



MAYNILAD WATER SERVICES INC.
PHILIPPINES

RESETTLEMENT COMPLETION REPORT

CUPANG SEWAGE TREATMENT PLANT

May 28, 2014

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ACRONYMS

- BIR - Bureau of Internal Revenues
- CAC - Contracts and Awards Committee
- CTS - Contract to Sell
- DAO - Department Administrative Order
- DENR - Department of Environment and Natural Resources
- EMP - Environmental Management Plan
- EMoP - Environmental Monitoring Plan
- ESSF - Environmental and Social Safeguards Framework
- FGD - Focus Group Discussion
- HOA - Home Owner's Association
- LGU - Local Government Unit
- PAPs - Project Affected Persons
- PMD - Program Management Division
- PNR - Philippine National Railway
- RPF - Resettlement Policy Framework
- ROW - Right-of-Way
- SPA - Special Power of Attorney
- TCT - Transfer Certificate of Title
- WMD - Wastewater Management Division

1. INTRODUCTION

In line with Maynilad corporate's commitment to support the government's effort to protect and conserve the environment, Maynilad will significantly extend the service coverage of its wastewater collection and treatment facilities in the west concession area. The program will also increase the current septage management capabilities of Maynilad. To immediately respond to the pressing water pollution problem within its catchment area, the approach adapted will utilize the combined wastewater system approach (storm water and sewage). The dry weather flow in the drain will consist mainly of effluent from septic tanks which are discharged to the said drains and are conveyed to a sewage treatment plant (STP). Existing septic tanks will still serve as primary treatment process for the wastewater. The tanks will be desludged on a regular cycle. The STP will have a physical, biological and chemical treatment processes and the effluent is designed to achieve the Class C-DENR DAO 34 effluent standards. It will also have disinfection and sludge management capabilities. As per business plan, this STP for combined system will be used until such time that separate sewage systems will be constructed.

For the Metro Manila Wastewater Management Project (MWMP), projects include construction of STPs for the northern portions of the concession area; Valenzuela and the southern portions; extending to towns of Cavite.

Maynilad has also initiated the construction of thirteen (13) STPs to cover the improvement of the water quality of the San Juan River System; nine (9) of these STP's are already completed. These STP's are wholly financed by Maynilad and is still part of MWMP.

Projects under consideration for bank financing under MWMP are as follows:

1. Construction of Talayan STP (this project is also part of the San Juan River System)
2. Construction of Pasay STP
3. Rehabilitation of Ayala-Alabang STP
4. Construction of Muntinlupa STP
5. Construction of Valenzuela STP
6. Construction of South Septage Treatment Plant

The initial plan will be the construction of a single Muntinlupa STP; however necessary plan footprint to accommodate the design flow for the said STP will require an area which is not available at the proposed treatment site. In view of this and also consistent with the options presented in the feasibility study for the Muntinlupa STP, Maynilad has decided to put up two (2) STP's in Muntinlupa for this project. These STP's are as follows:

1. Cupang STP

2. Tunasan STP

This Resettlement Completion Report focused on the land for the Cupang STP site that was acquired through willing seller-willing buyer arrangement. Eight (8) informal settlers were found residing in the Arevalo-Cruz property and were compensated by the landowner for the loss of housing structures; 9 paying renters of the Daco apartment were provided transition support equivalent to a month's apartment rental to help the renters in moving out of the property, also by the apartment owner.

A separate social safeguard report for the Muntinlupa Conveyance System will be prepared once lots for the proposed pump stations are identified.

2. PROJECT BACKGROUND

For the Muntinlupa STP, as mentioned, there will be two (2) proposed STP's. These STP's will serve a population of 307, 000 and 265, 000 for Cupang and Tunasan respectively. The service areas and the plant capacities for each of the STP's are given in Table 1.

Combined dry weather flows in the areas are currently being conveyed from storm drains to irrigation canals and rivers in the sub-catchments of the area. Figure 1 shows the catchments to be served and the proposed sites of the treatment plants. Tunasan STP will have a capacity of 20 MLD while Cupang STP will have 46 MLD. This combined treatment capacity of 66 MLD will effectively reduce the pollution loads coming from domestic wastes and improve the levels of BOD, suspended solids, microbiological qualities of the discharges in the rivers that drain to Laguna Lake.

Table 1. Coverage of STPs

Site	Capacity	Population	Service Area
1. Cupang STP	46 MLD	307,000	2,550 ha.
2. Tunasan STP	20 MLD	265,000	2,200 ha.

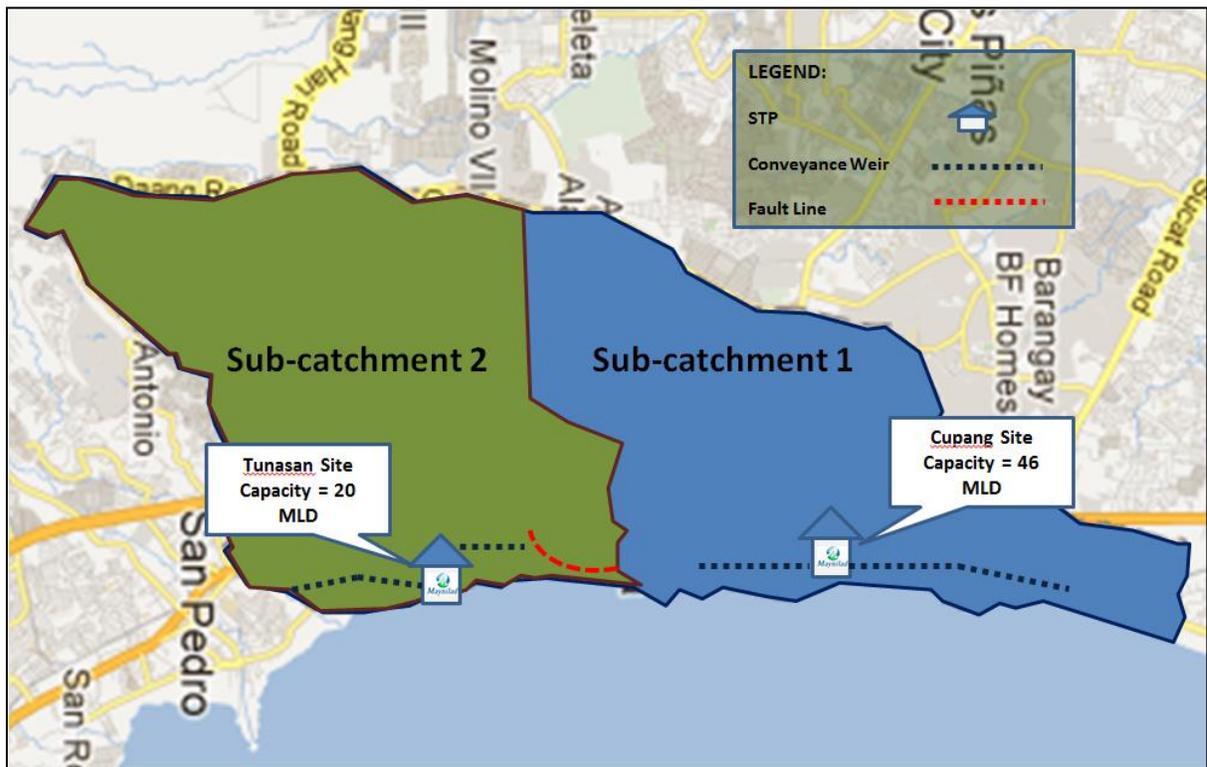
The sites were selected on the account of several considerations (e.g. cost, topography, geology and issues on encumbrances). Figure 1 also shows the conveyance lines and identified fault lines in Muntinlupa.

The proposed Cupang STP site is located within a mixed low-income residential area with some few industries such as Kawasaki Motors. Near the properties being acquired is the Cupang Elementary School and in-between the school and the property is a very narrow alley, around 1.5 meters where children coming from school or going to school from their residences use for walking. This alley

can be used to access the property from the back part along the PNR railroad track. Other boundaries of the properties being acquired are private lands.

The easement between the PNR railroad track and the residential lots are presently occupied by 34 illegal settler households, victims of the typhoon Ondoy, whose houses were swept away or destroyed. The Government of Muntinlupa had temporarily resettled these 34 households along the easement area of the railroad track while they (LGU) are still searching for an area to permanently resettle them. Some of these illegal settlers have built temporary shanties along the edge of the Arevalo-Cruz property. The 34 illegal settler-households are not considered project-affected-persons because they are not occupying/residing inside the properties being acquired for the Cupang STP.

Figure 1. Map showing the proposed locations of the STP's with their areas of coverage, conveyance lines and an identified fault line.



3. BACKGROUND ON ACQUIRED PRIVATE PROPERTIES

The total land area being acquired for Cupang STP is 12,733 m². Three adjacent privately-owned lots by different owners are being purchased for the STP (See *Figure 2 for a view of the properties acquired*). The three (3) private lots are located along Manuel L. Quezon Road, Barangay Cupang, Muntinlupa on the

eastern side and PNR railroad track on the western side. (See Table 2, Figure 3 and 4.)

Figure 2. Panoramic view of the area acquired



Table 2. Locations and Areas of the Three (3) Private Properties Acquired

Name of Landowner	Location	Area (m2)
Mrs. Elenita Simundac-Daco	Manuel L. Quezon Road	604
Mr. Emiliano delos Santos	Within the Arevalo-Cruz Estate	200
Arevalo-Cruz Estate with 7 owners (siblings)	At the back of the Daco property, in between Manuel L. Quezon Road and PNR railroad track	11,929

Figure 3. Vicinity Map of the Cupang STP

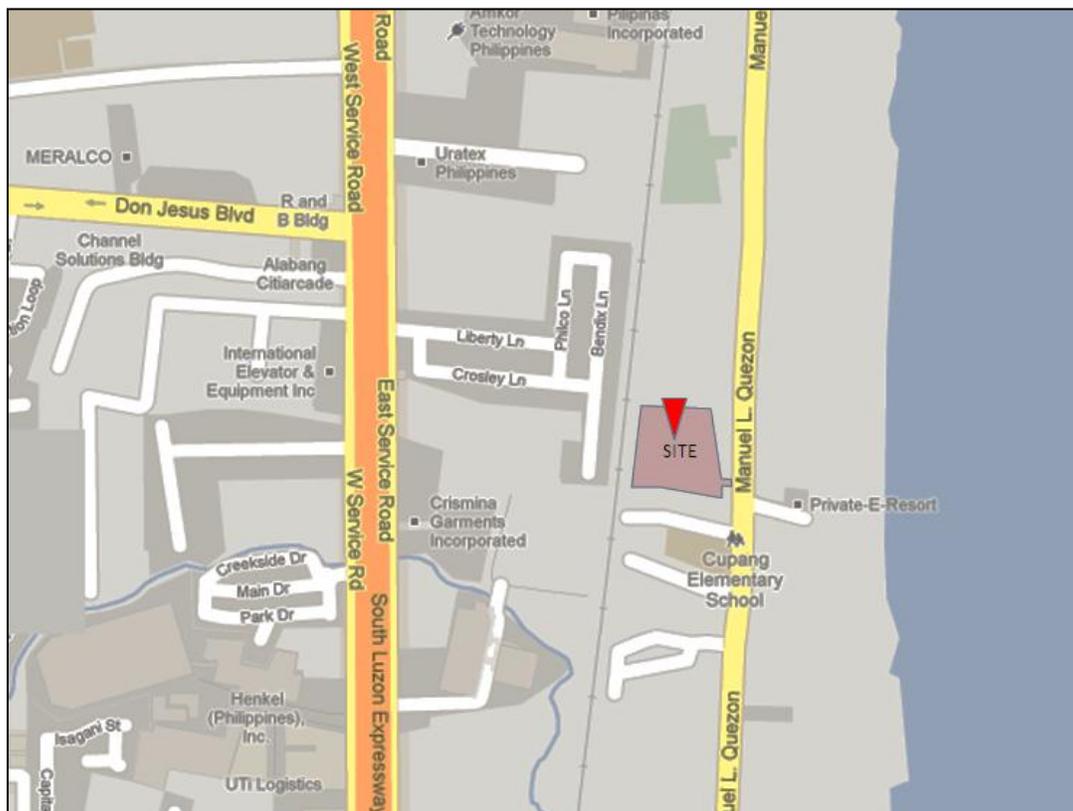
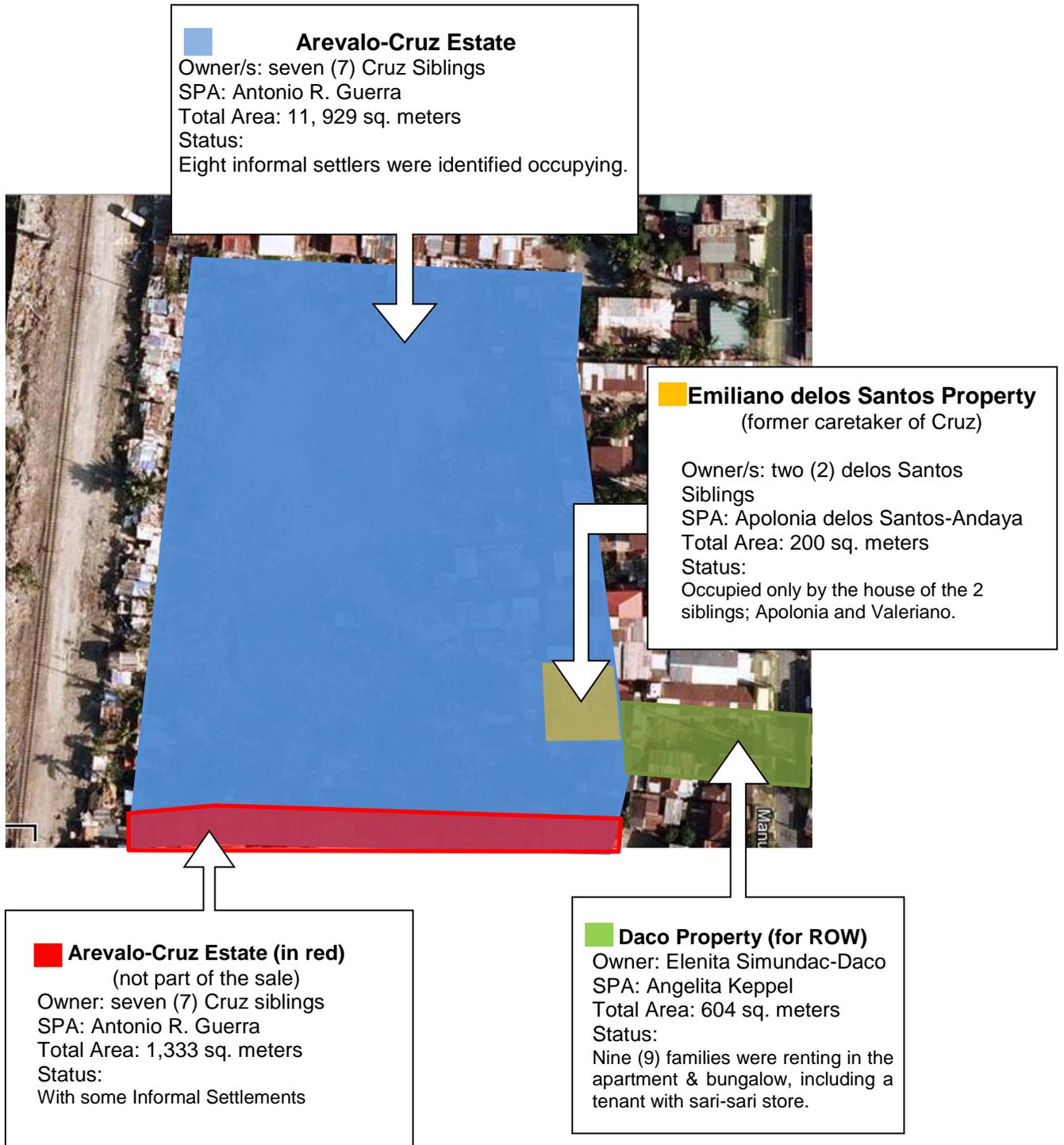


Figure 4. Map Showing the Three (3) Properties



3.1 Elenita Daco's Property

Mrs. Daco's property is located at the entrance to the Arevalo-Cruz Estate along Manuel L. Quezon Road. Around 604 m² will be acquired for the right-of-way access to the Arevalo-Cruz Estate where the Cupang wastewater treatment plant will be constructed.

Elenita Daco was legally represented by Mrs. Angelita Keppel during land transactions with Maynilad. Mrs. Keppel holds the Special Power of Attorney (SPA) to transact, negotiate, sign and execute the sale of the property on Mrs. Daco's behalf. (See Annex A. *Special Power of Attorney of Angelita Keppel.*)

On Mrs. Daco's property, were six (6) door- 2 storey apartment and a bungalow which were occupied by 9 renters/tenants. See Table 3 below for the names of renters. Renters were paying a monthly rental fee ranging from Php3,700 to 4,500. (See Annex B. *Sample Rental Receipts*) These structures were removed to have access to the wastewater treatment plant from the Manuel L. Quezon Road. The nine families who were renting the Mrs. Daco's apartments and bungalow moved out.

Table 3. Renters of Mrs. Daco's Apartments and Bungalow

Head of the Family	Household Members	Remarks/Actions Taken
1. Frederick V. Mendones	3	<ul style="list-style-type: none">• all renters residing in the apartment of Elenita S. Daco• have already given Notice to Vacate since Sept. 2012• signed an Affidavit stating their willingness to move out• they moved out last Jan. 2013• entitled to financial assistance equivalent to their one month rent
2. Reynaldo M. Pulusan	4	
3. Alejandra M. Macatangay	6	
4. Maricel Latiza	7	
5. Rizaldo Gumapal	7	
6. Marichu R. de Chavez	8	
7. Remedios C. Rivera	2	
8. Rommel M. Trillanes	5	
9. Loida R. Garcia	5	

According to the caretaker, the renters were verbally informed that the whole property is for sale as early as 2009. Their Contracts to Rent expired in 2009 and have not been renewed. They continued to stay for a while but agreed to move out peacefully once the property is sold or about to be sold. Rental was paid on a monthly basis without a Contract.

By January 2013, all the renters moved out and the apartments and bungalow were demolished. More than 3 months notice was given to the renters before moving out. Also, the landowner did not collect the last rental fee as assistance to the renters' relocation.

One of the renters, a Mrs. Susan Mendones, wife of Frederick Mendones, had a small (sari-sari) store in front of the apartment she was renting. Some of Mendones' customers are students of the Cupang Elementary School which is near the proposed STP site. Mrs. Mendones found a new place last year when the notice to vacate was given to them. She has now set-up her sari-sa ri store in a new location just less than 50 meters away from its original location.

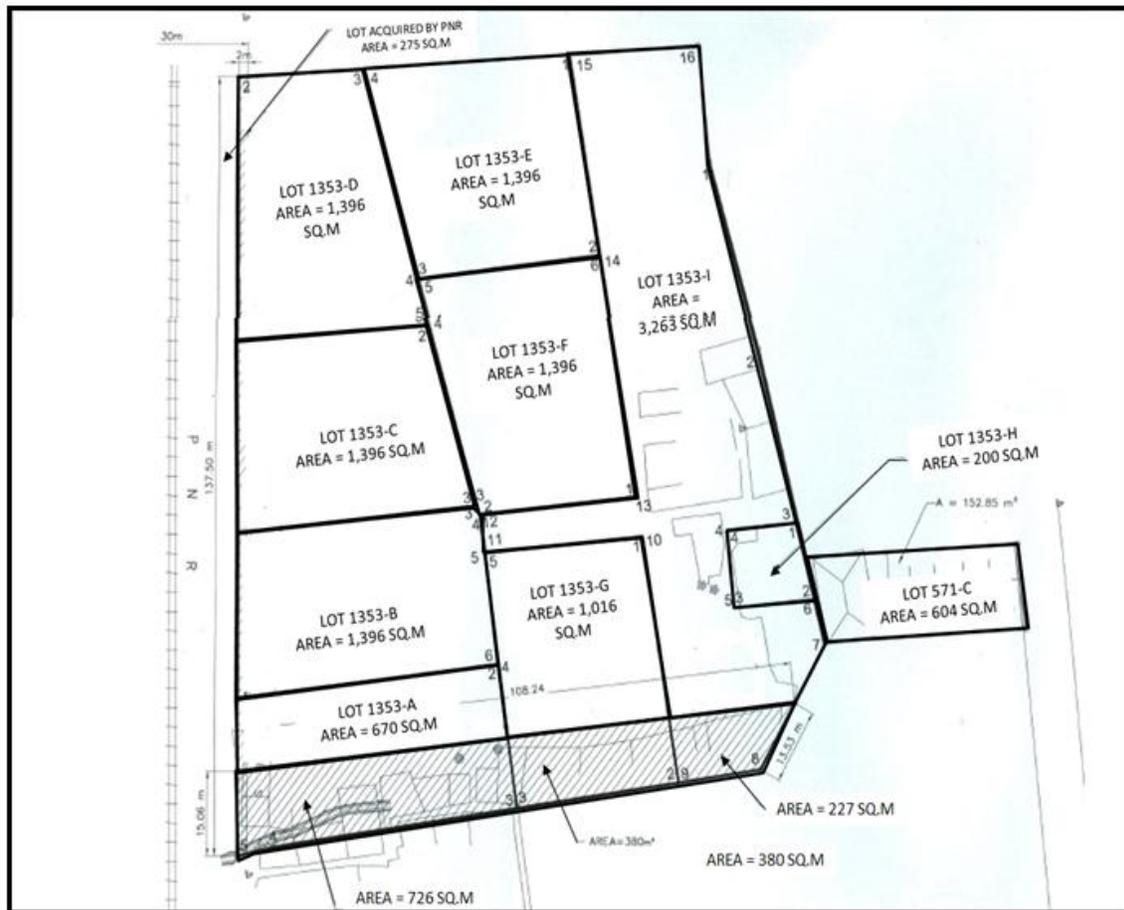
3.2 Arevalo-Cruz's Property

The Arevalo-Cruz Estate is located at the back of Mrs. Daco's property. The Estate has eight (8) separate titles owned by seven (7) Cruz siblings. The total area of the Estate is 13,262 m². Each Cruz sibling has a land title for their respective inherited portion. Two (2) lots were titled to Jesus Cruz. (See Table 4. Owners of Arevalo-Cruz Estate). The seven (7) siblings/owners agreed to sell only 11,929 m² to Maynilad. An area of 1,333 m² located at the southern part of the property was excluded from the sale. (See Figure 5. Survey Map of the Arevalo-Cruz Estate). They were legally represented by Antonio Guerra, brother of Marina Guerra-Cruz, one of the land owners. Mr. Guerra holds a Special Power of Attorney (SPA) to transact, negotiate, sign and execute the sale of the Arevalo-Cruz Estate on behalf of the seven (7) siblings. (See Annex C. Special Power of Attorney of Antonio Guerra.)

Table 4. Owners of the Arevalo-Cruz Estate

SITE	OWNER	TCT No.	LOT/BLK.NO.	AREA (sq. m)
Arevalo-Cruz Estate	Marina Guerra-Cruz	13852	1353-G, (LRC) Psd-280234	1,396
	Jesus A. Cruz et al	13853	1353-I, (LRC) Psd-20234	3,490
	Efigenia A. Cruz	13854	1353-F, (LRC) Psd-2880234	1,396
	Visitacion A. Cruz	13855	1353-E, (LRC) Psd-20234d	1,396
	Jesus A. Cruz	13856	1353-A, (LRC) Psd-280234	1,396
	Francisca A. Cruz	13857	1353-C, (LRC) Psd-280234	1,396
	Teresa A. Cruz	13858	1353-D, (LRC) Psd-280234	1,396
	Ursula A. Cruz	S-87451	1353-B, (LRC) Psd-280234	1,396
TOTAL				13,262

Figure 5. Survey Map of the Arevalo-Cruz Estate



Inside the Arevalo-Cruz Estate, a total of eight (8) informal settlers were found. Seven of those eight informal settlers were residing on the land of Jesus Cruz. They were temporarily allowed by the owner through the caretaker to stay in the property. Their agreement was that if the land was needed, they should willingly remove their shanties. There was no formal written agreement on this.

The seven informal settlers' households were informed that the land was being sold (See Annex D. Notice to Vacate). After consultations with them, compensations were paid depending on the agreed replacement value of their dwelling structures. In total Php 143,000 was paid to the 7 households who left thereafter bringing with them salvage materials from carefully dismantled structures. This is in compliance to MWMP ESSF that requires that displaced persons are provided with compensation for the lost assets at agreed replacement cost.

While part of the Arevalo-Cruz Estate shaded red in Figure 4 is not part of the sale, one shanty owned by Marjorie Solomon, was found to be in between the areas for sale and not for sale. For a better alignment of the property that the

Arevalo-Cruz has offered Maynilad for sale, the seller financially covered the cost to move minimally within the area excluded from sale.

3.3 Emiliano De Los Santos' Property

Emiliano de los Santos' land is located within the Arevalo-Cruz Estate. This was originally owned by the Cruz family but was given to Emiliano de los Santos as a reward for his services and loyalty to the family. The total area owned by de los Santos is 200 m². His heirs Mrs. Apolonia "Ponyang" de los Santos-Andaya and Valeriano de los Santos, now own this piece of land. This land has no informal settler. Valeriano agreed to give Ponyang Special Power of Attorney to transact, negotiate, sign and execute the sale of the parcel of land in behalf of their deceased father. (See Annex E. Special Power of Attorney of Apolonia de los Santos.)

4. OBJECTIVES OF THE RESETTLEMENT COMPLETION REPORT

This Resettlement Completion Report provides details on the project affected people including their losses and the measures put in place to compensate respective losses. It also includes a discussion on the other social impacts, valuation and payments made to the sellers of the land done through willing buyer-willing seller scheme. This is limited to the location of the STP. A separate instrument will be prepared for the sewer network.

5. MAYNILAD'S LAND ACQUISITION PROCESS

Maynilad follows an 8-step process in acquiring land for its projects:

Step 1 - Long list of Sites Identified

Based on the environmental, technical, and financial options presented in the option study, available public and private lands within the catchment area are considered.

Step 2 - Prioritization of Candidate sites

Based on cost, land availability and extent of resettlement required. ROW Department/Broker checks all documents related to the land property being considered such as reality tax, ownership, land title, zonal value and market value. ROW Department will recommend the conduct of appraising the lot and an Independent Appraiser will appraise the lot and submit this to Maynilad's Head Engineering. ROW Department will verify and validate the lot title and

other pertinent documents. The Contracts and Awards Committee of Maynilad approve the negotiated cost of the lot.

Step 3 - Initial Community Consultation

To determine the “Not in My Backyard (NIMBY)” syndrome through minutes of meetings and video presentations is done.

Step 4- Owner’s Offer to Sell

Maynilad requires the owner to offer sale of the property before the company decides to proceed with the purchase of the land.

Step 5- Buyer’s Decision to proceed with Contract to Sell

Once agreement is reached between the Buyer and the Seller, a Contract to Sell is prepared. Partial payment of around 50% is made by Maynilad. The Contract to Sell can be revoked if the conditions are not met, depending on the gravity of the property problems such as land titles disputes, mortgages, payment of unpaid taxes.

Step 6 - Owner Actions¹ (prior to sale)

During the period of the Contract to Sell, the Owners clean-up the property title from claims, ownership disputes and encumbrances (if any). The Owners issued a 3 month notice to their paying tenants and also to the informal settlers occupying the property. The Owners offer transition and disturbances allowances to their paying tenants to help them in their transfer. Also, the owners paid the informal settlers for the loss of their houses and structures such as a, water pump.

Step 7 - Deed of Absolute Sale

Upon submission of the required documents and signing of the Deed of Absolute Sale, i.e original owner’s title of the lot; certificate of registration issued by the BIR, original copies of tax declaration, official receipts of realty tax payments and other documents required by the Seller, and the lot has been cleared of any debris and encumbrances, then the full payment is made by Maynilad.

Step 8 - Land Acquired (Transfer of Title of Ownership)

Once the Deed of Absolute Sale has been obtained from the Owner, the Asset Management Department of Maynilad will facilitate the transfer of the lot title to Maynilad, the City assessor’s office is notified; transfer sales taxes are paid; and the transfer of tax declaration ownership Maynilad.

¹ Site survey to determine number of people to be relocated; site clearances; clearances of taxes and other financial claims (mortgages); resolve outstanding land disputes

6. THE PROJECT-AFFECTED-PERSONS

6.1 Displacement of the eight (8) informal settlers' households

Forty-four (44) project-affected-persons belonging to the eight (8) informal settler-households of Arevalo-Cruz Estate have been displaced due to Maynilad buying the land for the Cupang STP. The list of informal settlers occupying the Arevalo-Cruz Estate is shown in Table 5 below (See Annex F. Household Survey of Eight (8) Informal Settlers).

Table 5. List of Informal Setters Occupying Arevalo-Cruz Estate

Name of Head of Household	Household Members	Brief Profile of Each Affected Household
1. Virginia Viñavelez	6	Virginia is 64 years old. Her children and their spouses are residing with her. She has resided in the Arevalo-Cruz land for 47 years without paying any rental. Her sons are working as laborers in the area. They live in a single storey shanty. Virginia works as a dressmaker earning Php 2,000 per month and 2 of her sons earn Php 280/day each as laborers. The others are unemployed.
2. Christina V. Diaz	5	Christina is 57 years old. Her mother, 88 years old lives with her. Her married daughter with husband and 2 year old baby also reside in her house. A daughter studying college is also residing in the 2 storey shanty. Her married daughter works in a call center earns Php 18,000 per month and the husband working as a waiter earns Php10,000/month. They are the only ones earning income for the family.
3. Ernesto F. Reyes	6	Ernesto is 57 years old and has been residing in the Arevalo-Cruz property for 40 years. His wife and 4 sons live with him. Ernesto and his sons are factory workers. His wife is not employed. Their monthly wages are within Php 6,000-13,000 each. Ernesto is the highest paid. They live in a 2 storey shanty.

4. Remedios Rivera	6	Remedios is 71 years old and her husband Santiago is 76 years old. They have 4 children, 2 have vocational trainings, 1 is a high school graduate is a carpenter and 1 is a college graduate who is now an OFW. They have been residing in the property for 30 years.
5. Aillen Achera	3	Aillen is 30 years old married to Jeffrey who is 31 years old. They have a 9 years old daughter. Aillen (Reyes) Achera has been residing in the property since she was a child. She is the daughter of Ernesto Reyes. Jeffrey earns Php 12,000 a month for the family. Aillen is not employed.
6. Roberto Arevalo	5	Robert is 55 years old. His wife and 3 daughters live with him. He and his wife are earning the family income. Robert earns Php 400/day and his wife earns Php 5,000/month. They live in a 1 storey shanty. The 2 daughters are elementary graduates and 1 is a high school graduate.
7. Fe Rayo	8	Fe is 78 years old. She has 1 daughter and 4 sons and 2 of the wives living with her. All of her children except of the 2 daughters-in law are employed but did not indicate monthly income. One of the sons is working as an overseas contract worker earning around Php 100,000. The Rayo household is the only one paying a monthly rental of P500.
8. Marjorie Solomon	5	<p>Marjorie is 52 years old. On the average, the family earns an estimated monthly income of Php 16, 500. The wife is a laundry woman and the husband is an electronic technician. They have 3 kids; two of them are high school graduates while the other is a third year high school.</p> <p>They were moved to the area excluded from sale. It has insignificant economic loss in the family since the relocation site is just 10 meters away from their original dwelling.</p>

6.2 The Nine (9) Paying Renters

No survey was conducted for the 9 paying renters of the Daco apartment. After they were notified by the owner around October 2012, most of them vacated their apartments before Maynilad could conduct the household survey. (See *Annex G. Notice to Vacate Given to the Nine (9) Tenants of the Daco Apartment and Bungalow*). One renter, Susan Mendones transferred 50 meters away from the Daco apartment (see 6.3).

6.3 Susan Mendones' Sari-sari Store

Susan Mendones, one of the tenants of the Daco apartment operates a sari-sari (convenience) store in her rented unit. Figure 10 shows the sari-sari store of Susan Mendones prior to relocation. Deducting the rental and cost of utilities, she approximated an income of Php 500 a day. It took her 2 weeks to relocate her store. But her income was not interrupted because she continued to sell in her original location while relocating because she never closed the store until she was able to fully transfer.

7. PROJECT AFFECTED STRUCTURES AND LIVELIHOOD

7.1 Loss of houses/shanties of informal settlers

Eight houses, five (5) single storey shanties made of temporary and scrap materials; three (3) two-storey houses made of a combination of concrete, scrap wood and other scrap materials.

Figure 6. House of Rivera Family



Figure 7. House of Achera Family



Figure 8. Side view of the Arevalo house



Figure 9. Front view of the Arevalo house



7.2 Affected Sari-sari Store of Susan Mendones

Income was not interrupted because the store owner continued to sell while transferring to a new location just 50 meters away on the same road.

Figure 10. Sari-sari Store of Susan Mendones



8. OTHER POTENTIAL SOCIAL IMPACTS

8.1 Safety risks of school children crossing along the road

Perceived risks for school children walking along the narrow alley during construction time will not occur because this alley will not be used by construction vehicles. (See Figure 11 for the narrow alley used by children to traverse the Cupang Elementary).

During the Focus Group Discussion (FGD) dated February 25, 2014, the Cupang Elementary School authority has stated that they have their own traffic management to help avoid vehicular accidents for children traversing the M.L. Quezon Road which will be used by construction vehicles of Maynilad. (See

Figure 11 for the narrow alley used by children to traverse the Cupang Elementary).

Figure 11. Narrow alley beside the Cupang Elementary School.



Figure 12. Frontage of Cupang Elementary School located along Manuel L. Quezon Street



8.2 Noise and Dust Generation during Construction

Noise and dust pollution, particularly for the residences and school near the proposed STP during construction time, will be addressed by the contractor as part of the EMP to be complied.

8.3 Odor Emission

Odor emitted from the wastewater treatment during Operations might affect nearby residences and elementary school. This will be addressed by Maynilad as indicated in the EMP.

9. RESETTLEMENT POLICY FRAMEWORK AND ENTITLEMENTS

The MWMP's Environmental and Social Safeguards Framework provided guidance in addressing impacts as well as provided mitigation measures to avoid potential risks to other people particularly a vulnerable group, school children, who are walking their way to and from school.

The ESSF Entitlement Matrix states:

For residential land and/or commercial land where the affected area needed by the project,

- "Affected squatters and other informal settlers will not be entitled to compensation for affected land but will be compensated for affected structures and other investments made on the land and relocation assistance."
- "For renters, give 3 months' notice on the schedule of demolition. If shifting is required, DP is given transitional allowance equivalent to one month rent of similar structure within the area
- For renters of affected shops, will be entitled to a transitional allowance to cover for their computed income loss during the period that their business is interrupted.

For traffic and pedestrian safety, "The Contractor will ensure that the construction site is properly secured and construction related traffic regulated. This will include:

- a) Signposting, warning signs, barriers, traffic diversions: site will be clearly visible and the public warned of all potential hazards

- b) Traffic management system and staff training, especially for site access and near-site heavy traffic. Provision of safe passages and crossings for pedestrians where construction traffic interferes
- c) Adjustment of working hours to local traffic patterns, e.g. avoid major transport activities during start and dismissal of school where children/students walk their way to and from the school along the road.
- d) Active traffic management by trained and visible staff at the site for safe and convenient passage for the public.
- e) Ensure safe and continuous access to the school, office facilities, shops and residences during construction activities.

10. COMPENSATION & ENTITLEMENTS TO AFFECTED HOUSEHOLDS

A census was conducted by Maynilad staff on the 28th of September 2012 to establish the number of the Project Affected Persons (PAP) and to determine those who are covered by the entitlements as defined in the Resettlement Policy Framework (RPF). (See *Annex H. PAP Census*)

- a. For the nine (9) families renting the apartment units and bungalow within the Daco Property,
 - i. Prior verbal notice was given by landowner more than a year ago, thus their contract of lease were not renewed. Furthermore, they were given Notice to Vacate by the caretaker through a letter dated Oct. 03, 2012, stating that the residences where they were renting are already due for sale (see *Annex G. Notice to Vacate of the Nine (9) Tenants*). By January 2013, all the apartments and bungalow have been vacated.
 - ii. The renters were given financial assistance as transitional allowance by the owner by not collecting the last month rental fee. This is required amount needed to get a replacement unit with similar characteristics in the vicinity.
 - iii. Susan Mendones, one of the nine renters of the Daco apartment who owns a sari-sari store, transferred her store less than 50 meters away from the original location of her store along Manuel L. Quezon Road. The transfer took two (2) weeks but the store continued to operate. Despite this, she was provided with disturbance assistance acceptable to her.

Figure 13. New location of Susan Mendones' store



- b. For the eight (8) informal settler-households residing in the Arevalo-Cruz property;
- i. They received from the landowner, Notice to Vacate dated October 14, 2010. They were given ninety (90) days before the deadline of removing of their structures.
 - ii. All seven (7) households received a sum of Php 143,000 as compensation for their shanties that were removed. Specific amounts varied according to the agreed replacement value of their structure. They were also allowed to collect salvage materials from their shanties.
 - iii. The seven (7) tenants all agreed and are satisfied with the compensation each received. Affidavits from the 7 informal settler-households expressing their willingness to vacate have been submitted.
 - iv. For the Solomon household, Mr. Guerra paid the cost to rebuild the shanty of the Solomons to the unsold portion of the Arevalo-Cruz property because Marjorie Solomon's father, who is a transient occupant was sick and could not move. Additional Php 5,000 was

given for financial help for the transition. The new shanty is less than 10 meters away from its original location.

The fifteen (15) households (7 informal settlers and 8 renters) of the properties except for 2 (Susan Mendones and Marjorie Solomon) left the area after receiving payments from the landowner. The two left behinds have expressed satisfaction on the assistance they have received and in their post relocation condition.

11. PUBLIC CONSULTATION

Public Consultation was conducted on October 18, 2012 at Session Hall, People’s Center, Muntinlupa City Hall Compound Putatan, Muntinlupa City. It was attended by public and private agencies listed below: *(See Annex I. Public Consultation Attendance)*

Table 6. Attendees of the Public Consultation

Agency	Attendance
Local Government of Muntinlupa headed by Councilor Rafael T. Sevilla	4
Barangay Council of Cupang headed by Chairman Celso Dioko	4
Maynilad Water Services Inc.	6
Hilapo Ville HOA	4
Samahan P-4 Aplaya	1
Purok 2, TabingllogCupang	1
Carmina Comp. HOA	4
Purok 8 Alabang	3
Board Members- Bunyi, Cupang	2
Uratex representatives	1
Joaquin & Cipriano Comp.	6
AMKOR Tech. Phils. Inc	1
Other HOA Members & stakeholders	7
TOTAL	44

Maynilad Business Area representatives also presented the proposed wastewater treatment project in the community. After the presentation, the public/community and leaders were encouraged to raise questions and issues concerning the project.

The concerns and issues raised were:

- a. Industrial Wastewater
- b. Occurrence of Flooding
- c. Pipe laying Location
- d. Barangay Permit
- e. Existence of Fault lines
- f. Capacity
- g. Water Level
- h. Existing and New Pipes Installation
- i. Informal Settlers

Figure 14. Public Consultation Photos



11.1 Proceedings of the Public Consultation Meeting

One of the relevant questions raised during the meeting was regarding informal settlers in the area near Cabulusan road. Mr. Ariel Canonigo of Urban Land Reform Movement inquired if there has been any arrangement with the informal settlers in the site. How will they be relocated? Who is responsible for the entitlements of these people?

Ms. Ma. Theresa Menia, Head-Maynilad ROW and Affected Structures, responded that, "the informal settlers on the area near Cabulusan River will not be affected by the project since the portion of the land they are occupying will be excluded from the sale. The owner has the right and responsibility of the said lot. The company will purchase the adjacent lot facing M.L. Quezon to be its own ROW.

Another question asked was about the pipelaying locations. Councilor Sevilla asked if Maynilad can provide a layout map showing the locations of the interceptor lines. Maynilad had mentioned on the previous consultation meeting that pipelaying would be located somewhere along Manuel L. Quezon Road. Given that, the project may not accommodate households that are located beyond the road, especially those living in the shorelines. These areas comprise 30% of the city's total population.

Engr. Orillo of Maynilad-WMD answered, "There are many options in the Feasibility Study. Ideally, sewer lines should be located near Laguna Lake but Manuel L. Quezon Road appeared to be the best option due to some important considerations. Nevertheless, this is just the first phase of the project. Maynilad will cater those beyond the interceptor lines during the upgrading of the facility. For now, it is best to start the project the soonest time possible".

For detailed proceedings of the meeting, see *Annex J. Minutes of the Public Consultation*.

Likewise, Councilor Sevilla concluded the forum by requesting Maynilad to provide the timeframe of the project. Engr. Angeles responded that Maynilad cannot move if the land will not be acquired. Maynilad also needs the approval of the barangay who will furnish a No Objection Letter.

Capt. Dioko expressed his willingness to cooperate with Maynilad for the completion of the said project. The attendees likewise are positive with the project

11.2 Face to Face Discussions with Project Affected Persons (PAPs)

Maynilad also conducted face to face discussions with the project affected persons to inform them the intention of Maynilad in acquiring the properties. Maynilad also facilitated mutual agreement between owners and informal settlers so that requests of both parties are heard and properly addressed.

PAPs were not opposing the decision of the owner to sell the lot and to the project of Maynilad.

11.2 Focus Discussion with School Stakeholders

Maynilad conducted a Focus Group Discussion with Cupang Elementary School stakeholder last February 25, 2014 at the Principal's Office. Mrs. Norma F. Polon, the school principal, attended the said activity together with the ten (10) GPTA representatives and two (2) faculty members. (See *Annex K. FGD Attendance*)

Some of the salient issues and concerns raised by the attendees in the FGD are as follows;

- Flooding incidence due to swelling of the Laguna Lake and how the project can help in the problem.
- Carrying capacity of the plant and if there is a chance to cause flooding in nearby houses.
- Extension of the Maynilad water pipes to cater houses in the very interior locations
- Noise and odor emissions during operation

(See Annex L. Minutes of the FGD)

The school principal also shared to Maynilad that they have their own traffic management unit to help ensure the safety of the crossing children of Cupang Elementary School. They have two (2) traffic aides and two (2) guards on duty to assist children in crossing the streets. Signals and signage are also in place to guide motorists and drivers when traversing the school zone. *(See Figure 15-16 for photos during the FGD)*

Figure 15. Engr. Stephen Larcia, a Project Engineer of Maynilad, presenting the project to the FGD participants



Figure 16. FGD participants and Maynilad Project Team, with Principal Polon (3rd person from the left).



12. GRIEVANCE REDRESS MECHANISM

Maynilad created a Grievance Redress Mechanism to address complaints and issues raised by the project-affected-persons and also by the communities within the area where the wastewater plant will be constructed. John Emmanuel Martinez of Environment Management Unit has been appointed as Grievance Officer for the project. He can be contacted at 981-3481 or e-mail address emman.martinez@mayniladwater.com.ph. He shall coordinate with the responsible units/departments about any possible complaints lodged on the project.

The Grievance Redress Mechanism is divided into complaints lodged during the construction and operation of the project. During the construction phase, an affected person or complainant can approach or call Maynilad or contractor to raise his/her complaints or concerns. Complaints will be immediately relayed to the responsible party for prompt action. If the complaint is not acted on promptly, or if the affected person is not satisfied with the resolution undertaken, he/she can then avail of the formal mechanism, as follows:

Step 1: Affected person lodges the complaint.

Step 2: The General Contractor (during construction) and the Sewerage Operations Department (during operation) will document and register received complaints.

Step 3: Two days upon the receipt of the complaint, a meeting will be called between the affected person and the General Contractor (during construction) and the Sewerage Operations Department (during operation). The affected person will be immediately informed if the grievance is within, or outside, the purview of the mechanism. If the scope is outside, the affected person will be referred to the proper institution and/or proper mechanism for the complaint.

If the complaint is within the scope of the project, the resolution of the complaint shall be discussed during the meeting. Investigation will be immediately scheduled for proper resolution of the complaint. The contractor/Sewerage Operations Department will immediately provide the most suitable interim measure to reduce the magnitude of the impact and to start work on the final measure not later than 5 days from the day of the discussion meeting.

Step 4: If the affected person is satisfied with the resolution of the complaint, Maynilad shall obtain a written confirmation of satisfaction from the affected person.

Step 5: For at least a week after closure of grievance, Maynilad through the Grievance Officer shall monitor the effectiveness of the resolution.

Step 6: In the event that the issue/impact persists, the affected person can lodge an appeal to the Barangay. The Barangay Chairman shall immediately record the appeal, contact the grievance to discuss the immediate resolution of the issue. If the issue still persists despite the second action, the affected person can seek assistance from the City Government.

A total of two weeks are given to process, address and monitor a grievance that will arise due to the project implementation.

13. IMPLEMENTATION SCHEDULE

Tabulated below are the chronological steps Maynilad have undertaken during the land acquisition as well as target dates of incoming endeavors for the project.

Table 7. Timetable of the Cupang STP Sub-project.

STEPS	SCHEDULE
A. Site Identification & Acquisition	
1. Long list of sites identified	Jan. 2012

2. Opening of sealed offers	Feb. 2012
3. Shortlisting of Properties	Mar. 2012
4. Site Due Diligence	From Mar. to June 2012
5. First presentation to CAC	May 2012
6. Second presentation to CAC	May 2012
7. Negotiation with the Owner	From June to Sept. 2012
8. Preparation of Safeguard instruments	From Sept. 2012 to Jan. 2013
9. Deed of Conditional Sale (Release of 50 % downpayment)	Arevalo-Cruz Estate : Oct. 30, 2012
	Apolonia delos Santos: Nov. 16, 2012
	Elenita Daco: March 12, 2013
10. Pre-implementation Phase (clearing operation etc.)	From Dec. 2012 to Jan 2013
11. Deed of Absolute Sale (Release of full payment)	Arevalo- Cruz: June 5, 2013
	Apolonia de los Santos: May 22, 2013
	Elenita Daco: June 19, 2013
B. Design and Development	From Dec 2013 to Mar 2014
C. Construction and mechanical/electrical installation	From Mar 2014 to Sept 2015
D. Commissioning	From Sept 2015 to Dec 2015
E. Plant process proving/ Performance Test	From Dec 2015 to Dec 2016

The Offer to Sell was submitted to Maynilad on June 04, 2012. (See *Annex M. Offer to Sell*). Annex N shows the ten (10) TCTs - eight (8) TCTs for properties belonging to Arevalo-Cruz Estate and each for Elenita Daco and Apolonia delos Santos Properties. The Deed of Absolute Sale was signed between Maynilad and land owners (3 owners of adjacent lots) on March and April 2013. The sellers have also signed Acknowledgment Receipts for the partial and full payment of their sold properties.

14. IMPLEMENTATION AND MONITORING

The implementation and monitoring of the subproject are anchored into the two vital considerations. One is the environmental safeguards which will address the impacts on the natural surrounding due to the project. And, the other is the social

safeguard which will revolve on the prevention, if not, mitigation of societal impacts cause by the project to the immediate community or stakeholders. Maynilad's Environment Unit will be implementing the safeguard measures while Land bank of the Philippines will be the one to oversee the implementation of the land acquisition and resettlement plan.

The following will be closely monitored for this project:

- Complaints that may arise from project implementation
- Possible encroachment of the properties acquired while construction is being waited.

Furthermore, mitigating measures to address adverse environmental impacts relative to the activities and components of the project are addressed in the Environmental Management Plan (EMP) and Environmental Monitoring Plan (EMoP). These mechanism are developed for the design, tendering, construction and operational phases of the project. The bidding documents for the project shall include the implementation of the EMP.

14.1 Fencing and Clearing Operations

Upon the release of full payment, Maynilad cleared the sold properties from abandoned structures and fence the area to protect the Maynilad property from any encroachments. (See Figures 17-21 for photos of the fencing and clearing operations)

Figure 17. Photos of the clearing and fencing of the 3 properties acquired



Figure 18. Shanties have been cleared



Figure 19. House of Apolonia Delos Santos has been cleared.



Figure 20. Property fenced to protect informal settlers located outside of the fence



Figure 21. Fencing activities during site visit on June 7



15. VALUATION AND COMPENSATION

The policy of Maynilad is to acquire the land through an open market purchase. Several lots were considered but did not pass the screening process due to the minimum lot requirement for the project, technical considerations, issues of encumbrances, formal/informal settlements and questions of ownership. The acquired land, as reviewed by Maynilad-Technical Team, is the only land available in Cupang, Muntinlupa that suits the minimum requirement for the STP size and hydraulics.

The owners of the lots had at first no intention to sell the land because most of them are absentee owners residing abroad. They are also counting on increased land prices in the area due to the on-going massive development in the City. The original asking price of the sellers, as represented by their Attorney-in-Fact on September 25, 2011 was Php 6,500 per sq. meter.

Maynilad contracted an independent appraiser, the Cuervo Valuers Inc to assess the market value of the lots. The appraised value provided by Cuervo for the subject properties is **Php 1,685.54 per sq. meter**. The appraisal was done with **no consideration** on the physical improvements and structures.

Maynilad also sought information from the assessors of BIR on the Fair Market Value (FMV) of the three properties.

Elenita Daco's property has a fair market value of **Php 3,800 per sq. meter** since it is located along Manuel L. Quezon Road, a major thoroughfare. The Arevalo-Cruz Estate and delos Santos Property have an FMV of **Php 2,850 per sq. meter** since they are situated at the back of Daco Property and are likewise interior lots.

For comparison, (based from the previous experience of Maynilad in acquiring land for another facility in the vicinity of the present STP site) the vacant land for the Putatan Water Treatment Plant located along NIA Road, Putatan, Muntinlupa was acquired at a selling price of Php 3,500 per sq. meters.

Daco got a higher selling price for her property to compensate for the cost of her 2-storey, 6-unit apartment and a bungalow house located within the sold lot. The said improvements had significant commercial value to Daco since she was generating income through apartment rentals.

For the Arevalo-Cruz Estate, the owners demanded a purchase price higher than the appraised value and fair market value to give consideration to the lot owner's expenses on the assistance & entitlements for the PAPs. A considerable portion of their property was not acquired by Maynilad not only because it is not needed for the STP but also because it will result into displacement of more informal occupants.

The proposed site is now fenced to prevent any accidents to nearby occupants during construction and operations

Apolonia de los Santos' lot was occupied by her family's house. She agreed to sell her lot together with its improvements at the price stated above. The purchase will enable the family to put up a new house to a location of their choice.

The appraised values and fair market values of the three (3) subject properties are shown in Table 8.

Table 8. Valuations of the three (3) Properties

Property Name	Area for Acquisition (per sq. m.)	Appraised Value (per sq. m.)	Appraised Value	Fair Market Value
Arevalo-Cruz Estate	11,929	1,685.54	20,106,807	33,997,650
Elenita Daco (ROW)	604	1,685.54	1,018,066	2,295,200
Apolonia delos Santos	200	1,685.54	337,108	570,000

In total, **Php51,222,452.00** was paid by Maynilad for the proposed site of the STP.

- END -