



10th Living Lakes Conference

15-19 May 2005

Tagaytay City, Philippines

Environmental User Fee System (EUFS)

Mr. Ceasar Natividad

Laguna Lakes Development Authority

Abstract

In order to make its environmental efforts more effective, the Laguna Lake Development Authority (LLDA), an attached agency of the Philippine Department of Environment and Natural Resources (DENR), implemented in its administrative jurisdiction a pollution charge system or Environmental User Fee System (EUFS) as a special project in early 1997. The LLDA EUFS was designed in a manner that integrates and harmonizes command and control (CAC) and economic instruments with the objective of generating mechanism to improve environmental enforcement and compliance status of firms located in the Laguna de Bay Region.

After LLDA implemented EUFS in 1997, enterprises responded by increasing their efforts to treat their wastewater by putting up new or improving their existing treatment facilities; employing wastewater recycling activities; waste minimization; and voluntary closure or plant relocation. This was greatly influenced by the LLDA's strengthened compliance monitoring and enforcement activity.

The successful implementation of the EUFS in Laguna de Bay Region and its integration in the Laguna Lake Development Authority's environmental management program served as a precedent and means for the Philippine Congress to pass and approve the Philippine Clean Water Act of 2004, to implement similar or improved system nationwide based on the lessons learned.