DSWD
Department of Social Welfare and Development

27 October 2017

REPRESENTATIVE JESUS NONATO SACDALAN
Chairperson
Committee on Government Enterprises and Privatization
RVM Building, House of Representatives
Quezon City

Dear **Chairperson Sacdalan:**

The **Department of Social Welfare and Development supports the various bills and resolutions on the regulation of water utilities** under **House Bill Nos. 140** (Rep. Noel), **221** (Rep. Villarica), **517** (Rep. Herrera-Dy), **2075** (Rep. Ramirez-Sato), and **5025** (Rep. Suarez), House Resolution Nos. **240** (Rep. Suarez), **445** (Rep. Castelo), and **930** (Rep. Zarate), which seek to strengthen the government's efforts in maintaining a continuous and sufficient supply or distribution of potable water.

To contribute to the bills' enhancement, we are recommending the following:

1. To consolidate the bills into one.

2. On **HB Nos. 221, 2075,** and **517**

    The creation of Authority or Commission can create additional bureaucracy and financial burden to the government. The fund intended for this Act can be given to Local Water Utilities Administration to develop and improve the water system nationwide.

3. We support the Resolutions that would facilitate the investigations on certain irregularities emanating from water concessionaires Manila Water Company and Maynilad Water Services, Inc. It is high time to control market abuses including the passing-on of charges to consumers which further reduce the poor's access to basic necessities like water. Water rate increases compel the poor to resort to other unsanitary and unsafe water sources which also compromise their health.

    Related to this, we also welcome the proposal for water concessionaires to clearly specify the consumption of the customers/ clients/ end-users in their monthly bills as basis for the amount of charges e.g., monthly electric bill of the consumer reflects all the computations including the Value-Added Tax (VAT) which is being practiced by the Manila Electric Company (MERALCO).

For consideration of the Committee.

Thank you.

Very truly yours,

EMMANUEL A. LEYCO
Officer-in-Charge

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