

HOW PUBLIC PRIVATE PARTNERSHIP PAVES AN ISLAND PARADISE'S SUSTAINABLE FUTURE

Every year, hundreds of thousands of local and foreign tourists frolic in this island's powdery white sand beach, basking in its postcard perfect sunset, embracing the drumbeat of the island's natural beauty.

Boracay, a major tourist destination in Western Visayas, is humming with life from the hustle and bustle of tourist crowds and from its booming business activities. Beyond this image, however, is also a reality far from perfection. Along with the rapid tourism in the island and mushrooming establishments, one would also ponder what happens to the place's wastewater.

In 1995, assistance from the Japan Bank for International Cooperation (JBIC) now Japan International Cooperation Agency (JICA) was provided to the Philippine Tourism Authority (PTA) now called Tourism Infrastructure and Enterprise Zone Authority (TIEZA) for the implementation of the Boracay Environmental Infrastructure Project (BEIP). The project aims to provide water supply and sewerage to address the water and sanitation problem in the island.

Nenette Graf who manages a resort business in Boracay and also an international windsurfing champion said, "It is positive to see that the government and the private sector are partnering to achieve something," Graf added. Kite and wind surfing enthusiasts like Graf are just as passionate to their playground that is Boracay as they are to their sports. The preservation of the place is also among their concerns.

With JICA's funding assistance, PTA through the BEIP, facilitated the construction of the water supply and sewerage treatment facilities in Boracay to support and sustain the development of the island's tourism market and maintain the island's natural environment and cultural assets.

This is in consonance with the Philippine government's objective of promoting the country as a tourist destination in Asia.

With the water supply and sewerage system facilities' completion in 2003, TIEZA through its subsidiary Boracay Water and Sewerage System (BWSS) managed the operation of the facilities.

TIEZA recognized that water services in Boracay needed major improvements if it is to provide 24-hour water services and that its existing waste water treatment plant facilities needed upgrade, given that the latter has exceeded its existing capacity due to influx of both local and foreign visitors. In 2009, TIEZA then entered into a joint venture agreement with Manila Water Company, Inc., a private company in the water supply business.

Starting off from a purely JICA ODA-assisted project, the project is now a showcase of a public-private partnership model that has resulted to an expansion and upgrade of the water supply and sewerage facilities. Manila Water's sister company, Boracay Island Water Company has since took over the operations from TIEZA's BWSS.

On the other hand, funding of the upgrade of the facilities is coursed through another JICA-assisted project, the Environmental Development Project, using the Philippine Water Revolving Fund facility implemented by the Development Bank of the Philippines (DBP). Because of the huge investment requirement in the expansion of the facilities, a co-financing arrangement between DBP and a private commercial bank (Security Bank) was also forged.

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Not only did the project address the environmental concerns in this prime tourist destination, it also provided an opportunity for TIEZA to explore innovative approaches in addressing sustainability concerns by partnering with the private sector both in the operations and maintenance as well as in the financing aspect. The project also showcases complementation of JICA assistance at different stages in the project cycle.

As of December 2011, Boracay Water on its 23rd month of operations in the island has provided 788 sewer connections and 4,600 water service connections in Boracay. The island's sewage treatment plant is environmentally compliant and is equipped with high capacity pumps, blowers, and several high end equipment that treat Boracay's wastewater before discharging the wastewater to the sea.

"The excess sludge generated from the wastewater treatment process are then used as soil conditioners deposited on the sludge drying bed facility located at Boracay's Mt. Luho," Jiggs Cuaresma, Boracay Island Water's Operations Support Officer said.

As part of the joint venture, Boracay Water also reaches out to surrounding poor barangays and school communities in Boracay. In Balabag Elementary School, the company provided four drinking faucets to supply clean tap water to the school's 6,000 pupils. In Barangay Manoc-Manoc, the company provided 24/7 water access at affordable payment schemes as well as fire hydrants to be used in fire incidents.

To this day, the collaboration between JICA and TIEZA has spilled over to a successful PPP success story. The many stories of life, sometimes business partnerships woven seamlessly in the corners and pockets of this island paradise complete the fabric of Boracay's sustainable future.



Operations staff of Boracay Island Water Company perform regular testing and treatment of Boracay wastewater to help preserve the island gem