A photograph showing four hands of different skin tones (light, medium, and dark) holding a circular ring of water. The water is splashing and bubbling, creating a dynamic and refreshing visual. The hands are positioned at the top, bottom, left, and right of the ring, symbolizing global unity and shared responsibility for water.

Public Education, Marketing and Promotion of Tap Water Consumption

Manila Water



VIRGILIO C. RIVERA, JR.
GROUP DIRECTOR





Securing the Future Today

About Manila Water



East Zone,
Metro Manila,
Philippines



Shareholder Structure		
	Ayala Corp	43.3%
	Mitsubishi Corp	7.0%
	IFC	5.2%
	Public	44.5%

SEP 2010 FIGURES
**P44/USD, 1 USD = 82.57 JPY*

- MARKET CAP: \$877M (72B JPY)
- REVENUES: \$189M (15.6B JPY)
- NET INCOME: \$67M (5.5B JPY)

Publicly listed in the Philippine Stock Exchange (PSE) since 2005

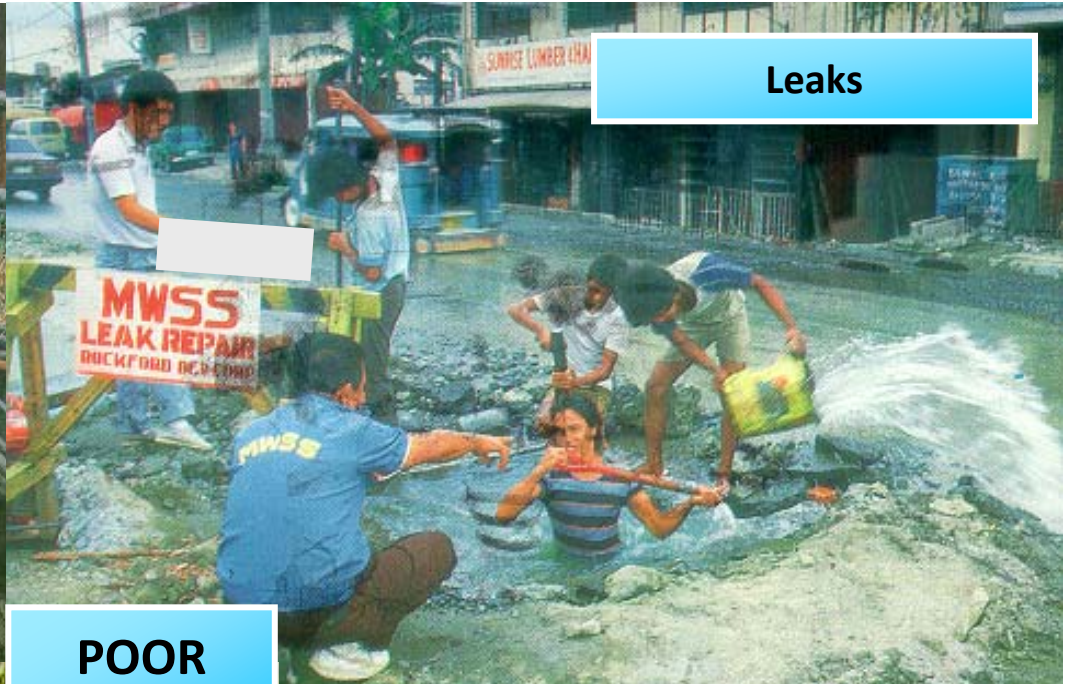
**Manila Water's Total Approach
to achieving
successful Public Education,
Marketing and Promotion
of Tap Water Consumption
in Metro Manila, Philippines**



Illegal Connections



Leaks



POOR SERVICE

Low Water Pressure



No Water





**Employees' Lack
of Customer Focus**

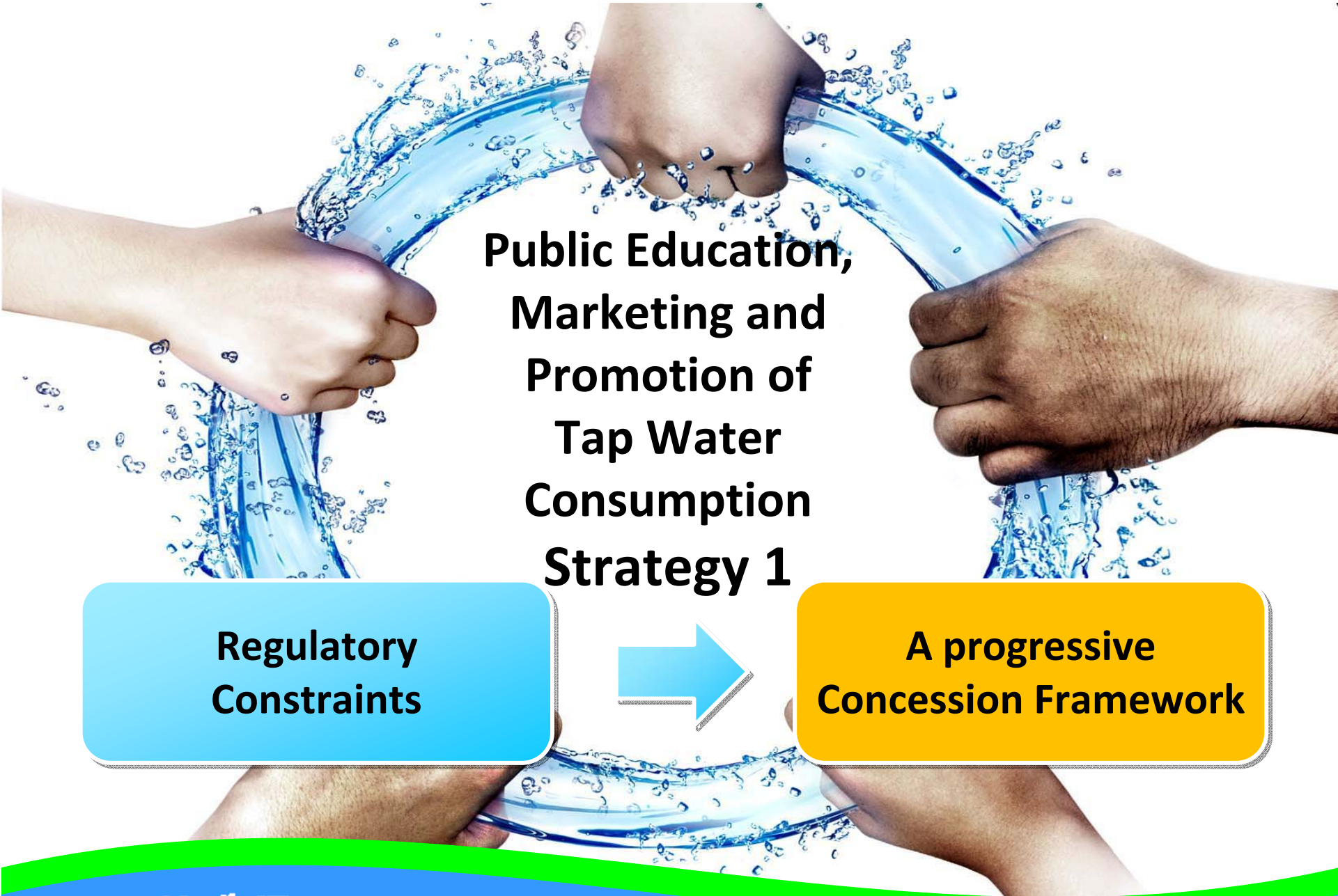
**Regulatory
Constraints**

**Challenges to
Public Education,
Marketing and
Promotion of
Tap Water
Consumption**

**Poor Execution of
Capital Works**

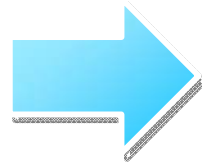
**High Network Losses
and Inefficiencies**

**Lack of Customer/
Community Support**



Public Education, Marketing and Promotion of Tap Water Consumption Strategy 1

**Regulatory
Constraints**



**A progressive
Concession Framework**

1997 Regulatory Reform “PPP”

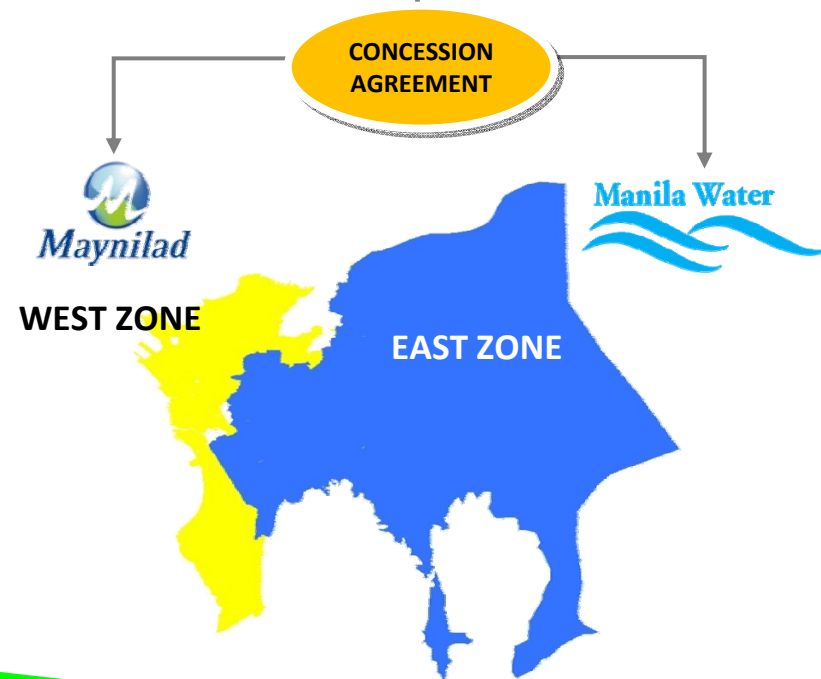
KEY FEATURES

- Two 25-year concessions
- Concessionaire is agent and operator of MWSS
- Operators responsible for O&M, new investments and service of MWSS debt

NATIONAL WATER CRISIS ACT



Metropolitan Waterworks and Sewerage System (MWSS)



1997 Regulatory Reform "PPP"

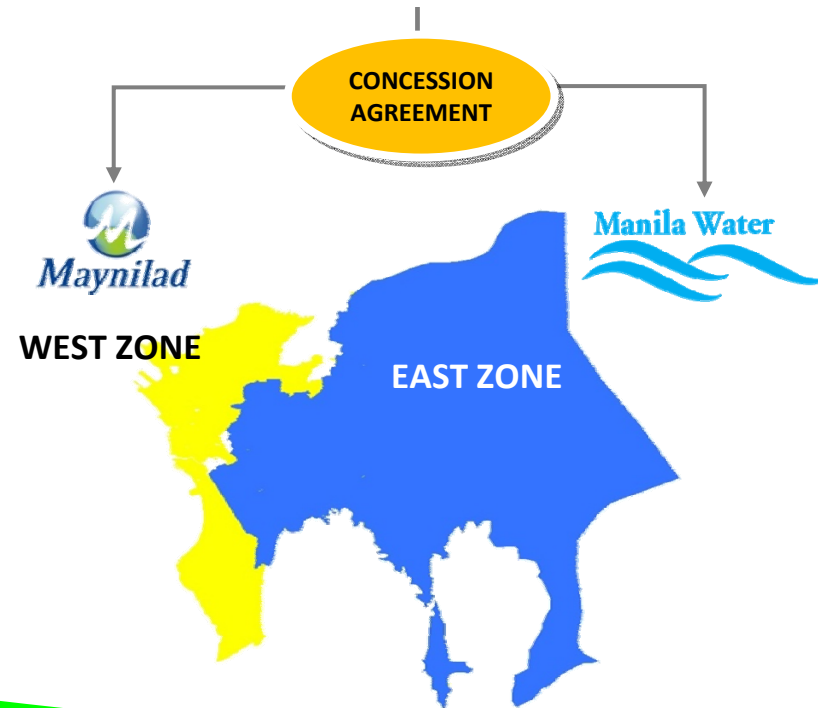
KEY FEATURES

- Service coverage targets, performance-based
- Regulation by contract; clear tariff setting mechanism
- Absorb MWSS Employees
- MWSS retains ownership of assets

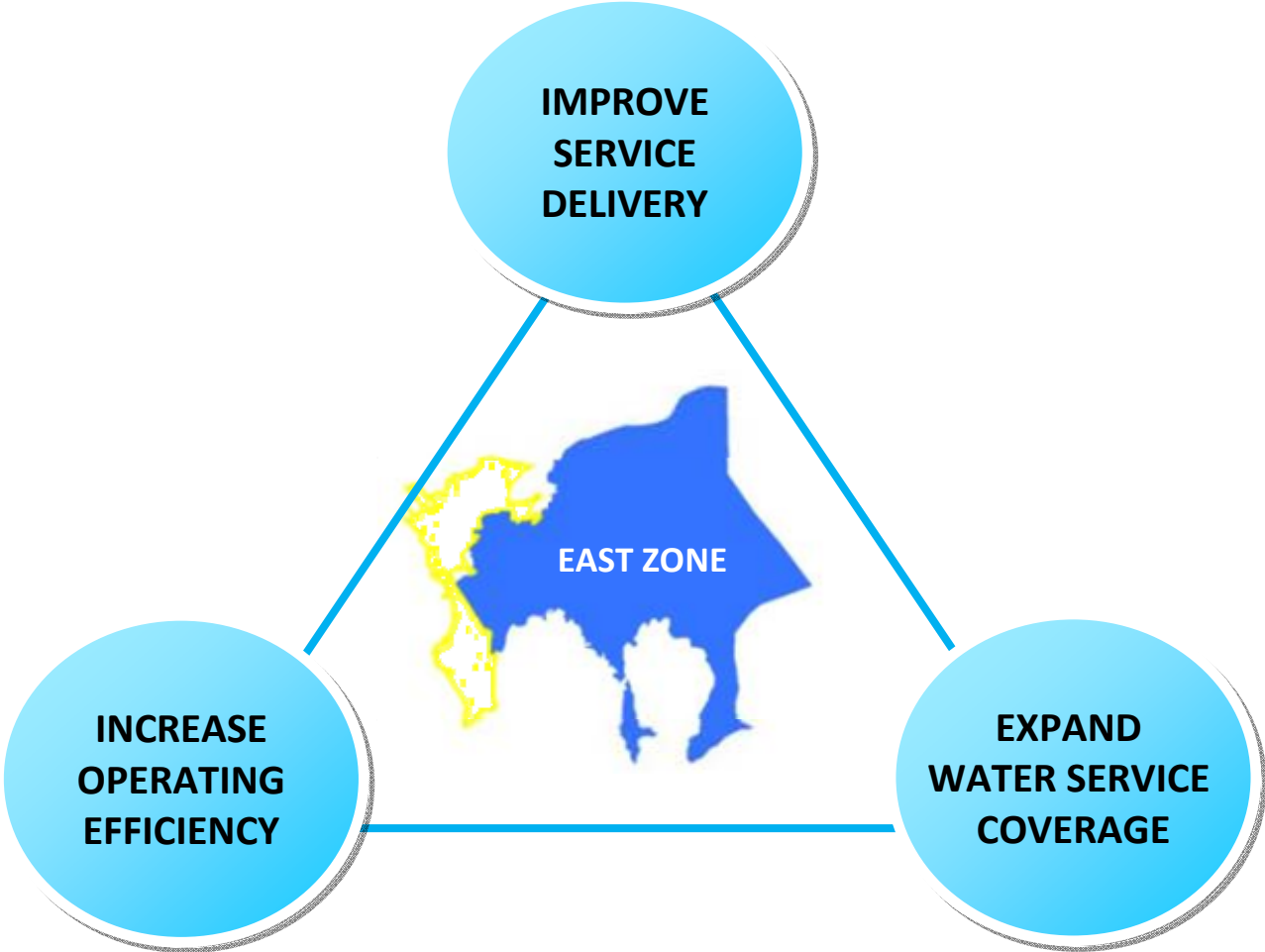
NATIONAL WATER CRISIS ACT



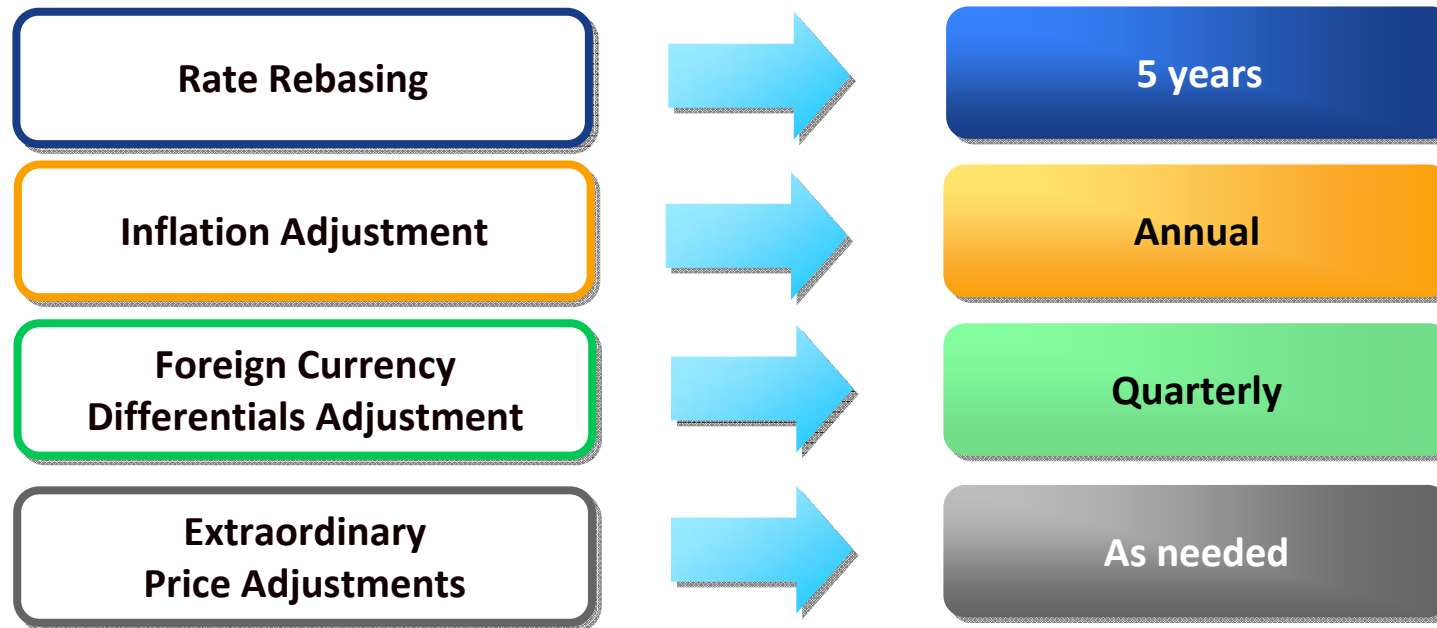
Metropolitan Waterworks and Sewerage System (MWSS)



Regulatory Reform Objectives



Tariff Setting Mechanism



Allows FULL RECOVERY of prudent costs and generate reasonable return on investments

Performance Indicators

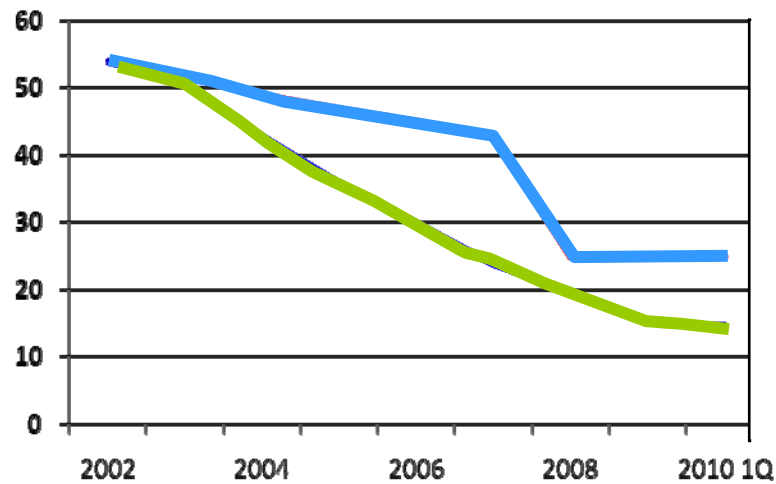
KEY PERFORMANCE INDICATORS (KPI)
Water Service (6 KPI)
Sewage and Sanitation (3 KPI)
Customer Service (5 KPI)


BUSINESS EFFICIENCY MEASURES (BEM)
Income (2 BEM)
Operating Expenses (3 BEM)
Capital Expenditures (2 BEM)
Non-Revenue Water (2 BEM)

Example of BEM (non-revenue water) and incentive mechanism

% System Loss

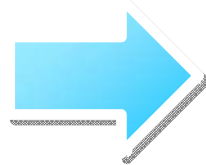
■ Target
■ Actual





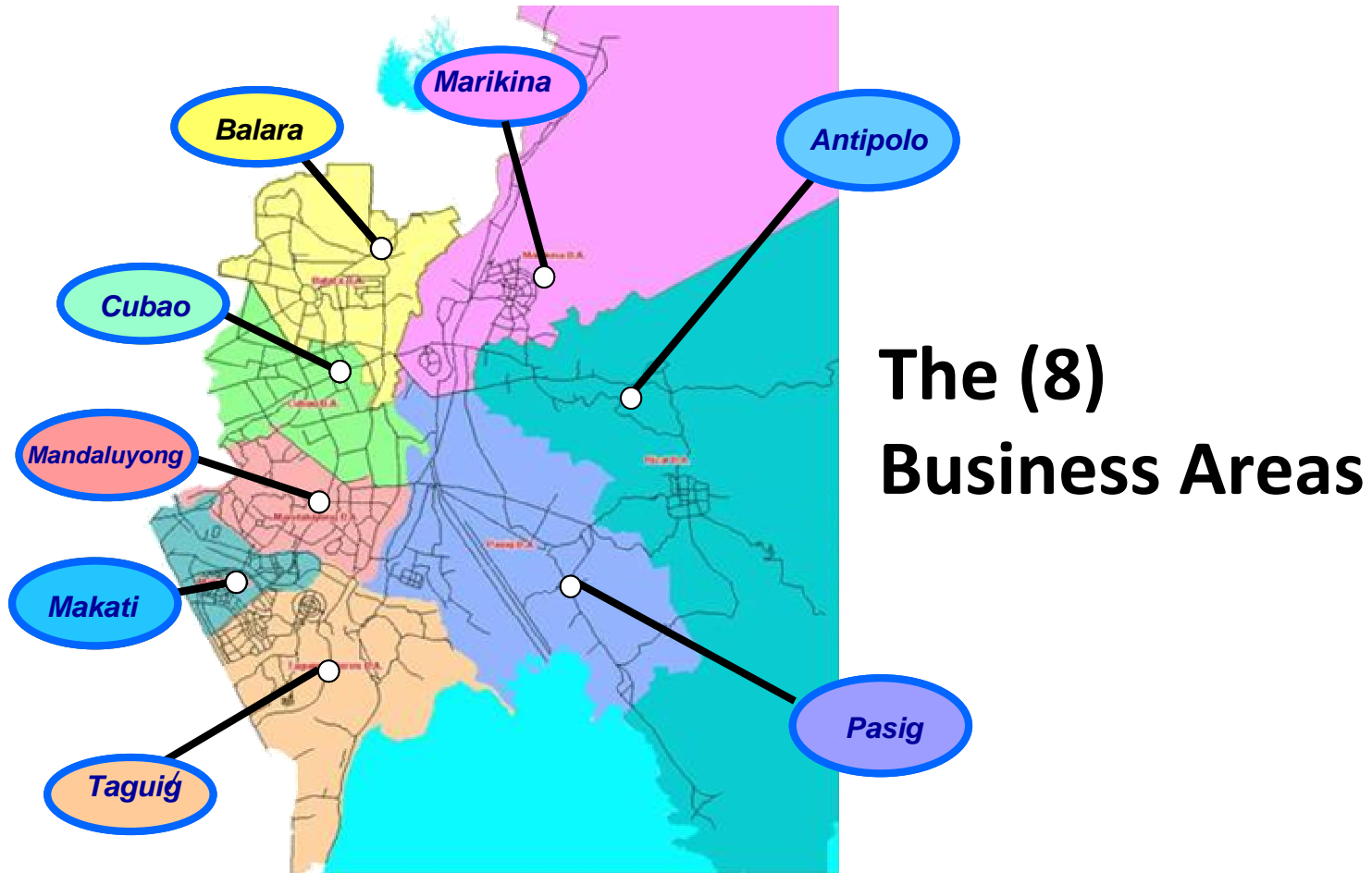
**Public Education,
Marketing and
Promotion of
Tap Water
Consumption
Strategy 2**

**Employees' Lack
of Customer Focus**

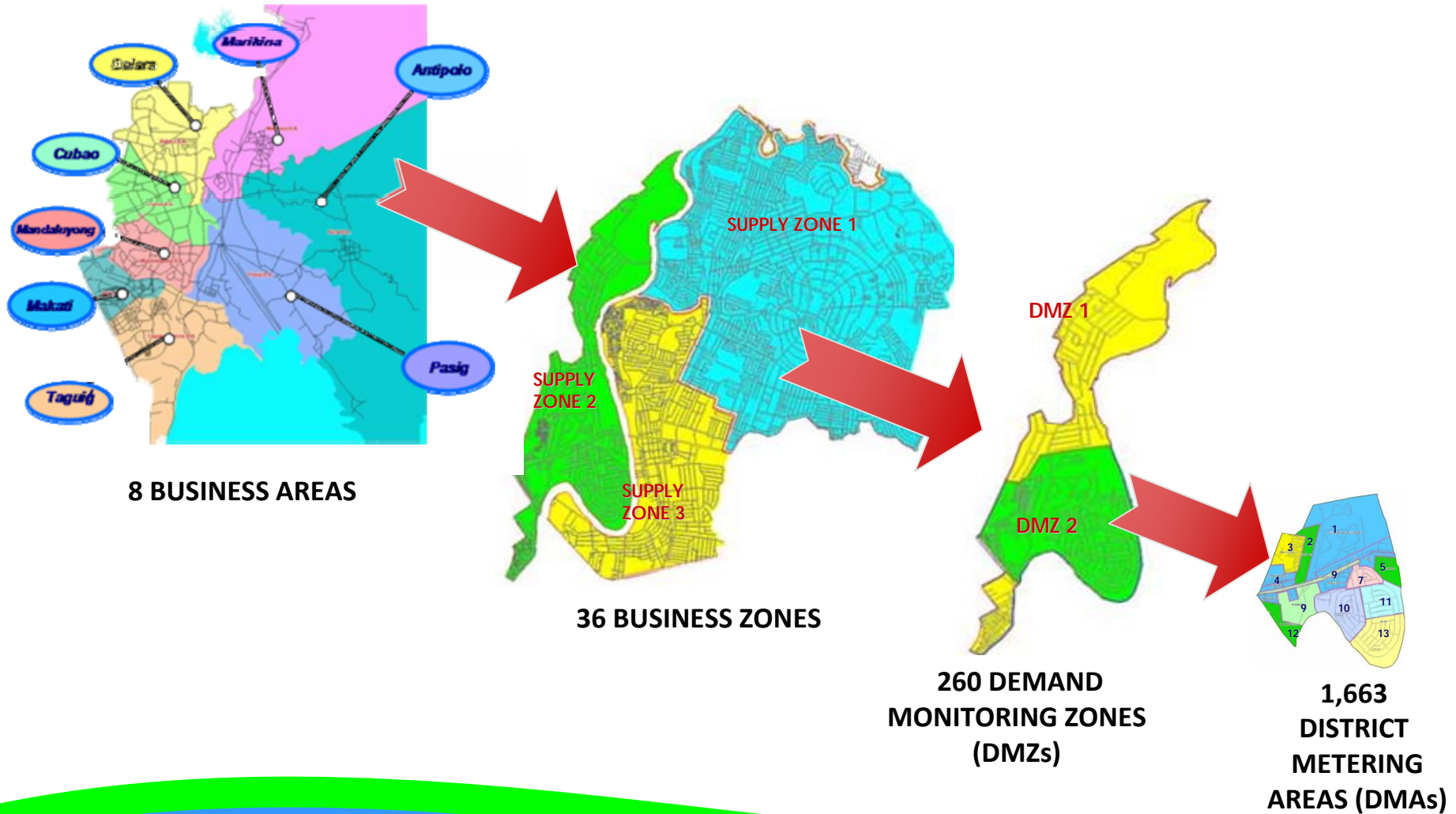


**Decentralization and
Empowerment**

Decentralization and Customer Focus through Territory Management



Decentralization and Customer focus through Territory Management



Manila Water




Promote empowerment and accountability



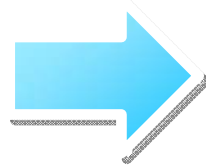
74% of our workforce are former MWSS Employees:

- ◆ Transforming employees from single-skilled workers to “MULTI-SKILLED” workers
- ◆ Employee Stock Ownership Plan
- ◆ Opening communication lines
- ◆ Creating a Results-oriented mindset
- ◆ Training and development



**Public Education,
Marketing and
Promotion of
Tap Water
Consumption
Strategy 3**


**Poor Execution of
Capital Works**



**Quality
Execution**

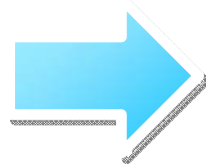
Quality Execution





**Public Education,
Marketing and
Promotion of
Tap Water
Consumption
Strategy 4**

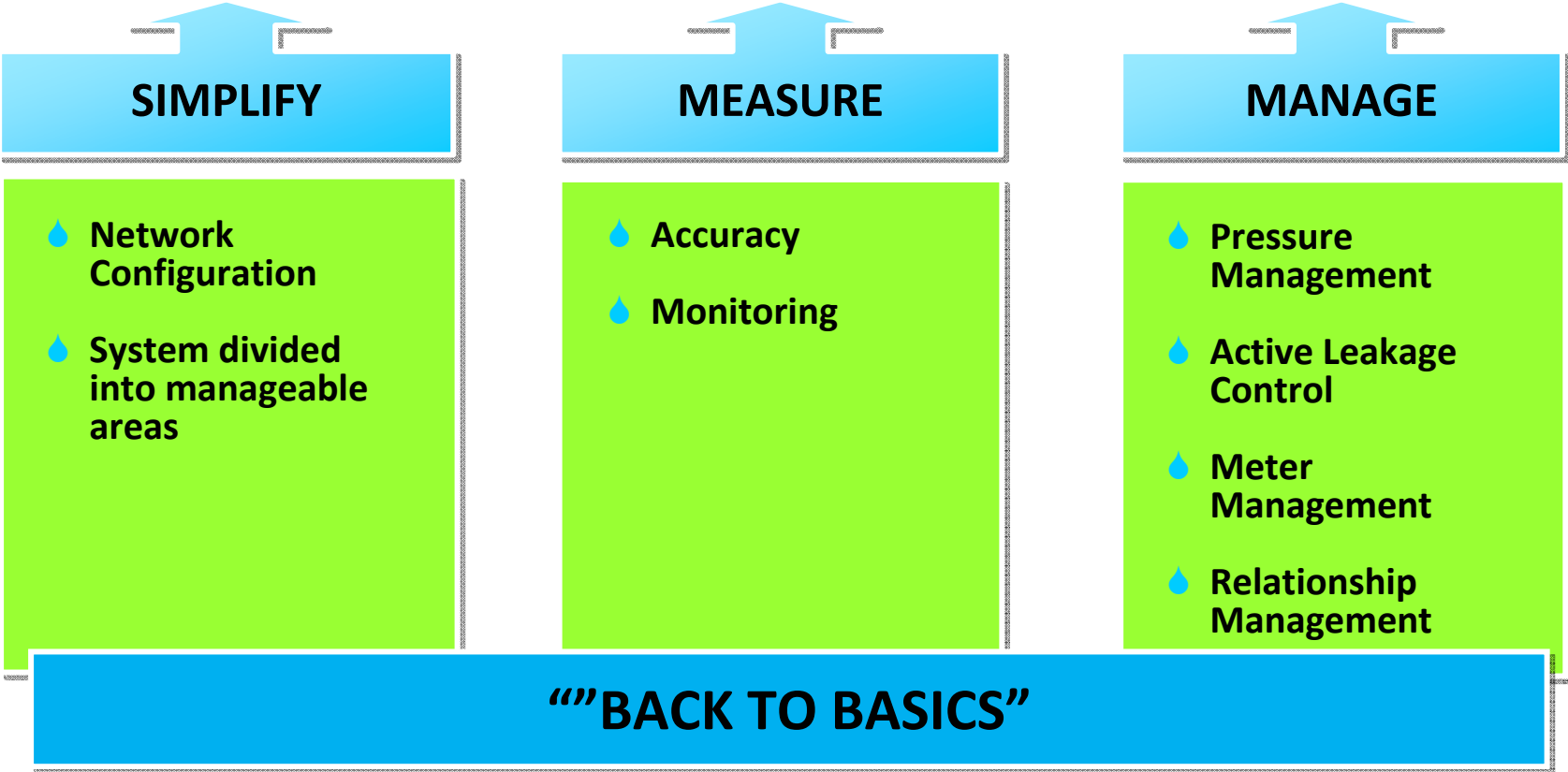
**Network Losses
and Inefficiencies**



**Reduce System
Losses**

Reduce System Losses

Operational Efficiency + NRW Reduction



Working Framework

NETWORK CHALLENGES

Supply Deficit

Distribution Network

High NRW

Environmental Challenges

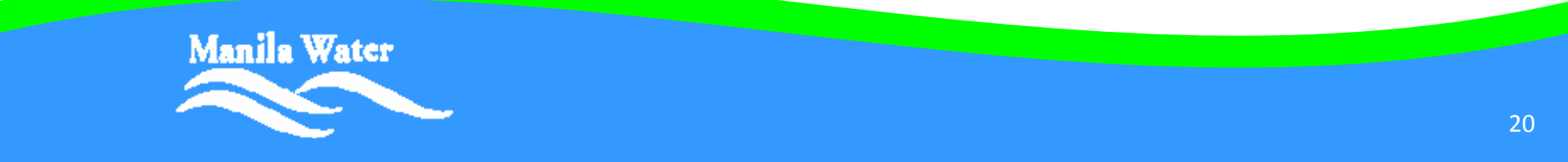
Service Obligations


TOTAL APPROACH

Efficiency

Effective Infrastructure Programs

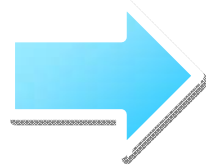
TECHNOLOGY & INNOVATION





**Public Education,
Marketing and
Promotion of
Tap Water
Consumption
Strategy 5**

**Lack of Customer/
Community Support**



**Customer and
Community Focus**

Educating and involving our customers

**PROACTIVE
CUSTOMER SERVICE**

**COMMUNITY EDUCATION:
SHORT FILM SERIES**



**CONSULTATIONS
/DIALOGUES**

**PARTNERSHIPS WITH
LGUs on PROJECTS**

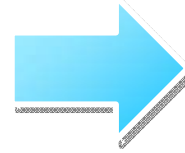


Providing Water to Low-Income Communities

“Water for the Poor” Program



ILLEGAL CONNECTIONS



REGULAR WATER SERVICE CONNECTIONS

745 projects - **1.7M** people served

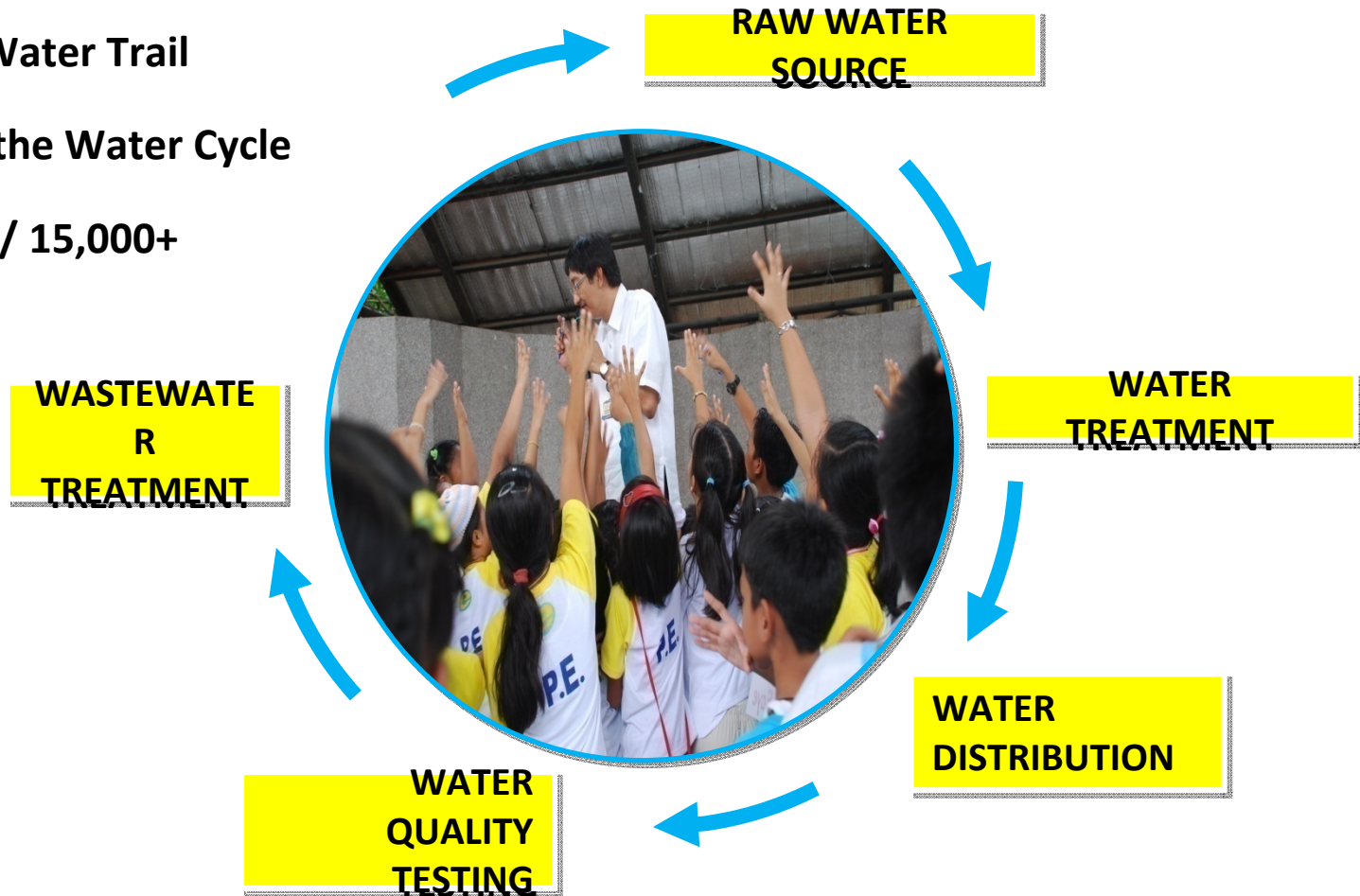
Expanding to Stakeholders

**Water and Sanitation Programs for Public Service Institutions:
300 Institutions, 1.5M Beneficiaries**



Water Education Program

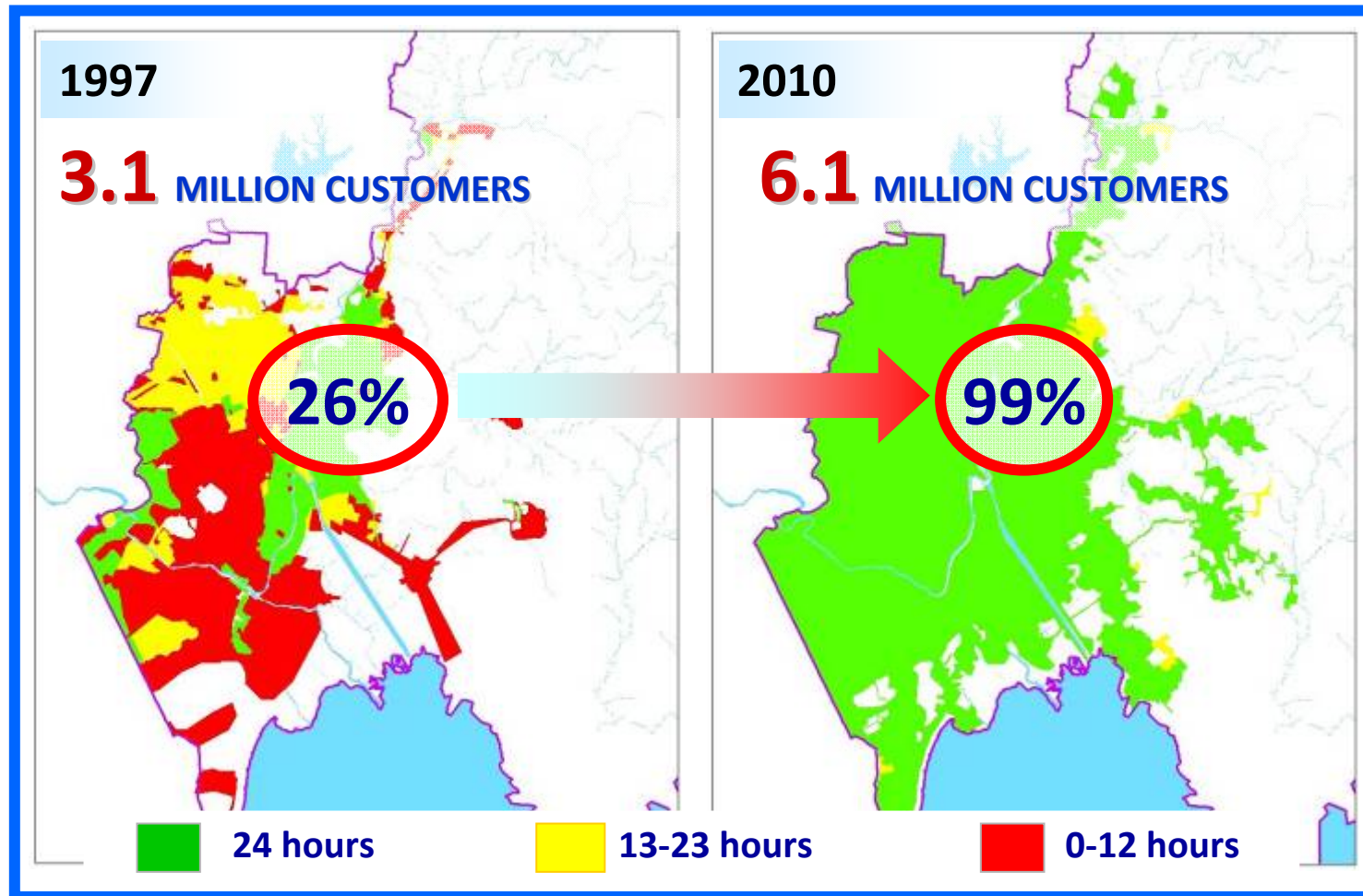
- Tour of the Water Trail
- Exposure to the Water Cycle
- 400+ groups / 15,000+ participants



**Results of Manila Water's
Total Approach
to Public Education,
Marketing and
Promotion of
Tap Water Consumption**

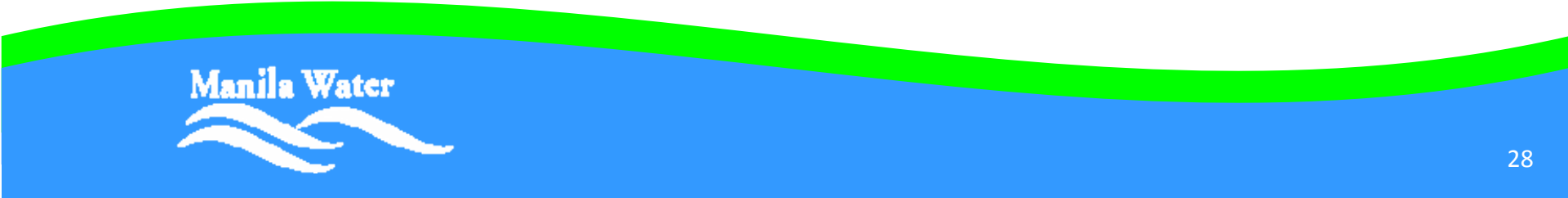
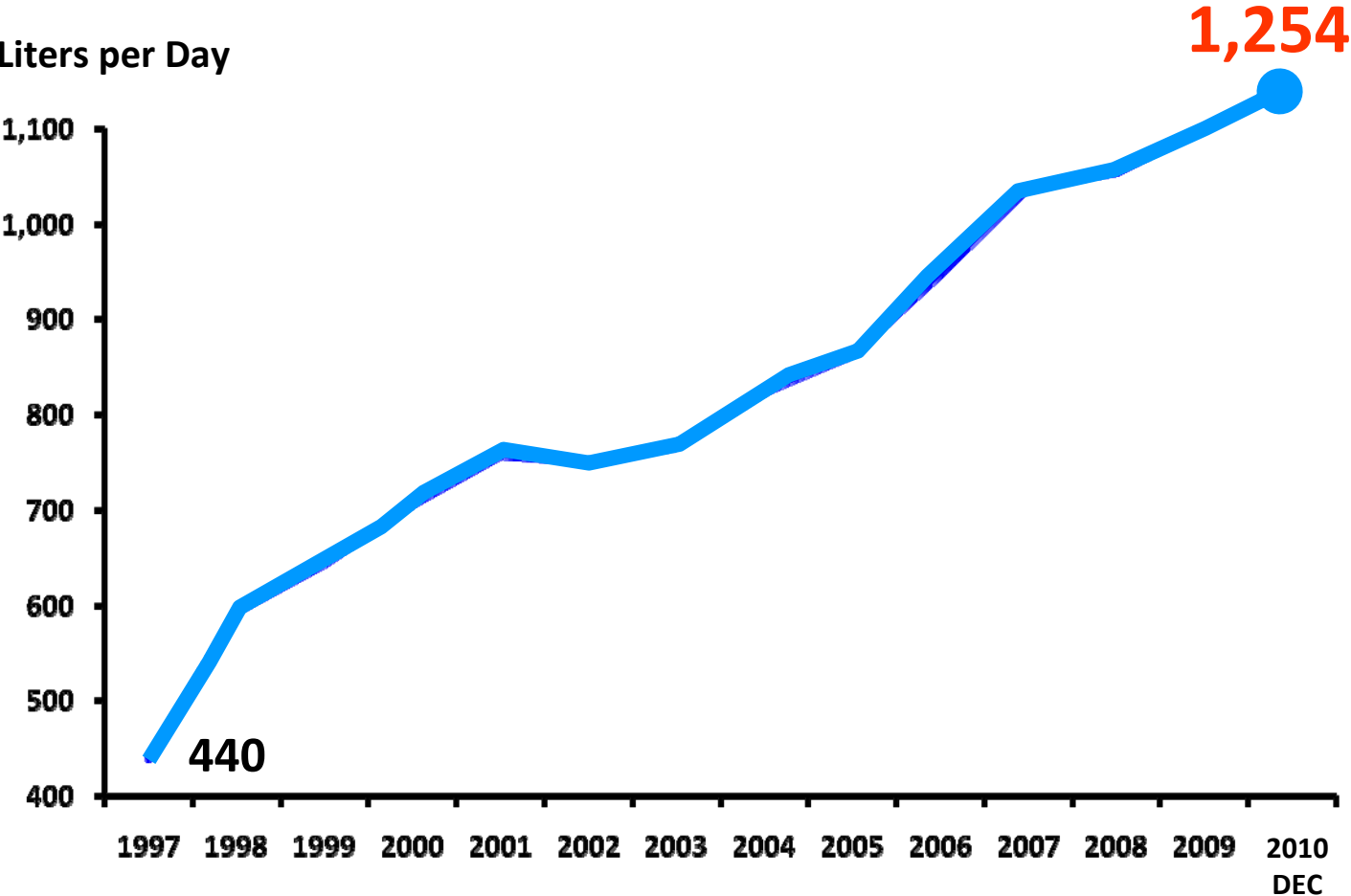


Access to 24-Hour Potable Water

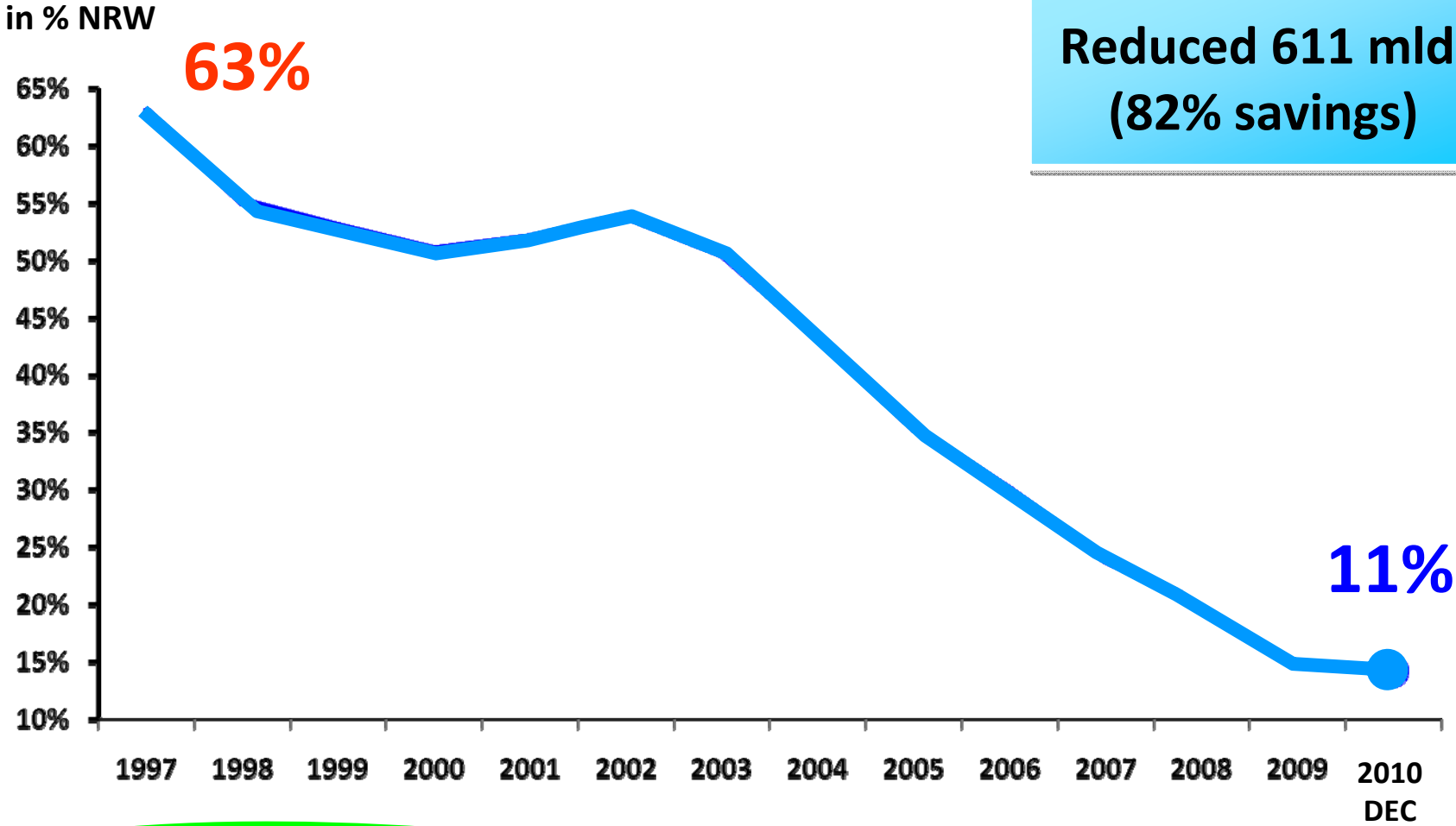


More Water Delivered to Customers

in Million Liters per Day



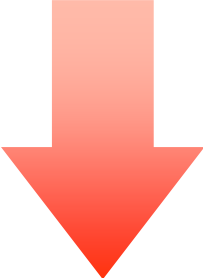
Reduction in Non-Revenue Water (NRW)



Building Communities: Affordable Potable Water



JPY 248 -413

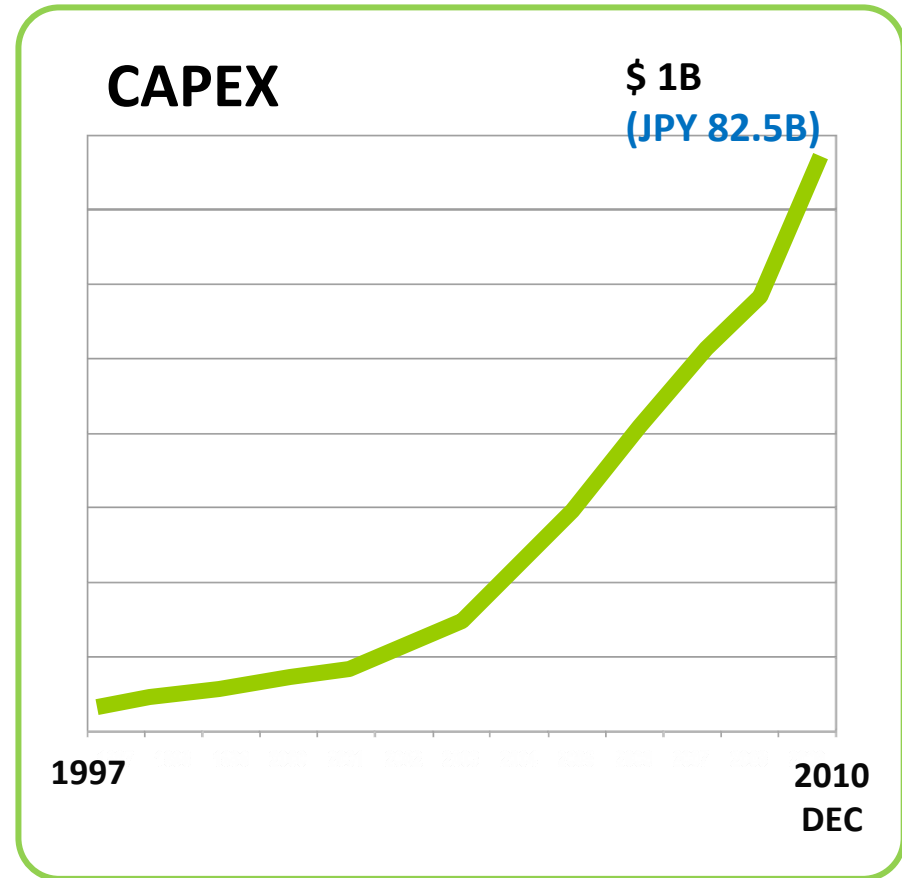
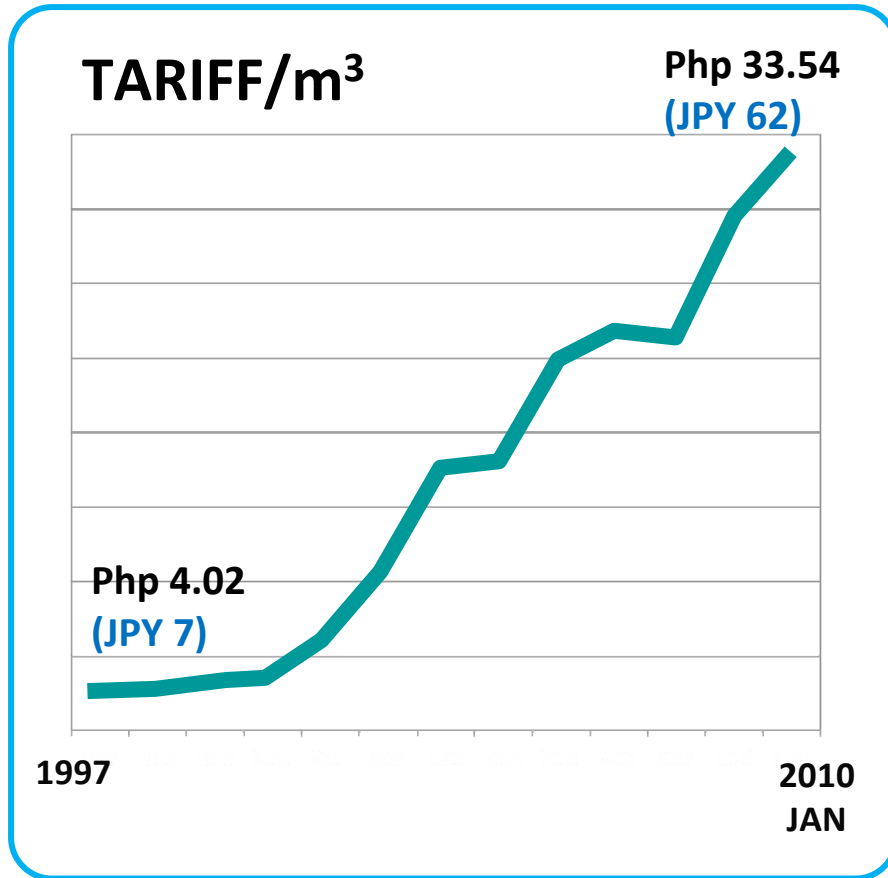


JPY 28/m³

**Monthly bill of Manila Water
customers from the
marginalized community
JPY 132**

1 USD = 82.57 JPY

Invested nearly a billion dollars into the system



1 PHP = 1.86 JPY
1 \$ = 82.57 JPY

Increased Sanitation and Health Benefits



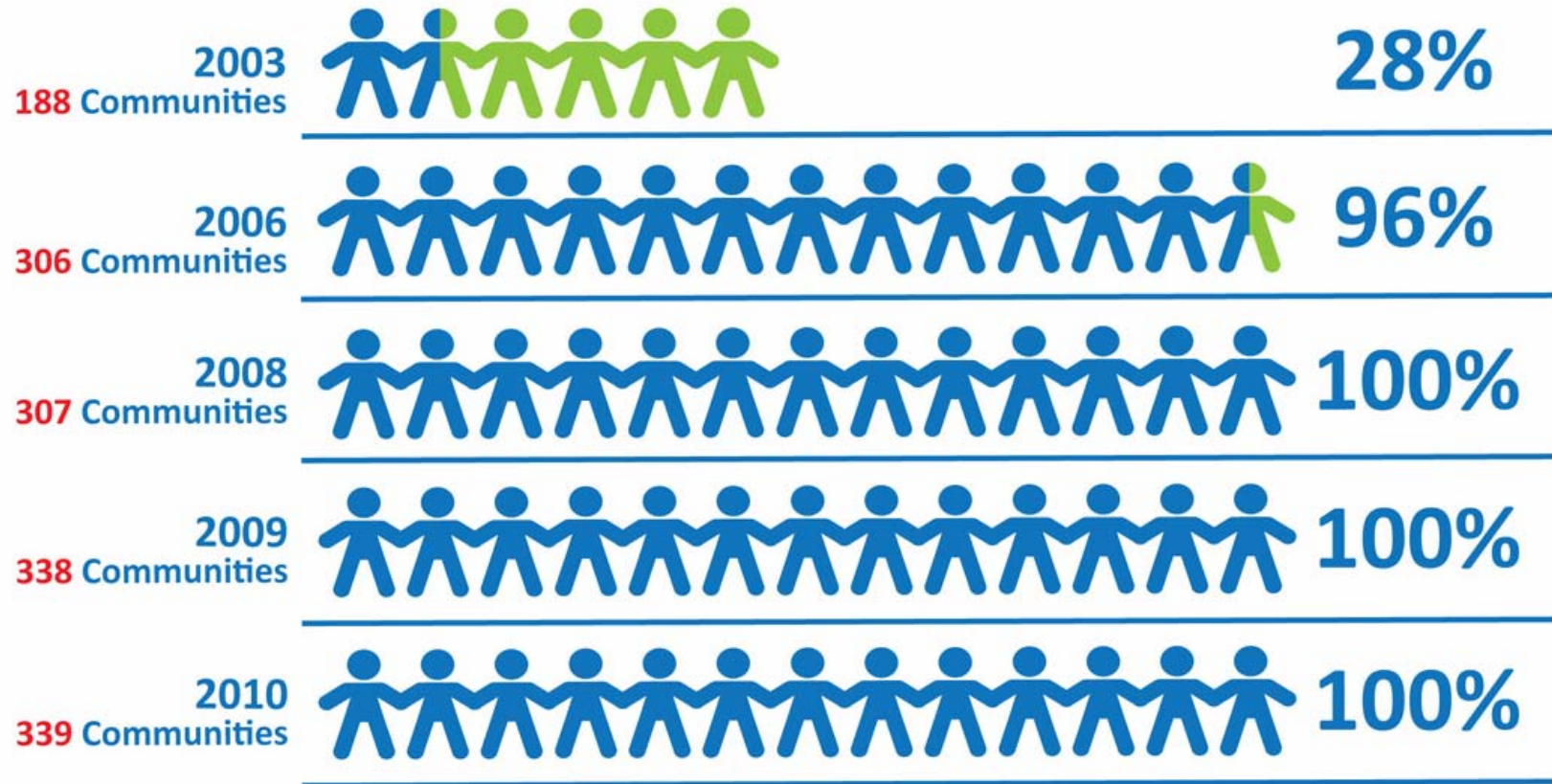
**Nearly 70% reduction
in diarrhea cases**

**From 16 to only 6 cases per 1000 people*

CUSTOMER BENEFITS

- 24-hour water supply availability
- Clean and Potable water
- Financial savings
- Reduced water-borne diseases
- Improved overall health and sanitation conditions

Public Assessment of Water Services (PAWS)



SOURCE: PAWS Performance Ratings Phase II
UP National Engineering Center



Manila East Zone: Before and After

	Population (Million)	Water Availability (hrs/day)	Water Coverage (% of Pop)	Non- Revenue Water (% of Prod)	Staff/1000 Connections
1996	3.1	16	58	63	9.8
2010 Dec	6.1	24	99	11	1.4

Global Recognition of Performance



**2010
IWA Global Water
Awards**

**Operations/
Management
Category**



**2010
Global Water
Awards**

**Water Efficiency
Project
of the Year**



2007

**Client
Leadership
Award**

Operating Efficiency

Water for the Urban Poor



In Summary





**Employees' Lack
of Customer Focus**

**Regulatory
Constraints**

**Challenges to
Public Education,
Marketing and
Promotion of
Tap Water
Consumption**

**Poor Execution of
Capital Works**

**High Network Losses
and Inefficiencies**

**Lack of Customer/
Community Support**



**Promote Empowerment
and Accountability**

**A progressive
Concession Framework**

Total Approach to Tap Water Provision and Marketing

Quality Execution

Reduce system losses

**Customer and
Community focus**

The Manila Water Vision

Our vision is to become a leader in the provision of water, wastewater, and other environmental services which will



**Empower
People,**



**Protect the
Environment,**



**and Enhance
Sustainable
Development.**



THANK YOU



Securing the Future Today