

Philippine Sanitation Alliance

2nd Quarterly Report

January to March 2008

Prepared by AECOM International Development for USAID/Philippines under Cooperative Agreement No. 492-A-00-07-00023-00

I. Executive Summary

The main activities of the United States Agency for International Development (USAID) Philippine Sanitation Alliance (PSA) project during the quarter were conducting two of the four city stakeholders' consultation and planning workshops in and the service providers' trainings. The stakeholders' workshops were held in Zamboanga City and Santa Rosa City. Both workshops were well attended and well received by the participants. The service providers' training was met with much interest from the invited private sector companies despite their busy schedules.

A highlight of the quarter was the PSA's participation in the International Year of Sanitation (IYS) 2008 national launch in Mandaluyong City. The event was attended by PSA alliance partners and management staff. The IYS launch kicked off a year of national and local events spearheaded and organized by members of the Philippine Ecological Sanitation Network, which is lead by national agency partner Department of Health.

The project also followed up with the six LINAW cities on development and completion of short-term projects and sharing of information with nearby municipalities. Manjuyog, a municipality near Dumaguete City, replicated the wastewater treatment plant for the public market, a project that cost P1.7 million and was designed by PSA partner Basic Needs Services/Bremen Overseas Research and Development Association (BNS/BORDA).

II. Performance Objectives and Expected Outputs

The project is on track to meet the results targets for FY08 (see the table below). Two of the four stakeholders' consultation and planning workshops were held this quarter, and the next two will be held next quarter. The action plans that were developed by Sta. Rosa and Zamboanga are beginning to be implemented. Four memorandums of understanding (MOUs) were signed with PSA partners during the quarter.

Indicator Reporting

Summary of Results

Indicator	2 st Qtr	Cumulative	FY08 Target
1. Number of people in target areas with access to improved sanitation facilities as a result of USG assistance (disaggregated by gender)	0	0	10,000
2. Number of feasibility and special studies/plans prepared	2	2	4
3. Amount of non-USAID financing mobilized for sanitation projects and facilities	\$48,460	\$48,460	\$150,000
4. Number of people trained in environmental law, enforcement, public participation, and cleaner production policies, strategies, skills and techniques, disaggregated by gender	189 (47 women, 142 men)	217 (55 women, 162 men)	200
5. Number of sanitation and hygiene promotion events conducted (WASH campaign)	1	1	1
6. Number of pollution and urban environment policies, laws, agreements or regulations implemented	2	2	2

Details of Results

1. The Manjuyod Public Market Wastewater Treatment Facility is under construction and will begin operating in August. At that time the number of people will be reported.

2. Santa Rosa City Action Plan and Zamboanga City Action Plan

3.

Private Sector	\$47,104	Cash	\$46,176
<u>Public Sector</u>	<u>\$1,356</u>	<u>In Kind</u>	<u>\$2,284</u>
Total	\$48,460	Total	\$48,460

(See attached summary and cost share sheets from each partner for details)

4.

People Trained	Men	Women	Total
Sta. Rosa Stakeholder workshop 2-8-08	65	25	90
<u>Zamboanga Stakeholder workshop 3-6-08</u>	<u>77</u>	<u>22</u>	<u>99</u>
Total for Quarter 2	142	47	189

5. The PSA participated in the planning and implementation of the launch of the 2008 International Year of Sanitation, which focused on hygiene promotion and included WASH campaign activities.

6. Sta. Rosa is implementing the Clean Water Act, along with the six LINAW cities. Dumaguete is implementing their septage management ordinance.

III. Summary of Major Accomplishments

A. Manjuyod Replicates Dumaguete Market Treatment System

The Municipality of Manjuyod, with funding support from the Provincial Government of Oriental Negros, has built a decentralized wastewater treatment system (DEWATS) for their new public market. PSA partner Bremen Overseas Research and Development Association - Basic Needs Services (BORDA-BNS) designed and supervised the construction of the P1.725 million facility. The DEWATS facility will benefit about 60 to 70 stall owners and an estimated 200-300 ambulant vendors and customers of the market a day. The new market is projected to generate about 40 cu.m. of wastewater a day. The new DEWATS and public market is a replication of the DEWATS constructed by Dumaguete City for its public market, also designed by BORDA-BNS. A paper on this local development was presented during the VisMin Sanitation Summit held on April 2-3, 2008 in Dumaguete City and sponsored by the Department of Interior and Local Government (DILG), Oriental Negros Provincial Government, and German Technical Cooperation (GTZ) Water and Sanitation Program.

BORDA-BNS is currently completing preliminary proposals for market DEWATS for Guihulngan City, slaughterhouse DEWATS for the Municipality of Zamboangita, and hospital DEWATS for the Provincial Negros Oriental Hospital, all located in the Province of Oriental Negros. BORDA-BNS has been a partner of USAID since the year 2003 under the LINAW project.

B. Zamboanga Stakeholders' Workshop Staged With Record Crowd

The Stakeholders' Conference and Action Planning Workshop was held in Zamboanga City on March 6. About 100 people attended the one-day consultation organized to solicit proposed project interventions on wastewater management and sanitation for the city. The objectives of the workshop were to develop an action plan to be used by the city and other stakeholder groups to address wastewater issues, and for the participants to feel excited to participate in the project and cooperate with the lead agencies. Mayor Celso Lobregat underscored the importance of the workshop in developing the roadmap for wastewater management and sanitation and for supporting their city development strategies. Councilor Abdurahman Nuño, Chairman of the Committee on Environment and Natural Resources of the City Council and member of the PSA Executive Committee (ExeCom), expressed his gratitude to USAID for extending the technical assistance to the city and encouraged everyone to actively participate in finding solutions to the city's wastewater problem.

The Technical Working Group (TWG), which was recently organized by the City, held its first meeting on March 7 to review and fine-tune the projects identified. The action plan will be finalized this March and will be presented to the PSA ExeCom during the first week of April. The TWG is headed by Dr. Ed Bisquera, former Regional Technical Director of the Environmental Management Bureau Region 9 and now Division Head of the Office of the City Environment and Natural Resources (OCENR). Engr. Rey Gonzales, concurrent CENRO and Executive Officer of the PSA ExeCom, supports the TWG. The TWG visited an offsite septage treatment facility owned by Christine Haresco General Services. The facility is located 25 kilometers away from the city center and employs a combination of anaerobic digesters and open lagoons to treat septage. The Haresco company plans to expand its system to include wastewater from hospitals and other hazardous sources. The TWG also visited the pumping station of the Zamboanga City Water District (ZCWD) sewerage system. The ZCWD sewage collection system collects about 500 cubic meters a day from 975 connections around the city. The

system was constructed in 1933. ZCWD collects a fee equal to 50% of the water bill from those who are connected to the sewerage system. The untreated sewage is disposed of through a marine outfall.

C. Santa Rosa Holds Consultation Workshop

On February 8, 2008 the City of Santa Rosa hosted a 1-day Stakeholders' Consultation and Action Planning workshop with about 90 people from key sectors. The stakeholders identified priority projects on sanitation and wastewater management. A participatory process was used to generate project ideas that cover policy actions, construction of sanitation infrastructure and facilities, advocacy and institutional strengthening, and leveraging and securing financing for identified projects.

In her welcome remarks, Mayor Arlene Nazareno underscored the importance of being a part of an alliance to address difficult and complex challenges. She also committed to supporting the highest projects in the action plan developed during the workshop. City Councilor Tess Aala, who chairs the committee on environment, said that this is the first time that such a wide-scale consultation has been done in the city and hopes that the participants will continue to support the programs of the city. PSA private sector partners who attended included Coca-Cola, Max's, CREBA-member Empire East, and Gawad Kalinga. All of the city's barangays were represented, most by the barangay captain. Schools and nongovernmental organizations (NGOs) were also represented.

Break out groups drafted action plans covering the following sectors: government, housing, hospital and healthcare, business/industries, and civic organizations/NGOs. The outputs were reviewed and consolidated by the city's technical working group (TWG) and fed into the water quality action plan developed during the Water for Life Summit that was organized by the Save Silong-Santa Rosa River Council and Coca-Cola on March 5.

D. PSA Holds Three Sessions of Private Service Providers Training

The second, third and fourth sessions of the short training course for service providers on appropriate wastewater treatment systems and approaches were held at the Maunsell Philippines corporate office in Makati City on January 11, January 18, and February 11, 2008. Representatives from Maunsell Philippines, Bongar Engineering, BNS-BORDA, Chem Earth, UP/DLSU, and RepCon Engineering attended the training.

The objectives of the eight-session training program are to provide selected engineering service providers with training on how to design sustainable, low-cost, low-maintenance wastewater treatment systems. PSA will refer interested cities and private sector groups to these service providers when its own technical staff cannot respond to their requests for assistance. The service providers are expected to provide reliable, appropriate technical design work required by potential clients, and give them more options to choose from in terms of technical approach and corresponding budget. This test run will also provide feedback for the PSA to improve the training materials and develop a well-structured set of materials that can be shared with partners for replication.

E. International Year of Sanitation Launched In the Philippines

The USAID Environmental Cooperation-Asia (ECO-Asia) and Philippine Sanitation Alliance projects joined Philippine government agencies, other international organizations, NGOs,

businesses and the media in launching the International Year of Sanitation (IYS) in the Philippines on February 18, 2008. The Mayor of Mandaluyong City, who is also the President of the League of Cities of the Philippines, Honorable Benjamin Abalos, Jr., hosted the event. He welcomed more than 200 participants into the City Hall Atrium Lobby for several presentations and turnover of sanitation documents and then led the group in a motorcade through the city to a public school for a hand-washing ceremony witnessed by hundreds of students. A highlight of the launching was Department of Health (DOH) Secretary Francisco Duque's declaration that the country has increased its Millennium Development Goal target to 91 percent coverage for access to safe sanitation and 99 percent for potable water supply by 2015. He joined Joy Jochico of USAID/Philippines and Almud Weitz of the World Bank Water and Sanitation Program (WSP) in handing over the following documents to the League of Cities and League of Provinces of the Philippines: "Operations Manual on the Rules and Regulations Governing Domestic Sludge and Septage," published by DOH with support from ECO-Asia; "Economic Impacts of Sanitation in the Philippines" published by the World Bank Water and Sanitation Program (WSP) with co-funding from ECO-Asia; "Universal Sanitation in East Asia," a joint WSP-WHO-UNICEF publication; and "Sanitation Technology Information Kit" prepared by the USAID Philippine Sanitation Alliance. The event was covered widely on national radio, television, and newspapers.

The United Nations General Assembly designated 2008 the International Year of Sanitation (IYS) to promote improved hygiene practices and action to provide proper sanitation for the 2.6 billion people who lack access to this basic human right. In addition to USAID, the main organizers of the Philippine launch were DOH, Department of Environment and Natural Resources (DENR), United Nations Children's Fund (UNICEF), City of Mandaluyong, Center for Advanced Philippine Studies, and Molave Development Foundation. These groups will organize a series of activities throughout the year, including a sanitation summit in Makati City, a Visayas-Mindanao sanitation summit, a second national sanitation summit and several technical training programs and workshops.

F. Dumaguete City Moves Forward on Septage Treatment Facility

Mayor Agustin Perdices has given the go signal to start construction of the planned septage treatment facility for the city of Dumaguete immediately after a planned consultation with host Barangay Camanjac on May 24, 2008. Dr. Lulu Ursus, a medical doctor at Silliman Medical Center specializing in public health, will make a presentation on the health aspects to address any concerns that the local residents may have about the facility. The funds for the facility will come from the city's internal revenue allotment (IRA) and wastewater fees to be collected by the Dumaguete City Water District (DCWD). The city has conducted extensive information campaigns and public hearings since it is the first local government-led and planned city-wide septage management program in the country. Dumaguete City is also the first local government to enact a septage management ordinance, which is cited as a model ordinance in the recently published Operations Manual for the Management of Sludge and Septage released by the Department of Health with support from USAID. The cost of the septage treatment facility and desludging trucks is estimated at P17 million and is designed to benefit about 125,000 residents of the city. The system will use a combination of anaerobic and facultative lagoons and a maturation pond and constructed wetland. The planned septage management program brings the city closer to its aspiration of a "swimmable boulevard bay" and a healthier citizenry.

General Manager Sprite Dicen of DCWD, in coordination with the city, will start collecting the legislated wastewater fees after one last public hearing among its customers is conducted. In three months, the DCWD will prepare for the public hearing and the impending collection of

wastewater fees. The fees will be collected from the water bills at P2 per cubic of water billed to its customers. GM Dicen expressed optimism on the successful launch of this collaboration with the city government.

G. Calbayog City to Co-Locate Septage Treatment with Landfill; Construction of Relocation Site Treatment Facility to Start in May

Calbayog City plans to locate the proposed septage treatment lagoons at the planned sanitary landfill area. The open dumpsite in Tomalon Estate will be closed and transferred to a new site in Barangay Dinagan. A 4.7 hectare piece of land was already secured by the city for this purpose. The city is a recipient of a technical assistance grant from JICA through the National Solid Waste Management Commission of DENR to plan and design an ecological solid waste management system. The proposed septage treatment lagoons will initially require about 1 hectare.

Upon the suggestion of Mayor Sarmiento, a US Army engineering battalion will support the construction of an anaerobic baffled reactor for a relocation housing site in Calbayog. PSA Engineer Lito Santos worked with the Calbayog City Engineering Office to prepare the engineering design for the facility. The construction will start in May.

H. PSA Presents Wastewater Treatment Schemes for Ateneo de Manila Campus

In response to a request for assistance, PSA presented several options to Ateneo for treating the wastewater generated by their Quezon City campus on March 13. The presentation was made to the Physical Plant Committee (PPC) headed by its Director Lee Miralao with Engr. Alfonso Matulac as Electrical Consultant, Ms. Thelma Padero, representing the Vice-President for Finance and Treasurer, Ms. Christina Barzabal, representative of the Central Purchasing Office and Engr. J. Almosera and Isabel Hugo, PPC engineering staff. The proposed treatment system will benefit some 18,000 people coming from the Grade School Department, High School Department, College Complex, Affiliated Organizations, Church of Gesu, faculty housing and new dormitories.

The proposed wastewater treatment system for Ateneo will feature wastewater re-use and dual piping in the planned central library and eventually will be incorporated in all of their buildings. According to PPC Director Miralao, Ateneo wants to make a stand on the critical importance of preserving our limited water supply as resources are dwindling and demand is increasing. They have agreed to be a learning site for PSA and USAID partners once the facilities are up and running. They are now looking into deciding whether to adopt a decentralized natural, hybrid, or mechanized system for the university. The committee will also send representatives to join the field trip for the PSA Service Providers Training slated in April and the workshop for the housing sector.

I. Philippine Senate to Conduct Inquiry into Hygiene and Sanitation

Citing the recently published “Economic Impacts of Sanitation in the Philippines” study conducted by the World Bank and USAID, the Philippine Senate adopted a resolution directing the proper Senate committee to look into the “deplorable state of hygiene and sanitation in the country in aid of legislation.” The study was commissioned by the World Bank Water and Sanitation Program (WSP) and supported by the USAID Environmental Cooperation-Asia (ECO-Asia) water and sanitation program. The study estimated that poor sanitation costs the Philippine economy more than \$1.4 billion per year in health, environment and tourism losses,

and causes approximately 31 deaths per day from diarrheal disease alone. The resolution, dated March 10, 2008, was featured in a Philippine Star newspaper article on March 19 that quoted Senator Miriam Defensor-Santiago, who filed the resolution, as saying that the Constitution requires the state to protect and promote the right to health of the people and instill health consciousness among them. Senator Santiago learned about the sanitation issue from recent media coverage of the International Year of Sanitation launch in Mandaluyong City on February 18, which was supported by the PSA and ECO-Asia in collaboration with Philippine and international partners.

J. PSA signs MOU with Cagayan De Oro City

Last March 31, the City of Cagayan de Oro in Mindanao signed a Memorandum of Understanding (MOU) with AECOM International Development for the implementation of the PSA Project in its city. The MOU was signed by City Mayor Constantino “Tinex” Jaraula and PSA Project Manager Ms. Lisa Kircher Lumbao. The event was witnessed by city officials, Promote CDO Foundation President Ruben Vegafria, Rio Verde Corporation representative Neil Oraiz, and PSA Coordinator for Visayas and Mindanao Joy Martinez-Onozawa. The signing of the MOU launches the PSA activities in Cagayan de Oro and its first major stakeholders’ consultation and action planning workshop this coming May. In his speech before the signing event, the Mayor expressed his gratitude to USAID and announced his flagship projects under the proposed PSA undertaking which include the study of an interceptor system along the planned river boulevard and a treatment system for the new City Hall.

Rio Verde Corporation, bulk water supplier to Cagayan de Oro Water District (COWD) presented the history and current undertakings of the company to USAID PSA staff and has pledged participation and cooperation with the City’s proposed technical working group (TWG). Although the current source now of the bulk supply is river source from Mt. Kitanglad, upstream of the City location, Rio Verde believes in the importance of preserving limited water resources and raising awareness for sustainable sanitation and hygiene. The bulk supplier currently provides an estimated 40,000 cu.m. a day to COWD, which is distributed all over the city. A planned citywide septage management program is also a project that they are willing to consider in the action plan.

K. Naga Mayor Commits to Build Wastewater Treatment Facility for Market

Naga City Mayor Jesse Robredo in a meeting with USAID CTO Jose Dulce and PSA Senior Project Coordinator Jay Tecson committed the construction of the sewage treatment plant (STP) for the city public market. Also present was Naga City Environment Officer and LINAW/PSA Team Leader Oscar Orozco. The proposed STP costing about P8 million (US\$200,000) will treat about 300 cubic meters a day of sewage from the city public market, once noted as the biggest in the Philippines. There is no existing sewerage system in Naga City.

City Councilor Badette Roco also confirmed that the City Council is currently completing consultation and revision of the City ordinance on septage management and estimates completion in two months time. This piece of legislation will greatly assist the planned septage treatment facility which the Metro-Naga Water District (MNWD) is spearheading with the City. The combined members of the technical working group from the city and MNWD will now be embarking on site selection for both the sanitary landfill and the septage treatment facility in a co-location basis. The septage treatment facility is estimated to cost about P17 million (US\$425,000).

The city will also work with World Bank's Public Private Infrastructure Advisory Facility (PPIAF) to explore what assistance can be given to the city given all these pioneering initiatives in the region.

L. Max's Group of Companies Signs PSA MOU

PSA staff Lisa Lumbao and Dave Robbins met with Max's President Robert Trota and Pollution Control Officer Allan Lareza on January 15, 2008 to discuss the PSA project and sign the MOU. Max's has a chemical treatment facility installed at the Max's Restaurant on Quezon Ave., and said it is working well and allowing them to meet the government discharge regulations. They are interested in exploring lower-cost alternatives for their other existing branches and those that will be built in the future. Mr. Robbins visited the facility in late February to assess it and made recommendations that will be shared during a future meeting. The Max's officials said they said they are willing to share their experiences with wastewater treatment with other members of the Quick Service Restaurant Association, many of which are not meeting government discharge standards. In some areas it may be best for several adjacent outlets to share one treatment facility, and they are willing to explore that. Mr. Robbins is currently developing information on best practices for grease collection that will be shared with Max's and other restaurants.

M. MOU Signed with the Metro Cebu Water District

The PSA has joined with another USAID project, the Philippine Water Revolving Fund (PWRF), in signing an MOU with the Metropolitan Cebu Water District (MCWD) to provide assistance in preparing a pre-investment study for a septage management project. The PSA's role will be in the aspect of social marketing and public participation. MCWD intends to undertake a septage management program to address growing concerns in urban pollution and its effects on water bodies and resources in Cebu. PWRF will provide technical assistance in: establishing the requirements for a septage program, evaluating various septage collection and treatment system options, preparing a business plan and project financial and economic analyses. PSA will provide technical assistance in: organizing stakeholders and including them in the planning process, raising awareness and building support for the project through social marketing, meetings and a participatory workshop. Once completed, MCWD will explore the funding of the project under the PWRF, and the study will be shared with other water districts through the Local Water Utilities Administration (LWUA).

N. LCP Signs PSA MOU

PSA staff Lisa Lumbao and Jay Tecson met with LCP staff on January 17 to sign the MOU and discuss next steps for cooperation on the project. Earlier, the PSA staff had sent LCP an informal proposal to create a new position in LCP to provide technical assistance to member cities that want to develop wastewater treatment and sanitation projects. Funding for the position will be solicited from various local donors. The idea was presented to the LCP management and they are interested in pursuing it. Plans were also discussed to add more information onto the wastewater page of the LCP website, and to make the layout more user-friendly. LCP also expressed interest in getting involved in planning for the International Year of Sanitation launch on February 18, proposed to be held in Mandaluyong City.

O. Meeting Held with Housing Agencies

On January 10, 2008, PSA staff Lisa Lumbao and Dave Robbins met with staff from the Housing and Urban Development Coordinating Council (HUDCC, which hosted the meeting), National Housing Authority (NHA), and Housing Land Use Regulatory Board (HLURB). Ms. Lumbao presented the PSA project and the group discussed how they can work together to encourage more housing developers to include improved sanitation facilities in their planned and existing projects. The HLURB staff said requirements for full treatment contained in the Clean Water Act are not reflected in the housing regulations because past efforts to do so met resistance due to the cost involved. They agreed to provide information on affordable technology options to their regional offices and private sector partners, and then recommend a new memorandum circular or amendment to the Implementing Rules and Regulations of the Subdivision and Condominium Buyers' Protective Decree (PD 957). Next steps agreed upon include requesting a meeting with the Chief Executive Officer of HLURB to discuss these issues and request that the PSA project be allowed to make a presentation during the next meeting of the 16 regional offices. All three agencies will discuss the PSA MOU with their executive officers and recommend approval for signing.

P. Meeting Held with HRAP

On January 9, 2008, PSA staff Lisa Lumbao and Jay Tecson met with the president of the Hotel and Restaurant Association of the Philippines to discuss what activities will be undertaken to promote proper wastewater treatment within the industry. Ms. Lumbao provided HRAP with information materials on affordable treatment technologies that the president will share with members of the board during their next meeting in late January. He will recommend that the board authorize him to sign the MOU for the PSA project. The PSA project can then be presented at the next general membership meeting, which is held every quarter.

IV. Management and Finance

The project is on track in terms of overall management and expenditures.

V. Performance Objectives for Next Quarter

During the next quarter, AECOM will focus on getting the remaining MOUs signed with PSA partners and pushing forward on planned activities with them.

AECOM will also complete the service providers training and plan for the introduction of these support groups to Alliance partners. AECOM will continue the dialogue and forward planning with LCP to develop a mechanism for LCP assistance in extending and replicating the objectives of PSA in other cities.

Stakeholders' consultation and planning workshops will be completed next quarter in Meycauayan City and Cagayan de Oro City, which should result in a short-to-long term action plan that will provide the development blueprint for wastewater management at the local level.

AECOM will conduct a two-day technology-finance workshop for the housing sector, and follow up on suggested next steps. AECOM will also support the six former LINAW cities in developing

and completing their planned pilot projects, with a focus on implementation of septage management programs.