 accordance with existing laws and those who are qualified to retire shall be
9 allowed to retire and be entitled to all benefits under existing retirement laws.

10 CHAPTER IX

11 FINAL PROVISIONS

12 **Sec. 41. *Applicability of Ease of Doing Business Law.*** – The
13 prescribed processing time provided under Section 9(b) of RA 11032, otherwise
14 known as the “Ease of Doing Business and Efficient Government Service
15 Delivery Act of 2018” shall be applicable to all agencies and LGUs covered under
16 this Act particularly on accessing government services.

17 **Sec. 42. *Appropriations.*** – The amount necessary for the initial
18 implementation of this Act shall be charged against the current year’s
19 appropriations of the agencies, entities, divisions, sections or units subsumed or
20 transferred to the Department and the Commission, respectively. Thereafter,
21 such amount shall be included in the annual General Appropriations Act.

22 **SEC. 43. *Water Trust Fund.*** – There is hereby created a Water Trust
23 Fund in the Bureau of Treasury sourced from ten percent (10%) of raw water
24 pricing, permit fees, registration fees, supervision and regulation enforcement
25 fees, filing fees, testing fees, payments for ecosystem services, and other service
26 income from the use of water resources: *Provided, That* amount shall not exceed
27 Two Hundred Fifty Million Pesos (P250,000,000.00) annually. The Trust Fund
28 shall be administered by the Department. The annual levies, and reasonable fees
29 and surcharges as may be necessary for achieving the purposes, powers and
30 function of the Commission under Section 22 (f) of this Act shall also be remitted
31 to the Water Trust Fund. Proceeds from the trust fund shall be utilized for water
32 development, water sanitation and waste water treatment and management, and

1 water sustainability programs and projects authorized under this Act: *Provided*,
2 That a maximum of ten percent (10%) of the total proceeds generated from raw
3 water extraction and all payments for ecosystem services shall be given as share
4 of the concerned LGU or IP community who own the specific areas or land where
5 the raw water was sourced: *Provided, further*, That the Department shall
6 prescribe standards for programs and projects where proceeds from payments for
7 ecosystem services shall be utilized.

8 **Sec. 44. *Implementing Rules and Regulations.*** – Upon the effectivity
9 of this Act, the Department and the Commission, as may be applicable, as well
10 as DEPDev, DBM, DENR, CSC, and the National Commission on Indigenous
11 Peoples, in consultation with concerned government agencies shall:

12 (a) Promulgate the rules and regulations of the Department and the
13 Commission necessary for the effective implementation of this Act within one
14 hundred twenty (120) days after its effectivity; and

15 (b) Submit to the DBM the Department's and the Commission's budget
16 for fiscal year following the promulgation of its implementing rules and
17 regulations; and implement the training of the personnel of the Department and
18 the Commission.

19 **SEC. 45. *Mandatory Review of the Implementation of this Act.*** – The
20 Department and the Commission shall conduct a review of the implementation of
21 this Act at the end of the fifth (5th) year from the date of its effectivity and
22 submit a report to Congress.

23 **Sec. 46. *Separability Clause.*** – If any reason, any portion or provision of
24 this Act shall be held unconstitutional or invalid, the remaining provisions not
25 affected thereby shall continue to be in full force and effect.

26 **Sec. 47. *Repealing Clause.*** –

27 (a) The following provisions are hereby repealed:

28 (1) Section 3(h) and Section 12 on the provision with respect to
29 fixing of water rates and sanitation service fees, Section 3(n)
30 on the provision with respect to the regulation of waterworks
31 and deepwells, and Section 3(p) on the provisions with
32 respect to regulation of waterworks and sanitation system in

1 privately owned subdivisions of RA 6234 entitled “An Act
2 Creating the Metropolitan Waterworks and Sewerage System
3 and Dissolving the National Waterworks and Sewerage
4 Authority and for Other Purposes,” as amended;

5 (2) Section 62, 63, and 66 of Title III on Local Water Utilities
6 Administration Law of P.D. No. 198, or the “Provincial
7 Water Utilities Act of 1973”, as amended by Letter of
8 Instruction (LOI) No. 700, series of 1978, LOI 744, series of
9 1978, EO 124, series of 1987, EO 123, series of 2002, and EO
10 860, series of 2010, on the regulation of water districts;

11 (3) Section 1 of EO 124-A, series of 1987, amending EO 124,
12 dated 30 January 1987, Reorganizing the DPWH, Redefining
13 Its Powers and Functions, and for Other Purposes on
14 reorganizing the National Water Resources Council into the
15 National Water Resources Board;

16 (4) EO 510, series of 2006 creating the RBCO, and EO 516,
17 series of 2009 declaring the RBCO under the DENR as lead
18 government agency for the integrated planning,
19 management, rehabilitation. and development of the
20 country's river basins; and

21 (5) EO 22, series of 2023, creating the Water Resources
22 Management Office in the DENR.

23 (b) The following provisions are hereby amended accordingly:

24 (1) Section 3 paragraph 3 Commonwealth Act No.146, as
25 amended, pertaining to all cases involving the fixing of rates;

26 (2) Section 154, Article V, Chapter I, Title One, Book II of RA
27 7160, or the “Local Government Code of 1991”, and its
28 implementing rules and regulations on the power of the
29 LGUs to fix the rates of water utilities owned, operated and
30 maintained by them within their jurisdiction is hereby
31 repealed or modified accordingly;

- 1 (3) Section 13(b) on the regulation of enterprises within the
2 Economic Zone under RA 7916 as amended, or the "The
3 Special Economic Zone Act of 1995";
- 4 (4) Section 69 of RA 9593, or the "The Tourism Act of 2009", and
5 its implementing rules and regulations which mandate the
6 TIEZA, to grant franchises, supervise the operation of public
7 utilities, and register, monitor and regulate enterprises
8 within Tourism Enterprise Zones, are hereby repealed or
9 modified accordingly;
- 10 (5) Sections 7 of RA 9275, transferring the administration of the
11 NSSMP from the DPWH to the Department;
- 12 (6) Articles 3(d) and Chapters VII and VIII of PD 1067
13 pertaining to the enforcement of the Water Code;
- 14 (7) Section 15 (Conditions in Permits) of the Implementing Rules
15 and Regulations (IRR) of PD 1067;
- 16 (8) Section 3.2(b) of EO 149, series of 1993 transferring the
17 LLDA from the Office of the President to the DENR; and
- 18 (9) EO168, series of 2022, which transferred the NIA from the
19 Office of the President to the DA.

20 All other laws, presidential decrees, executive orders, presidential
21 proclamations, rules and regulations, or parts thereof which are inconsistent
22 with the provisions of this Act are hereby repealed or amended accordingly.

23 **Sec. 48. *Effectivity.*** – This Act shall take effect fifteen (15) days after its
24 publication in the *Official Gazette* or in a newspaper of general circulation.

25 *Approved,*

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

TWENTIETH CONGRESS
First Regular Session

FACT SHEET

HOUSE BILL NO. 6789

(In substitution of House Bills Numbered 194, 247, 589, 679, 722, 811, 1019, 1060, 1189, 1233, 1252, 1499, 1557, 1685, 2216, 2424, 2531, 2684, 2746, 2859, 3022, 3144, 3247, 3360, 3424, 3479, 4123, 4162, 4526, 4545, 4690, 4854, and 5831, 6047, 6293, 6354, and 6479)

**“AN ACT
ESTABLISHING THE NATIONAL FRAMEWORK FOR WATER
RESOURCE MANAGEMENT AND CREATING THE
DEPARTMENT OF WATER RESOURCES AND THE WATER
REGULATORY COMMISSION, DEFINING THEIR MANDATES,
POWERS AND FUNCTIONS, AND APPROPRIATING FUNDS
THEREFOR”**

Introduced by Representatives Edvic G. Yap, Robert Nazal, Jaime R. Fresnedi, Lani Mercado-Revilla, Bryan B. Revilla, Ramon Jolo B. Revilla III, Jonathan Keith T. Flores, Lordan G. Suan, Ferdinand “B1” L. Beltran, Gloria Macapagal-Arroyo, Brian Poe, Jefferson F. Khonghun, Marcelino “Marcy” R. Teodoro, Rufus B. Rodriguez, Maximo B. Rodriguez Jr., Miguel Luis R. Villafuerte, Vincenzo Renato Luigi R. Villafuerte, Tsuyoshi Anthony “Hori” G. Horibata, Terry L. Ridon, Keith Micah “Atty. Mike” D.L. Tan, Ryan S. Recto, Carmelo G. Lazatin Jr., Audrey Kay T. Zubiri, Jaime Eduardo D. Marc Cojuangco, Julius Cesar “Jay” V. Vergara, Eric Go Yap, Binky April M. Tupas, Linabelle Ruth R. Villarica, Eric L. Olivarez, Laarni Lavin Roque, Salvador A. Pleyto, Adrian E. Salceda, Jan “Atty. JP” Padiernos, Eduardo “Bro. Eddie” C. Villanueva, Iris Marie Demesa Montes, Marlyn L. Primicias-Agabas, Ferdinand Martin G. Romualdez, Yedda Marie K. Romualdez, Andrew Julian K. Romualdez, Jude A. Acidre, Jesus “Jess” R. Marquez, Agatha Paula Aguilar Cruz, Christopherson “Coco” M. Yap, Joseph “Jojo” L. Lara, Jocelyn P. Tulfo, Ralph Wendel P. Tulfo, Elisa “Olga” T. Kho, Romeo S. Momo Sr., Atty. Miro S. Quimbo, Mikaela Angela B. Suansing, Karen Hope F. Garcia, Roy M. Loyola, Noel “Bong” N. Rivera, Javier Miguel Lopez Benitez, Maria Cristina C. Angeles, Crispin Diego D. Remulla, Maria Rachel J. Arenas, Jeyzel Victoria C. Yu, Joseph Kim C. Yu, Maria Kristina Jihan B. Glepa, Roger Gaviola Mercado, De Carlo L. Uy, Edwin L. Cruzado, M.D., Richard I. Gomez, DPA, Carlos Andes Loria, Maria Angela S. Garcia, Albert S. Garcia, Mario “Kokoy” O. Salvador, Shirlyn L. Bañas-Nogralas, Dale B. Corvera, Roberto “Pinpin” T. Uy Jr., Sittie Aminah Q. Dimaporo, Antolin A. Oreta III, Mauricio G. Domogan, Reynaldo P. Salvacion, Kenneth T. Gatchalian, Renee Louise

M. Co, Jose Manuel Tadeo “Chel” I. Diokno, Gil “Kabarangay Jr.” A. Acosta, Presley C. De Jesus, Jesus “Bong” C. Suntay, Monique Yazmin Maria Q. Lagdameo, Jose C. Alvarez, Charisse Anne C. Hernandez, Ma. Cristina Talavera Lopez, Arthur C. Yap, Atty. Gerville “Jinky Bitrics” R. Luistro, Yevgeny Vincente B. Emano, Kristine Singson-Meehan, Katrina Reiko Chua-Tai, Antonio B. Legarda Jr., Elijah Rumbaoa San Fernando, Ciriaco B. Gato Jr., MD, FPSO-HNS, Joel R. Chua, Antonino B. Roman III, Walfredo “Arman” R. Dimaguila Jr., Loreto S. Amante, JC Rahman A. Nava, MD, Steve Chiongbian Solon, Anna Victoria Veloso-Tuazon, Atty. Jennifer “Karen” A. Lagbas, Bella Vanessa B. Suansing, Niko Raul S.J. Daza, and Zaldy “Jecoy” S. Villa

Committee Referral: **COMMITTEE ON PUBLIC WORKS AND HIGHWAYS** (*Primary*)
Committee Chairperson: **Rep. ROMEO S. MOMO SR.**

Committee Referral: **COMMITTEE ON GOVERNMENT REORGANIZATION** (*Secondary*)
Committee Chairperson: **Rep. SALVADOR A. PLEYTO**

Committee Referral: **COMMITTEE ON WAY AND MEANS** (*Secondary*)
Committee Chairperson: **Rep. MIRO S. QUIMBO**

Committee Referral: **COMMITTEE ON APPROPRIATIONS** (*Secondary*)
Committee Chairperson: **REP. MIKAELA ANGELA B. SUANSING**

OBJECTIVES:

- To ensure and accelerate universal access to water supply and sanitation services.
- To encourage responsible private sector participation, fostering and prioritizing infrastructure and public works that adopt innovative solutions and best international practices to address the challenges of climate change.
- To declare all water and water treatment infrastructure projects as projects imbued with national interest.

KEY PROVISIONS:

- Creates, establishes, and mandates the Department of Water Resources (the Department) to be the primary agency responsible for the comprehensive and integrated identification and mapping of all water resources, planning, policy formulation, and management of the ownership, appropriation, utilization, exploitation, development, sustainability and protection of water resources in the Philippines except for fisheries or aquaculture.
- Declares all water and water treatment infrastructure projects as projects

imbued with national interest.

- Adopts the Integrated Water Resource Management (IWRM) as the strategic framework for national water management, policymaking and planning.
- Empowers the Department with policymaking, planning, management and regulation of water resources and to develop institutional arrangements with public water organizations and ensure coordination with all stakeholders for all water resource development, integration and management activities, including sanitation, flood control, flood risk management and drought risk management.
- Empowers the Department to create, when necessary, water resource subsidiaries, instrumentalities and entities to engage in water transmission, water distribution, wastewater treatment and management, and sanitation in accordance with existing relevant laws.
- Allows the Department to enter contract, joint venture agreements or understanding, public-private partnerships, and memorandum of agreements or understanding, either domestic or foreign relating to investment and financing water-related projects, under such terms and conditions as the Department may deem proper and reasonable subject to existing laws.
- Authorizes the Secretary of the Department to Act as the Chairperson of the governing board of the agencies that are attached to the Department.
- Attaches the following agencies to the Department:
 1. Metropolitan Waterworks and Sewerage System (MWSS);
 2. National Irrigation Administration (NIA); and
 3. Laguna Lake Development Authority (LLDA).
- Subsumes the offices, functions and personnel of the following agencies to the Department, namely:
 1. National Water Resources Board (NWRB);
 2. Local Water Utilities Administration (LWUA);
 3. River Basin Control Office (RBCO) of the Department of Environment and Natural Resources (DENR);
 4. Manila Bay Coordinating Council (MBCO) of the DENR;
 5. Water Supply and Sanitation Unit of the Department of the Interior and Local Government (DILG); and
 6. Water Resources Management Division of the Bureau of Soils and Water Management Section of the Environment Management Bureau (EMB) of the DENR.
- Transfers to the Department the functions of the following agencies, bureaus, and units:

1. The planning, programming, administration, monitoring, and management of the National Sewerage and Septage Management Program (NSSMP) of the DPWH;
 2. The following functions of the dissolved Pasig River Rehabilitation Commission and transferred to the Manila Bay Task Force per Executive Order No. 93, series of 2019:
 - a. Updating and leading in the overall implementation of the Pasig River Rehabilitation Master Plan; and
 - b. Ensuring that the easements provided for in the Civil Code and other relevant laws are enforced, especially in all the esteros and waterways as well as abating the dumping of untreated wastewater and sewage into water systems, including all acts and omissions in violation of PD 984, as amended, and other related laws.
- Creates the Water Pollution Adjudication Board to assume the powers and function of the National Pollution control Commission with respect to the adjudication of water pollution cases.
 - Establishes interface and institutional arrangements with other agencies such as the DENR, the Department of Health (DOH), the Department of Energy (DOE), and the National Power Commission (NPC). The Department shall coordinate with the DA, DPWH, the National Disaster Risk Reduction Management Council (NDRRMC), the Climate Change Commission (CCC), the Department of Tourism (DOT), Philippine Atmospheric, Geophysical and Astronomical Services Administration, and (PAGASA), National Mapping and Resource Information Authority (NAMRIA), the Philippine Reclamation Authority (PRA), economic zone authorities and other relevant government agencies including local government units (LGUs).
 - Creates the National Water Sector Policy Board to approve the National Water Resources Management Framework Plan, provide overall policy direction and recommend policies on water resources requiring Presidential decisions, advise the President on the status of water management and supply, recommend to the President the declaration of a state of calamity in areas affected by water supply, and submit proposals to result normalcy in the affected areas and ensure a multi-stakeholder participation in the development, updating, and sharing information system as policy, planning and decision-making tools consistent with the IWRM.
 - Subrogates all rights and assumes all obligations of the government agencies and units whose powers and functions have been subsumed, absorbed, transferred or attached to the Department.
 - Creates the Water Regulatory Commission (WRC) which shall assume the economic regulatory units and functions of the MWSS, NWRB, LWUA, Subic Bay Metropolitan Authority (SBMA), Philippine Economic Zone Authority (PEZA), and Tourism Infrastructure and Enterprise Zone

Authority (TIEZA), specifically, empowering the Regulatory Units of the WRC to:

1. Issue licenses authorizing the operation of water supply and/or sanitation services;
 2. Imposes fines, charges, and other penalties;
 3. Review, determine, fix and approve proposed water and sewerage tariffs, rates and charges that licenses may impose their customers/consumers;
 4. Enforce technical, financial and other performance standards set by the Commission for licensees/utilities;
 5. Respond to consumer complaints and investigate *motu proprio* price manipulation and anti-competitive behavior;
 6. Require the review and/or approval of contracts or agreements that may impact on the tariff and rates of service provision entered into by service providers;
 7. Require the submission of reports, plans, and other documents that define the performance targets of the licensees or utilities, and regular accomplishment reports;
 8. Amend, modify, suspend or revoke any license issued by the Department after due notice and hearing; and
 9. Appoint an *interim* management committee to ensure continuity of service in case a licensee fails to meet the condition of the license.
- Provides quasi-judicial functions to the WRC for the purpose of any investigation, inquiry or proceeding.
 - Requires the registration and licensing of all water supply and/or sanitation services
 - Create the Water Trust Fund in the Bureau of Treasury to be utilized for water development, water sanitation and wastewater treatment and management, and water sustainability programs and projects authorized under this Act

RELATED LAWS:

- Section 3(h) and Section 12 (on the provision with respect to fixing of water rates and sanitation services fees); Section 3(n) (on the provision with respect to regulation of waterworks and deep wells); and Section 3 (p) (on the provision with respect to regulation of waterworks and sanitation systems in privately owned subdivisions) of Republic Act (RA) No. 6234, as amended, entitled “An Act Creating the Metropolitan Waterworks and Sewerage System and Dissolving the National Waterworks and Sewerage Authority, and for Other Purposes”;
- Section 7 of RA 9275, otherwise known as the “Philippine Clean Water Act of 2004”;
- RA 3601 entitled “An Act Granting the National Irrigation Administration”, as amended by Presidential Decree (PD) No. 552 and PD 1702;
- RA 4850, entitled “An Act Creating the Laguna Lake Development

Authority, prescribing its Powers, Functions and Duties, Providing Funds Therefor, and for Other Purposes, as amended,

- Section 154, Article V, Chapter I, Title One, Book II of RA 7160, otherwise known as the “Local Government Code of 1991”, and its implementing rules and regulations (IRR) on the power of the local government units to fix the rates of water utilities owned, operated and maintained by them within their jurisdiction;
- Section 13 (b) on the regulation of enterprises within the Economic Zone under RA 7916, as amended, otherwise known as “The Special Economic Zone Act of 1995”;
- Section 69 of RA 9593, otherwise known as “Tourism Act of 2009” and IRR which mandate the Tourism Infrastructure and Enterprise Zone Authority to grant franchises, supervise the operation of public utilities, and register, monitor, and regulate enterprises within the Tourism Enterprises Zones;
- Presidential Decree (PD) No. 984 entitled., Providing for the Revision of RA 3931, commonly known as the Pollution Control Law, and for Other Purposes;
- PD 856, otherwise known as the “Code on Sanitation of the Philippines”;
- Article 3(d) and Chapters VII and VIII of PD No. 1067, otherwise known as “The Water Code of the Philippines” pertaining to the enforcement of the Water Code;
- Sections 62, 63, and 66 of Title III on Local Water Utilities Administration Law of PD 198, otherwise known as the Provincial Water Utilities Act of 1973, as amended by Letter of Instruction No. 700, series of 1978 (Providing Measures to Control and Regulate Increase in Water Rates); Letter of Instruction No. 744, series of 1978 (Relative to Reliable Water Supply at Reasonable Rates in the Countryside), Executive Order (EO) No. 124, series of 1987 (Reorganization Act of Public Works and Highways); EO 123, series of 2002; and EO 860, series of 2010, on the regulation of water districts;
- Section 1 of EO 124-A, series of 1987 amending EO 124, dated 30 January 1987, Reorganizing the Department of Public Works and Highways, Redefining its Powers and Functions, and for Other Purposes on renaming and reorganizing the National Water Resources Council into the National Water Resources Board;
- EO 510, series of 2006 on creating the RBCO, and EO 516, series of 2009, declaring the RBCO under the DENR as lead government agency or the integrated planning, management, rehabilitation, and development of the country’s river basins;
- Section 3.2(b) EO 149, series of 1993, transferring the LLDA from the Office of the President to the DENR;
- EO 168, series of 2022, which transferred the NIA from the Office of the President to the DA; and
- Section 3 (par. 3) of Commonwealth Act No. 146, as amended, otherwise known as the Public Service Act pertaining to all cases involving the fixing of rates;