

PDF Sub-Working Group on Water Supply and Sanitation

Terms of Reference

September 4, 2008

Background

Water supply coverage and quality in the Philippines are in dire need of improvement. Filipinos' access to safe water supply declined from 87% in 1990 to 85% in 2004, according to the Joint Monitoring Program for Water Supply and Sanitation by UNICEF and WHO.¹ There is no consolidated data on piped water systems but evidence from various sources imply that the access of Filipinos to such systems is very low. As of 2000 census, only 27 in every 100 households in the Philippines have connection either through own use faucet or community water systems (see Table 1). This suggests that level 3 access (individual household connection)² nationwide is lower than this figure. In the July 1-3, 2008 consultations on regulation and improving water service coverage, it was reported that water districts under the supervision of LWUA are able to connect only an average of 40% of the population they are mandated to serve.

Table 1. Number of Households by Main Source of Water Supply, Philippines as of year 2000³

Source of Water Supply	No. of Households	% of Total
Own Use Faucet, Community Water System (CWS)	4,177,722	27.3
Shared Faucet, CWS	2,950,891	19.3
Own Use Tubed/Piped Deep Well	1,389,768	9.1
Shared Tubed/Piped Deep Well	2,406,228	15.7
Tubed/Piped Shallow Well	1,098,552	7.2
Dug Well	1,209,319	7.9
Spring, Lake, River, etc.	1,350,735	8.8
Peddler	348,636	2.3

¹ UNICEF-WHO data are retrieved from various Philippine sources, including NSO database and "Philippines Demographic and Health Survey, 2003". *Access to safe water* is broadly defined here as access to potable water regardless of whether it is from piped systems or lower level systems.

² The other levels of water systems are: level 1, which means stand-alone water points (e.g., handpumps, shallow wells, rainwater collectors); and level 2, which means piped water with a communal water point (e.g., borewell, spring system).

³ The latest data will be culled from the 2007 census results and are still being processed by the National Statistics Office.

Source of Water Supply	No. of Households	% of Total
Bottled Water	55,226	0.4
Others	291,731	1.9
TOTAL	15,278,808	100

Source: 2007 Philippine Statistical Yearbook (primary data from 2000 census)

Notes: total population in 2000 = 76,504,077; one household = 5 members

With respect to sanitation, the MTPDP 2008 Update reported that access to sanitary toilet facilities slightly increased from 86.1% in 2002 to 86.2% in 2004. However, World Bank estimates that only about 4% of the population nationwide had access to sewerage as of 2000. As a result of inadequate coverage and quality, waterborne diseases remain a severe public health concern for Filipinos, accounting for more than 4,200 deaths each year.⁴

To address the problem of inadequate water and sanitation coverage and quality, actions from different agents such as the water service providers, financing institutions, national and local governments, development partner agencies, and civil society groups are needed. Thus, the government and development partners' group dealing with water supply and sanitation sector issues is convening a forum to serve as a venue for these stakeholders in: (i) discussing in depth the root causes of and solutions to the problem of inadequate water supply coverage and quality; (ii) ensuring coordination of measures and courses of action to address them; and (iii) delineating the roles of development partners in the action program for the sector. This "PDF Sub-Working Group on Water Supply and Sanitation" shall link with the ongoing dialogues on infrastructure and the broader themes of the Philippine Development Forum (PDF).

The larger PDF is an annual, interactive and participatory forum where different stakeholders from the national and local governments, civil society, academe, business groups, and the international development community discuss possible actions on the main reform challenges of the country. The PDF evolved from the Consultative Group Meetings among the government and international development partners and was launched in 2004 to bring in other stakeholders into the dialogue. The PDF currently has eight thematic Working Groups: MDGs and Social Progress; Growth and Investment Climate; Economic and Fiscal Reforms; Governance and Anti-corruption; Decentralization and Local Government; Sustainable Rural Development; Mindanao; and Infrastructure. The PDF-Infrastructure Working Group (PDF-IWG), a recent addition to the working groups, held its first meeting last August 22 and called for the formation of three sub-working groups under it (namely, transportation, power and water sub-working groups) to facilitate the resolution of sector-specific issues. It was also agreed during the PDF-IWG meeting that the sub-working group for the water sector will be chaired by the DOF and jointly co-chaired by the USAID and JBIC.

⁴ Cited in "Philippines: Meeting Infrastructure Challenges," World Bank 2005, with primary data taken from *Philippines Environment Monitor 2003* funded by the World Bank.

Objectives

- To discuss water supply and sanitation sector issues and set common goals, strategic directions and priority plans and programs.
- To coordinate the Government of the Philippines (GOP)'s and development partners' respective development programs for the water supply sector under a common platform.
- To promote complementation and synergy among the different ODA-funded activities for the water supply sector.

Membership

The government and development partners' group dealing with water supply and sanitation sector issues discussed and agreed, during the 13 March 2008 Philippine Water Revolving Fund (PWRF) Steering Committee meeting and 16 May 2008 Philippine Water Supply Sector Roadmap (PWSSR) Steering Committee meeting, that the PDF Water Sub-Working Group be primarily composed of PWSSR Steering Committee representatives as well as private sector entities and donors involved in water sector development. The proposed membership is as follows:

- GOP Chair: Department of Finance (DOF), Chair
- Development Partner Agency Co-chairs:
 - United States Agency for International Development (USAID)
 - Japan Bank for International Cooperation (JBIC)/Japan International Cooperation Agency (JICA)
- Members:
 - National Government Agencies
 - National Economic and Development Authority (NEDA)
 - National Water Resources Board (NWRB)
 - Cooperatives Development Authority (CDA)
 - Department of Agrarian Reform (DAR)
 - Department of Environment and Natural Resources (DENR)
 - Department of Health (DOH)
 - Department of Interior and Local Government (DILG)
 - Department of Public Works and Highways (DPWH)
 - Department of Social Welfare and Development (DSWD)
 - Local Water Utilities Administration (LWUA)
 - Metropolitan Waterworks and Sewerage System-Regulatory Office (MWSS)
 - National Anti-Poverty Commission (NAPC)
 - Department of Budget and Management (DBM)

Development Partners

World Bank (WB)
Water and Sanitation Program
KfW Development Bank (KfW)
German Agency for Technical Cooperation (GTZ)
Australian Agency for International Development (AusAid)
Asian Development Bank (ADB)
International Finance Corporation (IFC)
United Nations Development Programme (UNDP)

Other Stakeholders (Private Sector, Civil Society and Local Government)

Philippine Association of Water Districts (PAWD)
National Water and Sanitation Association of the Philippines, Inc. (or NAWASA, an NGO)
League of Provinces of the Philippines
League of Municipalities of the Philippines
League of Cities of the Philippines
Streams of Knowledge (or STREAMS, a coalition of NGOs on water and sanitation)
Development Bank of the Philippines
Land Bank of the Philippines
LGU Guarantee Corporation
Philippines Ecology Network

- Technical Secretariat: DOF-Corporate Affairs Group (with technical assistance from development partners)

Main Functions

- Be the sub-forum for the GOP to apprise all stakeholders on the guiding principles and policies for the water supply and sanitation sector's development and reform agenda, particularly in the following areas:
 - Regulatory reforms and legislative actions
 - Institutional strengthening
 - Financing policy
 - Capacity building
 - Strategic alliance building
- Identify the lead institutions for the key result areas of the reform agenda and delineate responsibilities among concerned agencies and development partners.
- Coordinate the assistance and programs of development partners to ensure consistency with the GOP's priorities and determine the appropriate timing of interventions.

- Monitor the status/accomplishments of the action plans and related projects of development partners vis-à-vis indicators of the sector's reform agenda.

Operating Guidelines

- The discussions/agreements and recommendations of the PDF Sub-Working Group on Water Supply and Sanitation will be elevated to the PDF Infrastructure Working Group and the NEDA Board-Infrastructure Committee. The DOF, being the chair of the Oversight Committee for EO 279 (policy on water supply and sanitation financing reforms), can provide the integration of financing reforms with the overall sector reform program.
- The PDF Sub-Working Group on Water Supply and Sanitation will meet every quarter, unless there are urgent issues which may necessitate more than one meeting in a quarter. The call for meetings and agenda for discussion will be issued by the technical secretariat.
- The technical secretariat will also be assisted by consultants/staff of development partners. For this year, the USAID-funded PWRP Support Program and the multi-donor funded Water and Sanitation Program (WSP) are deploying consultants to support the DOF-CAG technical secretariat.
- The joint development partner co-chairs for this year, USAID and JBIC, were recommended by the PDF Infrastructure Working Group during its first meeting on August 22, 2008. The development partner co-chair/s for the subsequent years will be decided on a collegial basis during sub-working group meetings.
- The operating cost of holding meetings will be shared by development partners.
- Some elements in these terms of reference may be changed subject to approval by the majority in a meeting of the PDF Sub-Working Group on Water Supply and Sanitation.

Prepared by the Technical Secretariat
with assistance from PWRP-SP