

**[ EXECUTIVE ORDER NO. 688, December 27, 2007 ]**

**STRENGTHENING AND EXPANDING THE COVERAGE OF  
IMPLEMENTATION AND PRESCRIBING THE RULES AND  
REGULATIONS OF PRESIDENTIAL DECREE NO. 1345 ISSUED ON  
APRIL 2, 1978**

WHEREAS, under Republic Act No. 6234, the State adheres to the policy of undertaking a comprehensive and continuing water program and the management of waterworks systems must be supervised and controlled by the State to insure continuous supply of clean water for domestic uses which are essential public services that are vital to public health and safety;

WHEREAS, pursuant to the commitment of the national government and in line with the 10-point Agenda of the Arroyo Administration of ensuring the potable water supply requirements of the local government units, the Metropolitan Waterworks and Sewerage System (MWSS) shall implement a program of construction and improvement of the present water distribution system, including the complete take-over and control of the water systems of the subdivision housing projects in Metro Manila and nearby towns and cities in its service area;

WHEREAS, there is an urgent need to strengthen and expand the implementation of Presidential Decree (PD) No. 1345 as part of the strategy of the MWSS to improve the efficiency and viability of the water systems of subdivision housing projects and clarify the responsibilities of other critical support agencies particularly the Housing and Land Use Regulatory Board (HLURB), in the implementation of the said Presidential Decree to bring down operating cost and make it affordable to the end-consumers;

WHEREAS, Section 1 and 2 of Presidential Decree 1345 mandated the MWSS to “. . . upon petition of the Homeowners Association and upon recommendation of the National Housing Authority, take over the operation and maintenance of centralized water systems of residential subdivisions within its territorial jurisdiction. Upon takeover, . . . the MWSS shall cause the system to operate at the desired level to provide adequate potable water supply. The cost to render the system operable shall be chargeable to the subdivision owner/developer provided that the provision of adequate water supply has been specified or implied in the contract of sale or other forms used in offering the housing units within the project for sale. Otherwise, the cost to make the system operational shall be chargeable to the homeowners of the subdivision.”

WHEREAS, pursuant to its corporate mandate under Section 3 of Republic Act 6234, the MWSS or its agents can construct works across, over, through, and/or alongside any stream, watercourse, canal, ditch, street, avenue, highway or railway, whether public or private, to rehabilitate the water system inside or outside the subdivision housing projects;

WHEREAS, the primary scheme envisioned in the implementation and development of water distribution and upgrading of water system of subdivision housing project is the arrangement with the private sector which shall require no direct government funding or appropriation;

WHEREAS, the MWSS, in consultation with the HLURB was tasked, among others, to issue the necessary implementing rules and guidelines to implement the provisions of PD 1345;

NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO, President of the Philippines, do hereby order:

SECTION 1. The MWSS is hereby directed to be the lead agency in the implementation of Presidential Decree 1345 and, either by itself or through its private concessionaires, shall perform the following:

1. Upon petition of the homeowners' association or the owner/developer, oversee the development and upgrading of the water distribution system directly to housing subdivision projects, including the take over of the centralized water system. Upon take over, the two private concessionaires are enjoined to provide water services that are at par if not better than the acceptable performance standards set in the concession agreement;
2. Review the plans and issue the necessary certification for the putting up of water systems of new subdivision housing projects, including those implemented by the shelter agencies and the local government units to ensure that their water reticulation system conforms with acceptable standard requirements, prior to issuance of housing permits and licenses;
3. Extend its water connection to flagship housing projects and resettlement including nearby towns of Metro Manila within its jurisdiction;
4. Conduct compliance monitoring and inventory of subdivision housing projects whose water systems should have been turned over to MWSS pursuant to its mandate under PD 1345;
5. Conduct investigation and initiate filing of cases on the reported charging of exorbitant water fees in subdivision housing projects and refusal of some private developers to comply with the intent of PD 1345; and
6. Issue summons and direct the housing developers with the assistance of the HLURB to allow the MWSS and its concessionaires/agents (pursuant to Section 3 of RA 6234) to construct or perform rehabilitation works of the water systems on existing roads, streets, avenue, highway whether inside or outside the subdivision housing projects, in order to efficiently and effectively implement this Order.

SECTION 2. As a regulatory agency of the housing sector having oversight function over private developers engaged in housing development, the HLURB is hereby directed to perform the following:

1. Recommend the compliance by the owner/developer of housing subdivision projects of Section 2 of Presidential Decree 1216 (which amended PD 957), that upon issuance of certification from the HLURB regarding the completion of roads, alleys, sidewalks, the same should be donated to the local government (LGUs);