



Manila Water Presentation

**Innovative Policies and Practices in Water Supply and Sanitation
East Asian Seas Congress 2009**

Jose Rene Almendras

President & COO, Manila Water Company

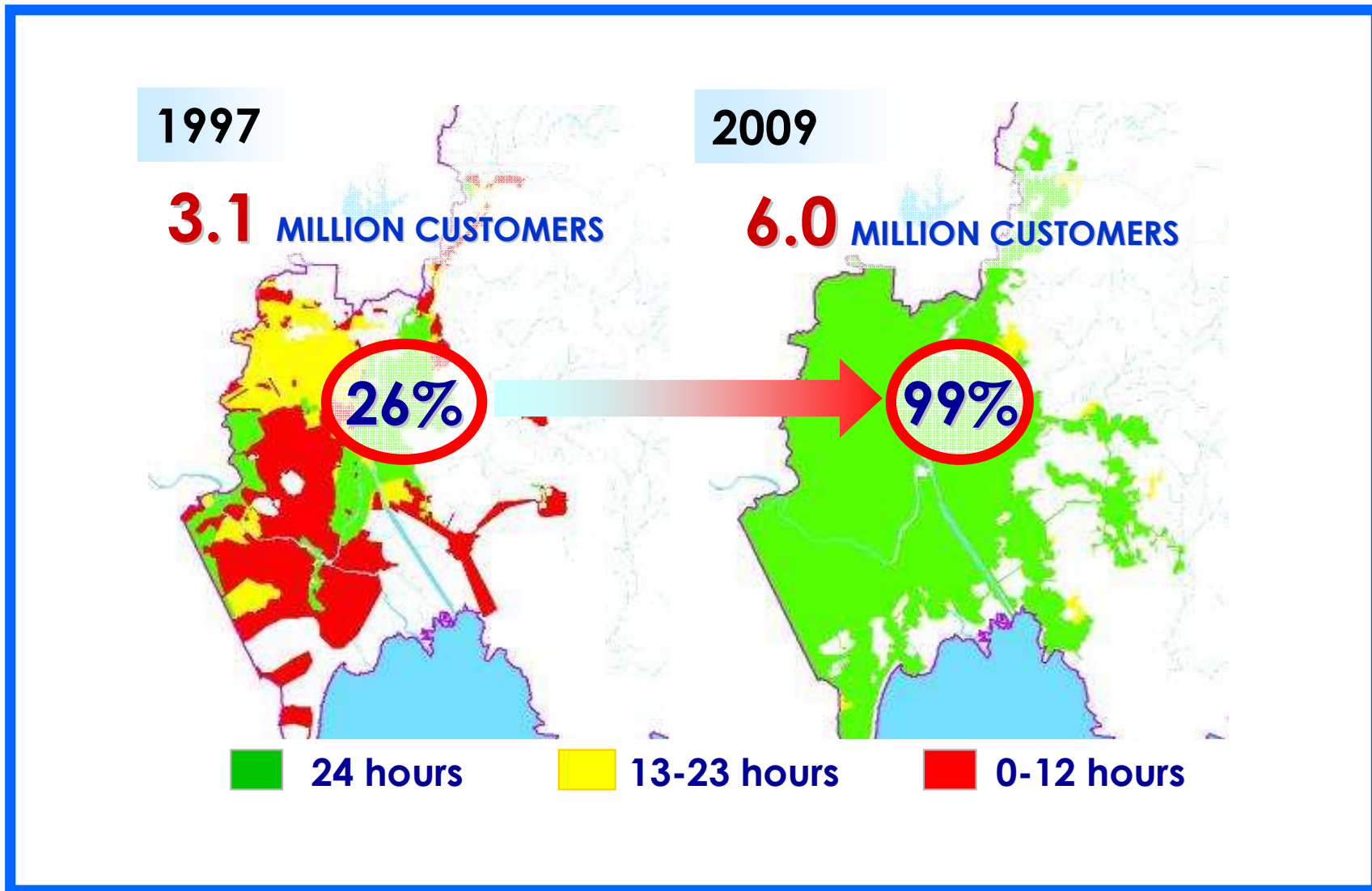
24 November 2009

Manila vs. Asian Cities

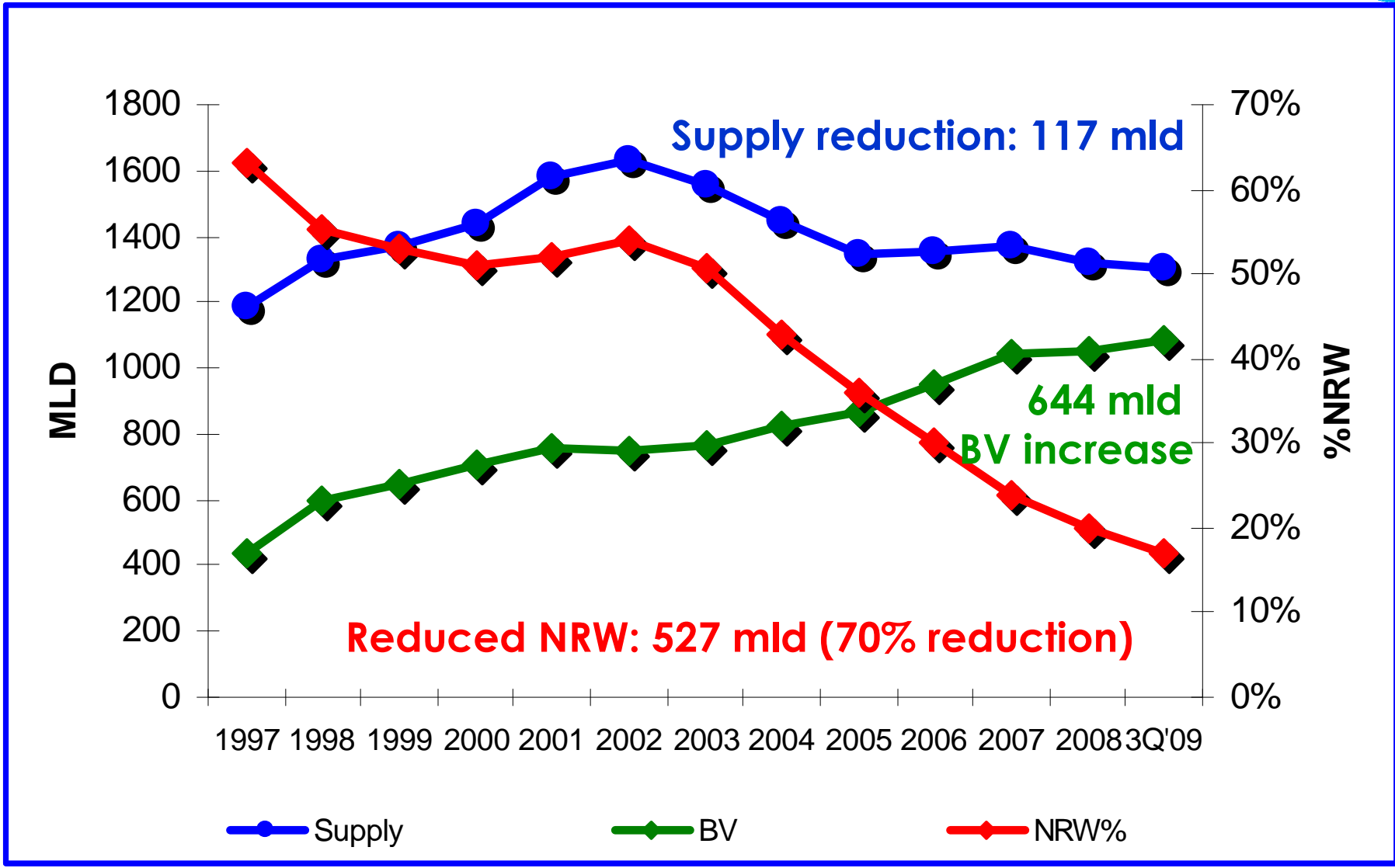
City	Population (million)	Water Availability (hrs/day)	Water Coverage (% of pop)	Non-Revenue Water (% of prod)	Staff/1000 Connections
Manila East (1996)	3.1	16	58	63	9.8
Manila East (2H 2009)	6.0	24	99	16	1.5
Singapore	3.0	24	100	7	2.0
Hong Kong	6.3	24	100	36	2.8
Seoul	10.6	24	100	35	2.3
K. Lumpur	1.4	24	100	36	1.4
Bangkok	7.3	24	82	38	4.6

Source : *Asian Development Bank 1996 Data*

24/7 Water Availability



Supply – Billed Volume - NRW



Sustainability Philosophy The Manila Water Business Model



Perfect Alignment



Triple Bottomline

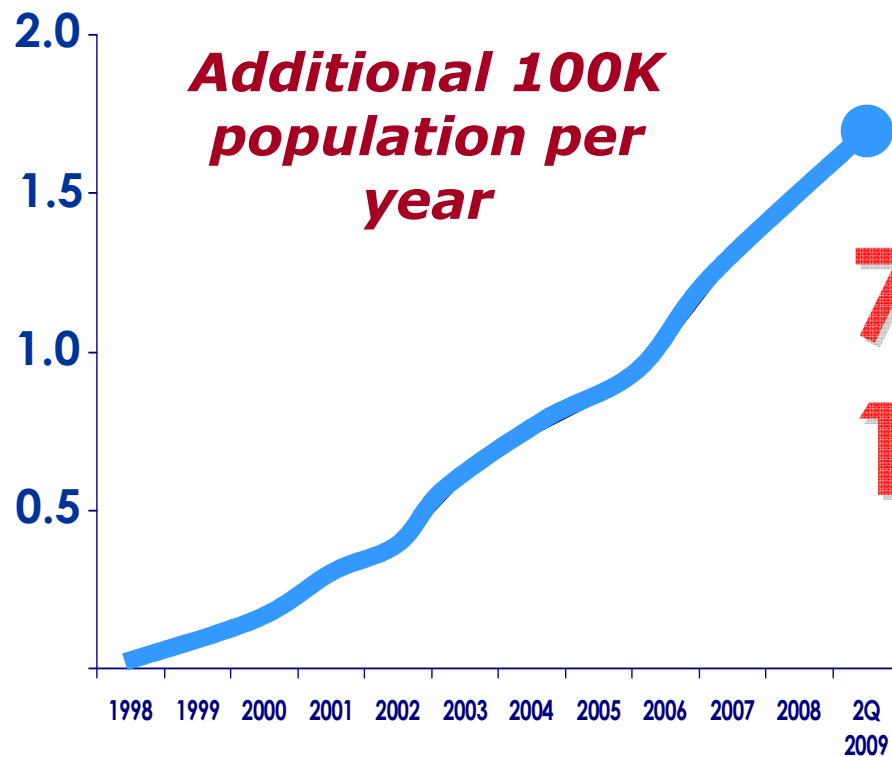
Social Programs Sustainability Framework



Building Communities

Tubig Para sa Barangay

Population served, millions



702 Projects
1.7M People



Water for the Community Program



Price per cu.m.

P200 = US\$4



P15 = US\$0.3



95% SAVINGS

Monthly bill of 69% of Manila Water residential customers (consuming 30 cu.m.) is US\$ 8.00

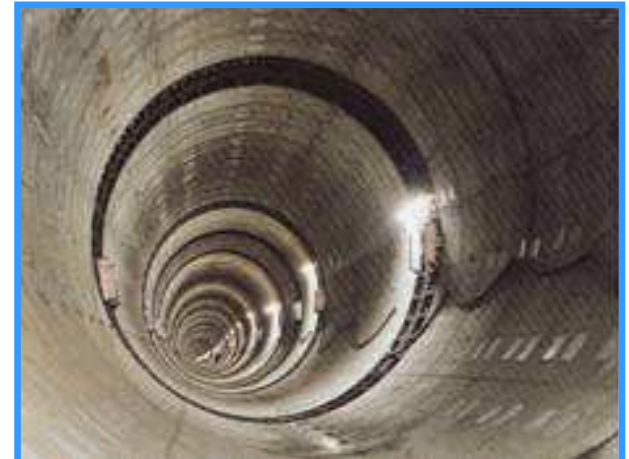
Manila Water's Wastewater Strategy



Septic Tank Desludging & Septage Treatment



Package Sewage Treatment Systems



Combined Sewer-Drainage Systems

- free septic tank desludging to all customers every 5 years
- septic tank sludge is sent to septage treatment facilities

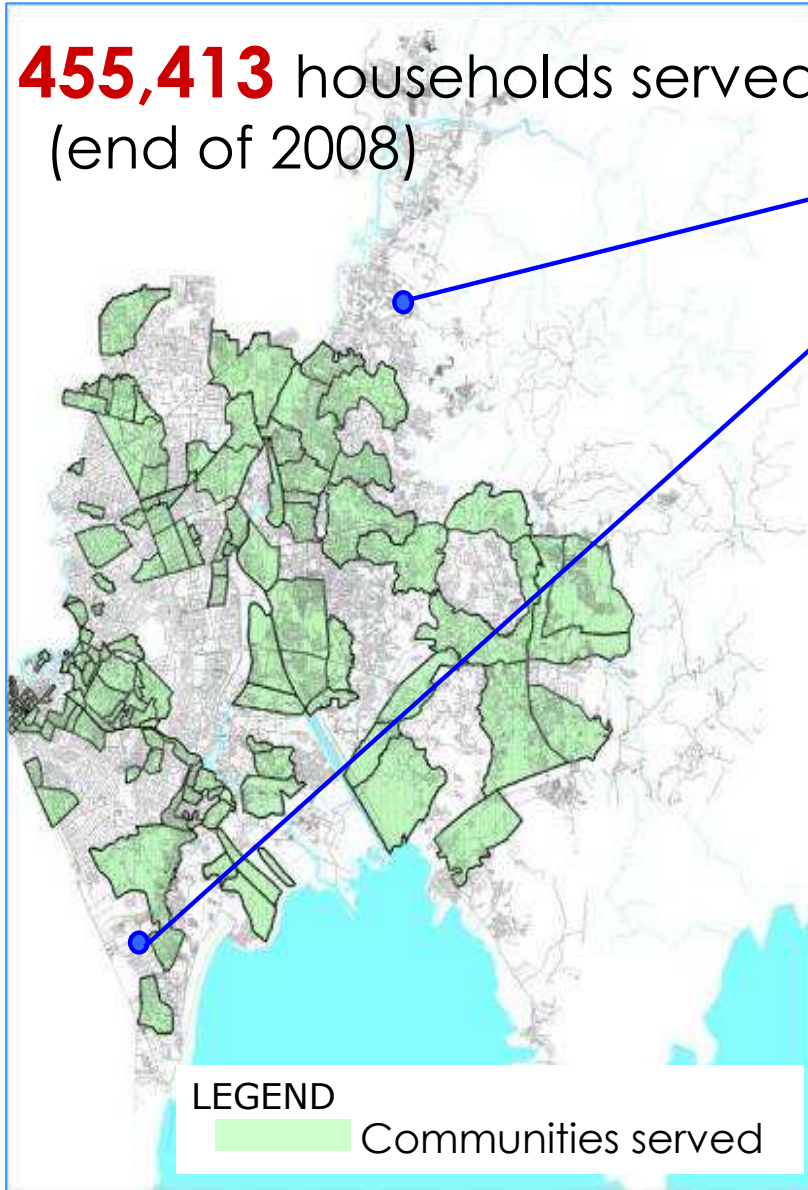
- with pre-existing dedicated sewer networks

- for areas served by individual septic tanks and with no existing sewer network

Ultimately, all MWC wastewater networks will be eventually upgraded to dedicated sewer systems.

Accomplishments in Septic Tank Management

455,413 households served
(end of 2008)



2 Septage Treatment Plants
(Taguig & San Mateo)

- total cap. 1,400 m³/day
- operational mid 2007



Manila Water

SANTASYON PARA SA BARANGAY
FREE Septic Tank Desludging Program
Register with your Barangay

PREVENT SEPTIC TANK CLOGGING AND
HELP PROTECT THE ENVIRONMENT



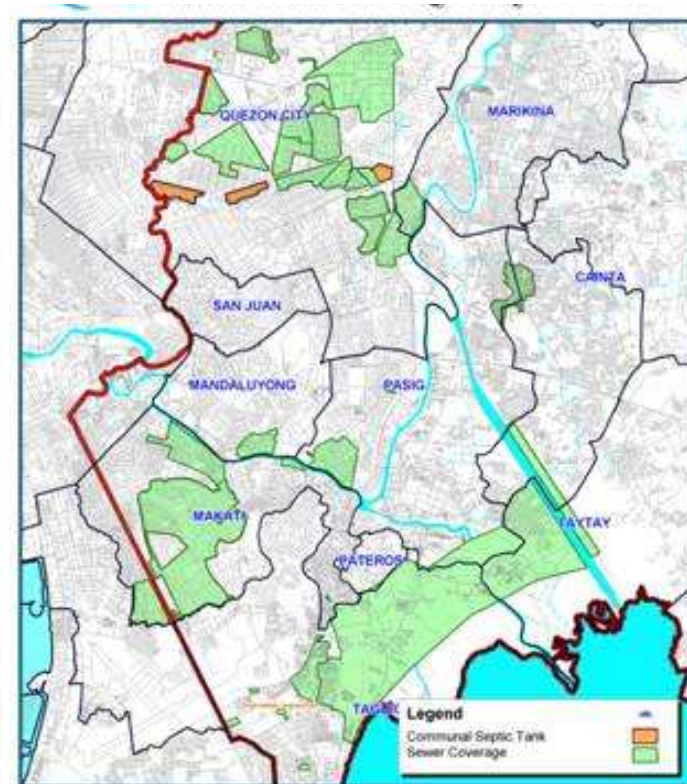
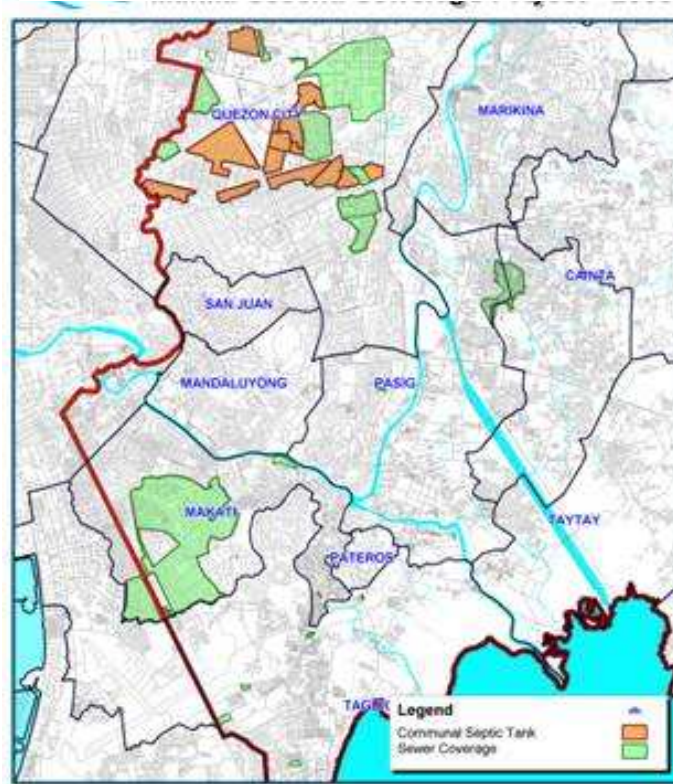
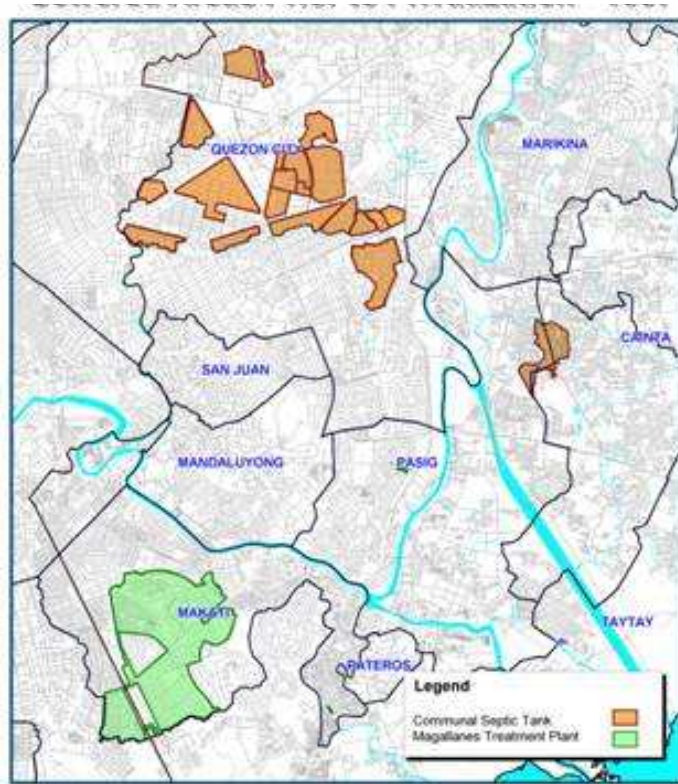
Accomplishments in Sewerage



1997

2008

2012



Coverage: 3%

Coverage: 16%

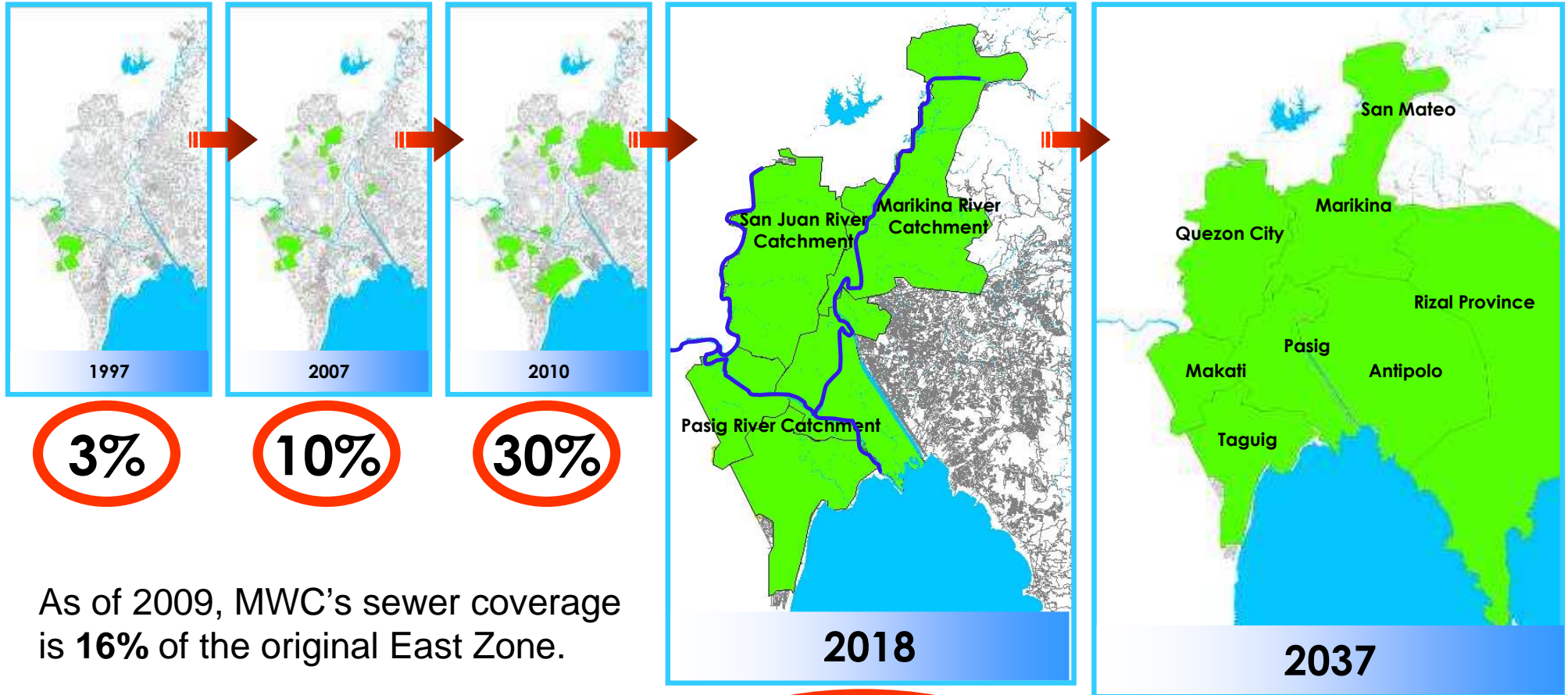
Coverage: 30%

Wastewater Service Targets 1997-2037



Rate Rebasing Year	Agreed Coverage Targets	
	Sewerage	Septic Tank Management ('Sanitation')
1997-2003-2007	10% by 2006 (actual:13%) 55% by 2022	90% by 2006 45% by 2022
2008-2012	30% by 2012 (actual: 16%, as of 2009) 63% by 2022	70% by 2012 37% by 2022
CA Renewal 2009-2018 2018-2037	100% for 3-river system by 2018 100% for East Zone by 2037	100% for 3-river system -

Accelerated Wastewater Program



As of 2009, MWC's sewer coverage is **16%** of the original East Zone.

<p>Package Sewage Treatment Plants for existing sewer network</p>	<p>Combined Sewer-Drainage Systems</p>	<p>Dedicated Sewer Systems</p>
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Wastewater Service Expansion Challenges



- 💧 “Not in my backyard”
- 💧 Local government support in providing land for wastewater facilities
- 💧 Right of way issues
- 💧 National government’s will and capability in implementing Clean Water Act
- 💧 Impacts of Climate Change

Environmental Initiatives

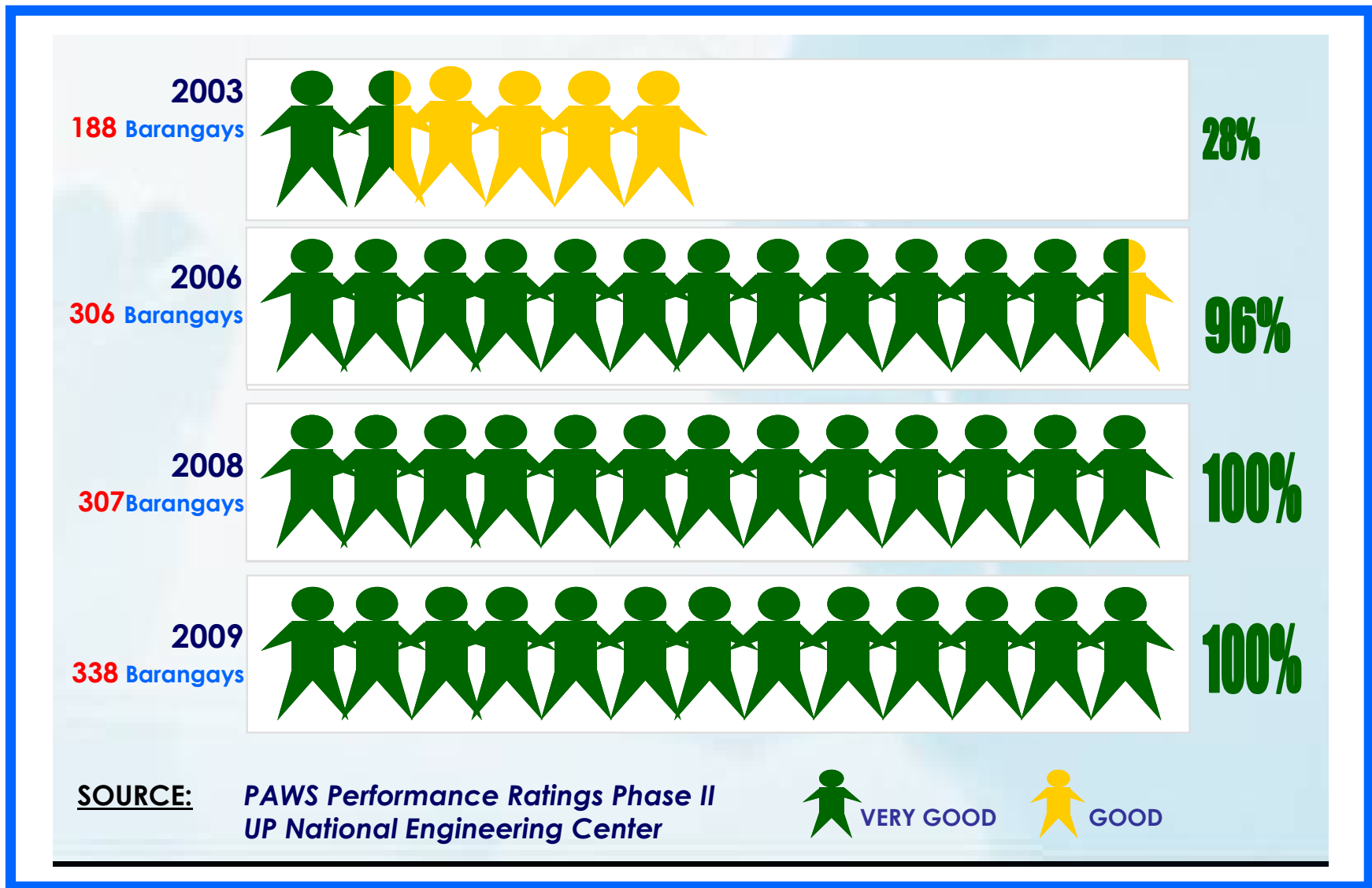


- 1st Clean Dev't Mechanism (CDM) project in a domestic water treatment plant in the Phils.
- Capture of biogas for power generation



- Effluent re-use for landscape irrigation and toilet flushing
- Biosolids application to agricultural land in lahar areas

Public Assessment of Water Services (PAWS)

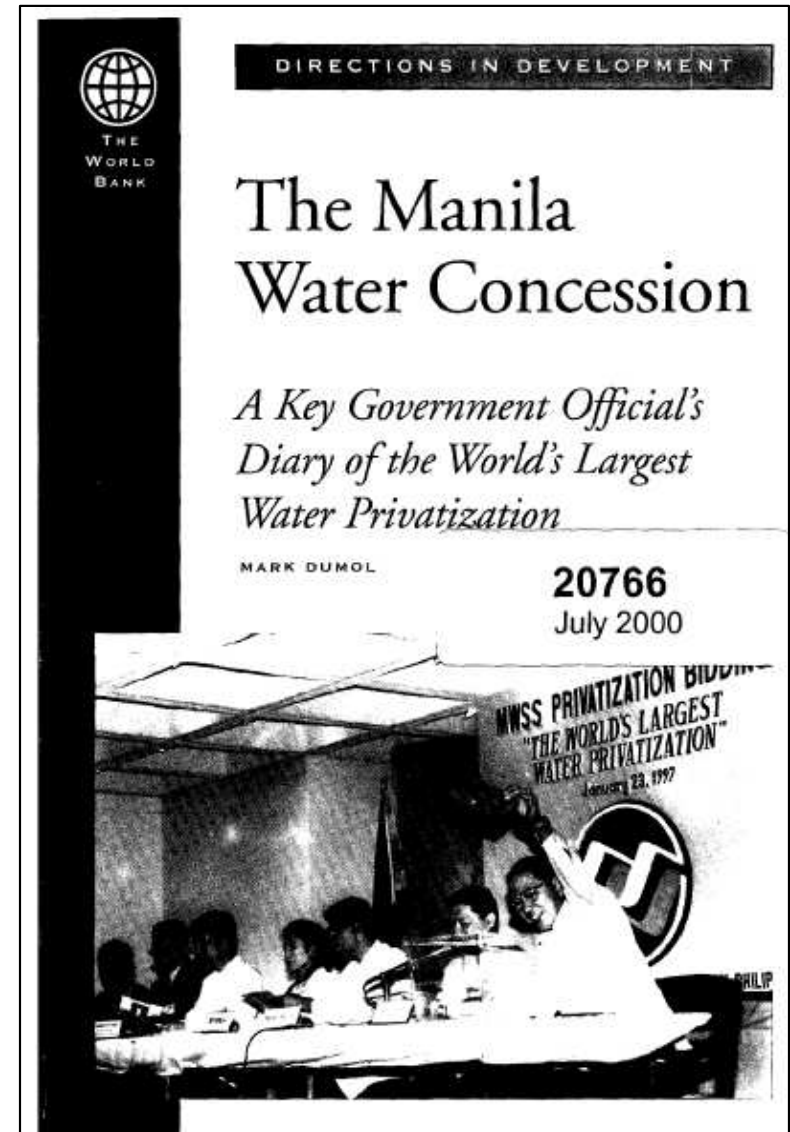


Suggested Reading

Mark Dumol:
The Manila Water Concession - a key government official's diary of the world's largest water privatization

Summary:

- Each case of utility reform is specific
- But some principles are valid across countries:
 - Sustained high-level political commitment
 - Need for a strong and dedicated government team supported by experienced advisors
 - Transparent bidding process
 - Broad communication and consultation



Free download at World Bank website.

Suggested Reading



- Harvard Business School - Case Study on Manila Water Co. (2007)

A screenshot of the Harvard Business Publishing website. The top navigation bar includes the Harvard Business Publishing logo, a search bar, and a "SEARCH" button. Below the navigation bar, there are links for "SIGN IN", "STORE", and "BLOGS". The main content area features a breadcrumb trail: "SHOP HARVARDBUSINESS.ORG > Articles > Books/Chapters > Case". A promotional banner indicates "10 Must-Read Articles from HBR Collection - Only \$29.95". The case study title "Manila Water Company" is prominently displayed in red, followed by the author "by V. Kasturi Rangan" and publication details: "21 pages. Publication date: Aug 09, 2007. Prod. #: 508004-PDF-ENG". A brief description of the case study is provided. To the right, there is a "CASE STUDY" icon and a sidebar with options for "Language & Format" and "Quantity". A "KEY LEARNINGS" section is located at the bottom of the page.

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Manila Water Company

by **V. Kasturi Rangan**
21 pages. Publication date: Aug 09, 2007. Prod. #: 508004-PDF-ENG

In 1997, the Philippines government privatized its water utility in the metropolitan Manila area. The East Zone concession was won by Manila Water Company and the West Zone concession by Maynilad Water Services. Over the next decade, Manila Water turned in an impressive and profitable performance, while Maynilad failed. Describes the management actions of Manila Water and poses the question of whether, and how much, they should bid for the vacated West Zone concession.

KEY LEARNINGS

To understand the structure of profitable business models in the provision of basic services such as water.

Suggested Reading



- Lee Kwan Yew School of Public Policy - Case study on MWCI and MWSI (2006)

Urban Studies
45(1) 207–229, January 2008

A Tale of Two Concessionaires: A Natural Experiment of Water Privatisation in Metro Manila

Xun Wu and Nepomuceno A. Malaluan

[Paper received in final form, October 2006]

Abstract

In February 1997, Maynilad Water Services, Inc. and the Manila Water Company, Inc. were awarded concession contracts from Manila's Metropolitan Waterworks and Sewerage System (MWSS) and split between them the service areas in Metro Manila. In the years thereafter, the paths taken by the two concessionaires diverged dramatically: Maynilad became bankrupt and was turned over to MWSS, whereas Manila Water has prospered and is now a listed company in the Philippine Stock Exchange. The co-existence of two concessionaires in the same city offers a rare opportunity to study

**Upcoming case study
DEC 11, 2009**

Urban Water Management in Manila

Lee Kwan Yew School of Public Policy

“Good Practices for Urban Water Management in Asia”



Manila Water



Nangangalaga sa Kinabukasan