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MALACAÑANG
Manila
BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 68

**PRESCRIBING PROCEDURES FOR REVIEW BY THE LOCAL WATER UTILITIES
ADMINISTRATION (LWUA) OF BUILD-OPERATE-TRANSFER (BOT)
AND SIMILAR PROPOSALS ON WATER SUPPLY PROJECTS**

WHEREAS, existing procedures in the approval process of build-operate-transfer (BOT) proposals under Republic Act No. 7718, otherwise known as the BOT Law, do not specifically provide for a review by the Local Water Utilities Administration of BOT proposals submitted to water districts for water supply projects;

WHEREAS, the present situation has led various water districts to proceed with the processing and approval of their BOT proposals without appropriate review by LWUA, unduly resulting in disorganized efforts to implement the BOT law;

WHEREAS, the Local Water Utilities Administration, in compliance with a directive of the President, has made recommendations to supplement existing procedures under the BOT law, specifically applicable to water supply projects in Water Districts;

NOW, THEREFORE, I, JOSEPH EJERCITO ESTRADA, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

SECTION 1. COVERAGE. This Executive Order shall govern the approval process for all BOT and similar proposals on water supply projects.

SEC. 2. IMPLEMENTING AGENCY. In a situation where BOT project encompasses the service area of more than one (1) water district, LWUA shall be the implementing agency.

In the case, however, of BOT project intended for a lone water district, which falls within the category of either Large or Very Large (as defined under DBM Memorandum dated May 23, 1995) the Water District (WD) concerned shall be the implementing agency. For other categories of water districts, LWUA shall be the implementing agency.

SEC. 3. UNSOLICITED PROPOSALS. For unsolicited BOT proposals with the water districts as implementing agencies, the approval process shall be as follows:

- a. BOT Proponents - Any private sector proponent desiring to participate in BOT or similar projects for water supply shall present to the water district a written document signifying its interest, which shall contain, among other things, its company profile, specifics on the project it intends to undertake and source of funding.



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- b. Memorandum of Understanding (MOU) - The proponent and the water district shall execute the MOU which shall be non-exclusive, at no cost to the water district, and with a validity period for submission of a proposal of not exceeding six (6) months depending on the complexity of the project.
- c. Evaluation of BOT Proposal - The evaluation of the proposal shall be undertaken by the implementing agency's Prequalification, Bid and Awards Committee for BOT Projects.
- d. Project Presentation - The WD shall conduct a project presentation with public hearing for the purpose of determining the social and financial acceptability of the proposed project.
- e. Submission of Documents and Reports - The WD shall be required to provide LWUA with copies of all the above documents and reports for its information in order that its review of the proposal will have sufficient basis.
- f. Before the evaluated proposal is submitted for preliminary review by NEDA, LWUA shall also make a preliminary review of the project proposal based on the evaluation made by the PBAC (for BOT) of the water districts;
- g. LWUA shall make its final review of the project proposal after the WD Board of Directors shall have approved the same.

SEC. 4. EFFECTIVITY, This Executive Order shall take effect immediately.

Done in the City of Manila, this *10th* day of *FEBRUARY*, in the year of Our Lord, nineteen hundred and ninety nine.

[Handwritten Signature] 

By the President:

[Handwritten Signature]

RONALDO B. ZAMORA
Executive Secretary

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Date *[Signature]*

