



Metro Iloilo, Iloilo Province, Philippines
Population: 820,000

Water Utility: Metro Iloilo Water District
Bulk Water Supplier: Metro Iloilo Bulk Water Supply Corporation (A subsidiary of Metro Pacific Water)

Location: Sta. Barbara, Iloilo Province, Philippines
Project Cost: \$60 million (P2.8 billion)

Description of the PPP

Metro Iloilo Bulk Water Supply Corporation (MIB) is the bulk water supplier of Metro Iloilo Water District (MIWD), the public water utility that serves Iloilo City, and the municipalities Cabatuan, Leganes, Maasin, Oton, Pavia, San Miguel and Santa Barbara in the Province of Iloilo.



In May 2016, MIWD awarded the 170 million liters per day (MLD) bulk water supply contract to Metro Pacific Water. Under the PPP scheme, MPW and MIWD jointly formed MIB to be the exclusive bulk water supplier of the water utility for 25 years. MIB took over the existing water treatment plant of MIWD in Sta. Barbara, and all its production deep wells on July 2016.

Metro Iloilo

Iloilo's water system dates back in 1926, when the Americans laid the initial groundwork for the water utility. What started out as small water network covering the town of Iloilo, expanded to cover adjacent municipalities in the Province.

MIWD's service area covers a population of 828,146 which is about 165,000 connections. But a host of problems has forced it to serve only 38,000 or about 23% of the total area. These problems include a perennial shortage in water supply, high incidence in non-revenue water (an alarming 48 percent), old pipes that date back to the 1970s, and financial challenges. To keep up with the progress of Iloilo, MIWD recognized that it needed a strategic partner to ensure the water security of Metro Iloilo's customers.

In August 2014, MPW submitted an unsolicited proposal for a public-private partnership to undertake the supply of treated water, and development and operation of water production facilities. After undergoing competitive challenge in accordance with government joint-venture guidelines, MPW won the project and signed the joint-venture in May 2016.

Immediate improvements

Prior to the joint venture company's commencement date, available treated water produced by the Plant in Sta. Barbara was only 30 MLD. MIB's various efficiency measures such as leak repairs and installation of air release valves in raw water lines and backwashing resulted in immediate improvements in the plant's production capacity. In less than 2 months after MIB started operating the treatment plant, total production of the Sta. Barbara plant produced a daily average of 35 MLD.

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Based on the records of the Water Treatment Plant, they have not achieved this volume in the past years.

Aside from that, MIB has also recovered more than 3 MLD of raw water by repairing 19 leaks found in 12 locations across Metro Iloilo. That brings the total water production to almost 45 MLD from various MIB water sources. MIB has also been assisting MIWD in their non-revenue

water reduction programs across Metro Iloilo. MIB plans to expand production capacity by an additional 15 MLD by the end of 2017.

MIB also managed to reduce energy consumption, improve efficiency rate and lower its power costs by as much as 60% by resizing pumps in deep well locations. Costs for chemicals such as chlorine have also been reduced by 50% because of procurement efficiencies and economies of scale brought about by the partnership with MPW and Maynilad, the technical partner of MIB.

From civil servants to JV employees

Under the joint venture agreement, the water district employees under the Production Division, which were in charge of the operations of the Sta. Barbara plant, deep wells and the dam, retired from government service and joined the joint venture company as private sector employees.

From 50 initial employees from MIWD, MIB has now grown to a headcount of 61. Employee morale is high, with the employees receiving competitive compensation and benefits, and sufficient technical and leadership training.



Commitment to sustainability

MIB's commitment extends beyond improving the treatment facilities, but also ensuring the sustainability of the water sources through the watershed management programs and tree-planting efforts in Maasin watershed.

It also pioneered the rainwater harvester programs in Metro Iloilo by converting used chlorine drums and retrofitting these to collect rainwater in schools, for use of the children for handwashing.

Expansion Plans

Iloilo City is poised to become the regional center of economic and business activity in Western Visayas, with a slew of business process outsourcing (BPO) firms, hotels, residential developments, and commercial establishments setting up shop in the metropolis. The 170 MLD bulk water supply contract is expected to be sufficient to supply all households and commercial establishments in Metro Iloilo. However, since only 23% of these households are currently connected to MIWD's network, MIWD is exploring its strategic options to fully realize its expansion ambitions.

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Quote from Metro Iloilo Water District:

“Metro Iloilo Water District welcomes the partnership with Metro Iloilo Bulk Water Supply Corporation as our bulk supplier. We look forward to serving our customers better with safe and reliable water from MIB.

Now, we can focus on upgrading our distribution network to meet the growing demands of the service area. Though I admit it won't be easy, and we need all the help we can get.”

– General Manager Imelda Magsuci, Metro Iloilo Water District