



Republika ng Pilipinas
Pambansang Pangasiwaan ng Patubig
(NATIONAL IRRIGATION ADMINISTRATION)
Lungsod ng Quezon

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MC # 64 s. 2002

MEMORANDUM CIRCULAR

**TO : THE DEPUTY ADMINISTRATOR, ASSISTANT ADMINISTRATORS,
DEPARTMENT MANAGERS, REGIONAL IRRIGATION/OPERATIONS
MANAGERS, PROVINCIAL IRRIGATION OFFICERS,
IRRIGATION SUPERINTENDENTS AND ALL OTHER CONCERNED
THIS AGENCY**

**SUBJECT : LIMITED/SELECTIVE REPLICATION OF VOLUMETRIC PRICING
SCHEME FOR ISF PAYMENT**

An encouraging result in the initial pilot testing of volumetric pricing for Irrigation Service Fees (ISF) has been noted at Lateral D2B pilot area District 4, MARIIS, Isabela. It appears said scheme is potentially advantageous both to farmers and NIA such having a major impact on efficiency of water use and ISF collection. It is further seen as a more efficient and system specific alternative on cost recovery mechanism that could replace the cumbersome area based billing and collection scheme currently practiced.

In view thereof and in pursuit of viable options to improve the fiscal standing of NIA, a similar replication of this new ISF billing based on volume of water usage is hereby authorized particularly in each of the other three Districts of MARIIS. All other irrigation systems with completed rehabilitation works and with existing Irrigation Management Transfer (IMT) contracts and laterals with discharge data for at least one wet and one dry season for benchmarking purposes using the staff gauge or parshall flume, are encouraged to adopt volumetric pricing scheme.

Concerned implementors are advised to agree and derive the rate per cubic meter of water use jointly with IAs and Irrigation System Offices (ISOs). They are to adopt the volumetric pricing formula developed and used in Lat D2B of MARIIS for uniformity. Further, it must give due consideration on O and M cost and the IA must be properly informed on the limitation of staff gauges and parshall flumes relative to volume measurements.

All reports and inquiries pertaining to the implementation of the scheme should be forwarded to the Research and Development Division System Management Department, who shall be responsible for the overall coordination and monitoring.

For compliance.


JESUS EMMANUEL M. PARAS
Administrator

21 October, 2002