


## Content

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| Title :       | Reclaimed Water Resources Development Act    |
| Date :        | 2015.12.30  |
| Legislative : | 1.26 clauses amended and published on December 30, 2015 and promulgated on December 30, 2015  |
| Content :     | <p><b>Article 1</b><br/>This Act is enacted for the purposes of facilitating the sustained use of water resources and promoting the development, supply, use and management of reclaimed water.</p> <p><b>Article 2</b><br/>The competent authorities referred to in this Act are: the Ministry of Economic Affairs at the central level; the municipal governments at the municipal level; the county (city) governments at the county (city) level.</p> <p><b>Article 3</b><br/>The terms used in this Act are defined as follows:<br/>1.Reclaimed water: it refers to water that can be reused through wastewater (sewage) or effluent treatment. Subject to the resources of the water deal with, it can be divided into systemic reclaimed water and non-systemic reclaimed water.<br/>2.Systemic reclaimed water: it refers to water that can be reused through treatment of wastewater (sewage) or effluent water collected from the sewer systems.<br/>3.Non-systemic reclaimed water: it refers to water that can be reused through treatment of wastewater (sewage) or effluent water not collected from the sewer systems.<br/>4.Reclaimed Water Operator: it refers to the person permitted under this Act to initiate the systemic reclaimed water development project (hereunder “Reclaimed Water Development Project”) and provide systemic reclaimed water to others.<br/>5.Regional Water Resources Master Plan: it refers to the regional water resources development and management plan that has been reported by the central competent authority to the Executive Yuan for review and approval.</p> <p><b>Article 4</b><br/>If the initiated or modified development is located in a region within the Regional Water Resources Master Plan with the likelihood of undersupply of water resources (hereunder “region with the likelihood of undersupply of water resources”), the developer proposing the water consumption plan shall use a certain percentage of systemic reclaimed water pursuant to the water consumption plan approved by the central competent authority.<br/>A developer of an approved water consumption plan whose initiated or modified development is located in a region with the likelihood of undersupply of water resources and whose actual water consumption each year deviates from the water consumption plan to a certain percentage or a certain size according to the audit shall submit a variance analysis report to the central competent authority for its review. The developer shall then adjust the water consumption plan according to the review result and use a certain percentage of systemic reclaimed water.<br/>If there is no wastewater (sewage) or effluent water collected from the sewer systems available for a developer who should use a certain percentage of systemic reclaimed water pursuant to the provisions of the preceding two Paragraphs, non-systemic reclaimed water or other alternatives shall be used according to the approved water consumption plan or the review result of the variance analysis report.<br/>The scope of application, percentage, size, alternatives and other binding matters with respect to the developer’s use of reclaimed water as specified in the preceding three Paragraphs shall be determined by the central competent authority in consultation with the central authority governing such industry.</p> |

#### Article 5

To enhance developments of systemic reclaimed water, the competent authorities of the municipality or county (city) may provide, free of charge, the sewage of public sewer system or effluent water under their governance to Reclaimed Water Operators and the users approved under Paragraph 1 of Article 11 during a specific period of time. However, the authorities may charge necessary fees for additional constructions, operations, or other purposes for the provision of such water resources. The fees shall be calculated according to the Fee Charging Standards.

The competent authorities of the municipality or county (city) governing those regions with the likelihood of undersupply of water resources shall positively initiate the Reclaimed Water Development Projects or provide sewage or effluent water as described in the preceding paragraph, and may report to the central authority governing sewer system to approve, with priority, the construction of public sewer system in such regions.

The central competent authority shall determine the specific period and Fee Charging Standards as set forth in Paragraph 1.

#### Article 6

For the competent authorities of the municipality or county (city) initiating the Reclaimed Water Development Projects according to Paragraph 2 of the preceding article or submitting the Reclaimed Water Development Projects whose reclaimed water is approved by the central competent authority to be included as the water resources in such regions, the central competent authority or the central authority governing such industry may subsidize part of the construction costs.

The scope, percentage, sources of budget and review procedures of the subsidy as well as the other relevant regulations shall be determined by the central competent authority in consultation with the central authority governing such industry.

#### Article 7

The reclaimed water shall not be directly used as drinking water or be used by the food industry and pharmaceutical industry.

The quality standards for reclaimed water, use restrictions and other matters to be followed shall be determined by the central competent authority. If the central authority governing the industry using the water for a specific purpose has stipulated the water quality standards, the reclaimed water used for such purpose shall comply with the standards.

#### Article 8

For the Reclaimed Water Development Projects whose water is collected from wastewater (sewage) or effluent water of the public sewer system, the competent authorities of the municipality or county (city) that manage the public sewer system are responsible for handling the following matters. If the public sewer system is crossing two or more municipalities, counties or cities, the competent authority of the municipality, county and city designated by the central competent authority is responsible for handling the matters:

1. The inspection and review, approval, repeal and modification regarding the Reclaimed Water Development Project and use of wastewater (sewage) or effluent water.
2. The supervision and inspection of the construction and operation of the Reclaimed Water Development Project.
3. The ratification of water prices proposed by the Reclaimed Water Operators.

For an industrial park, export processing zone, science-based industrial park, agricultural technology park, industrial zone or another specific area established by the central competent authority governing the industry (hereinafter "Specific Area") that uses reclaimed water of the Reclaimed Water Development Project handled by the competent authorities of the municipality or county (city), the competent authority governing the Specific Area is responsible for handling the following matters:

1. Integration and distribution the water demand in the area and coordination of other relevant matters.
2. Review and approval of the relevant facilities allocation in the area.

For the Reclaimed Water Development Projects whose water is collected from wastewater (sewage) or effluent water of the sewer system exclusively used in the Specific Area, the competent authority governing the Specific Area is responsible for handling matters

stipulated in the preceding two paragraphs.

#### Article 9

A Reclaimed Water Operator shall be organized as a company. However, government authorities can operate by way of funds.

Anyone applying for the establishment of a Reclaimed Water Operator, except for those who operates by way of a fund as stated above, shall provide the application form and certification of capital amount to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for establishment approval. The establishment or change of registration procedures can only be processed after obtaining the approval.

The Reclaimed Water Operators initiating a Reclaimed Water Development Project shall provide documents such as the construction and operation plans for reclaimed water and company certification to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for construction permit. The construction can only be initiated after obtaining the use permit of wastewater (sewage) or effluent water. In case of any delay of the construction, the operators shall, with explanations, report to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for extension of construction period.

After completing the construction of the Reclaimed Water Development Project, the operators shall report to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for inspection. The operation can only be commenced after the inspection procedure is passed and the operation permit is obtained.

If the approved construction and operation plans for reclaimed water have been changed during the construction period or after completion of the construction, the operators shall file the relevant documents with the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for approval. The operators shall provide an additional modification plan if the change is related to water quality, water quantity, schedule of water supply, area of water supply or the initiating operator.

The competent authorities of the municipality or county (city) or the competent authority governing the Specific Area shall provide the permits set forth in the preceding four paragraphs to the central competent authority for its reference.

The central competent authority shall determine the application form, plans, relevant documents, procedures and conditions for approval and modification, effective period of the use permit of wastewater (sewage) and effluent water, extension of construction period, regulations for deliberation, issuance of permits, inspection items, and other relevant matters in Paragraphs 2 to 5.

#### Article 10

The competent authority of the municipality or county (city) or the competent authority governing the Specific Area may revoke the construction permit, use or operation permit of wastewater (sewage) and effluent water, and order the Reclaimed Water Operators to restore to the original condition, cease the operation or take appropriate measures after it notifies the Reclaimed Water Operators to improve within specified period and no improvement is made in the event that the Reclaimed Water Operators have any of the following situations:

- 1.If the construction is not commenced within one and a half years after acquisition of a construction permit, the construction is suspended for six months continuously, the construction is suspended for one year or more in total, or the construction process is significantly behind schedule and the competent authority of the municipality or county (city) or the competent authority governing the Specific Area finds that the construction could not be completed within the specified period of time.
- 2.The construction or operation is not consistent with the approved plan.
- 3.The construction permit or operation permit is transferred to others without permission.

In the event that the competent authority of the municipality or county (city) or the competent authority governing the Specific Area finds that the construction or operation of the Reclaimed Water Development Project will affect the normal operation of sewer system or substantially damage public interest, it may order the Reclaimed Water Operators to cease part or all of the construction or operation, or make an appropriate disposition.

#### Article 11

The person who uses water shall submit the usage plan of reclaimed water stating the water quantity, duration of use, detailed drawings and descriptions of water intake construction to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area, and apply for use permits of wastewater (sewage) and effluent water in the event that the wastewater (sewage) or effluent water gained from the sewer system is more than a certain water quantity or the water intake project is for the purpose of self-use. In the event of any change, the disposition shall be the same as aforementioned. After completion of water intake construction of the water intake project, it shall be reported to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for inspection. The water may only be used after the inspection is passed.

In any of the following situations, the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area may reduce the water intake quantity or revoke the use permit. The requirement shall be exempted in the event that the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area approves for reservation:

1. Water intake quantity is not consistent with the plan permitted in the first paragraph.
2. Water intake does not initiate within the permitted period of time specified in the first paragraph.
3. Termination of usage for six months or more.

The central competent authority shall determine the water quantity, plan, procedures for permitting the use of wastewater (sewage) or effluent water, effective period of the use permit, inspection after completion of construction, reduction of water quantity, reservation, revocation, issuance of permits, and other regulations of related matters concerning the preceding three paragraphs.

#### Article 12

For the Reclaimed Water Development Project applied in accordance with Article 9 and the water intake project applied in accordance with Paragraph 1 of the preceding article, the related regulations regarding initiation of water business as specified in the Water Act shall not apply.

#### Article 13

The design and construction supervision of water intake construction, water treatment facilities, and water supply facilities of the Reclaimed Water Development Project shall be certified by relevant engineers within the scope of professional services as specified in the Professional Engineers Act. However, a governmental agency or public enterprise initiating the project by itself may have the licensed engineer of the related fields who works for such agency or enterprise certify in accordance with the laws.

The related fields of the professional engineers shall be announced by the central competent authority in consultation with the central authority in charge of engineers. The central competent authorities shall determine the method of certification.

#### Article 14

The Reclaimed Water Operators shall charge the reclaimed water fees from the users of reclaimed water according to the cost of development and operation and reasonable profit of each development project. The central competent authority shall determine the calculation formula.

In the event that the Reclaimed Water Operators determine the details of water price or adjust the reclaimed water fee according to the preceding paragraph, they shall apply to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area for approvals. Additionally, the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area shall report to the central competent authority for its reference. However, in the event that the Reclaimed Water Operators initiate the project in accordance with the Act for Promotion of Private Participation in Infrastructure Projects, the operation shall be made in accordance with the related regulations of such Act and the investment contracts.

The competent authorities of the municipality or county (city) or the competent authority governing the Specific Area may invite impartial persons of each field such as the related governmental agencies, scholars and experts to inspect the reclaimed water fee and its

adjustment or disputes.

#### Article 15

The water intake construction, water treatment facilities, and water supply facilities of each development project of the Reclaimed Water Operators and water intake construction of the users permitted in accordance with Paragraph 1 of Article 11 shall be inspected regularly, maintained and repaired annually. The inspection record shall be made and sent to the competent authority of the municipality or county (city) or the competent authority governing the Specific Area for its reference.

The Reclaimed Water Operators shall report the water intake quantity of wastewater (sewage) and effluent water and quantity of reclaimed water supply of the Reclaimed Water Development Project to the competent authorities of the municipality or county (city) or the competent authority governing the Specific Area by the end of January and July every year. The users permitted in accordance with Paragraph 1 of Article 11 shall report the water intake quantity of wastewater (sewage) or effluent water.

The competent authorities of the municipality or county (city) or the competent authority governing the Specific Area shall compile the aforementioned information annually and report to the central competent authority for its reference.

The inspection items, record, items to be reported, format, effective period and other regulations to be complied with as set forth in Paragraphs 1 and 2 shall be determined by the central competent authority.

#### Article 16

The competent authorities of the municipality or county (city) or the competent authorities governing the Specific Area may, for the purpose of managing each development project of Reclaimed Water Operators and water intake permits set forth in Paragraph 1 of Article 11, send personnel into the business places and facilities and inspect the related data and records of each construction facility, water quality and quantity. Additionally, related personnel may be requested to give necessary explanations, take cooperative actions, or provide related information. The inspected person or related personnel shall not avoid, impede, or refuse.

The inspectors specified in the preceding paragraph shall spontaneously show their ID or symbols sufficient for identification while carrying out inspection assignments and may not interfere with the normal operations at the said business operation site.

The inspection agency or personnel specified in Paragraph 1 shall keep the information regarding the privacy of the inspected person or trade secrets confidential.

#### Article 17

A person who, for the purpose of profit, violates Paragraph 1 of Article 7 and provides or uses reclaimed water that is likely to be harmful to human health shall be sentenced to imprisonment for not more than three (3) years, detention or a fine of no less than NT\$300,000 and no more than NT\$3,000,000. In the event that it is harmful to human health, he or she shall be sentenced to imprisonment for not more than five (5) years, detention and/or a fine of no less than NT\$500,000 and no more than NT\$5,000,000. If death results from the commission of an offense specified in the preceding paragraph, the perpetrator shall be sentenced to imprisonment for life or not less than seven (7) years, and may be fined not more than NT\$15,000,000. If serious body injury results from the commission of the offense, the perpetrator shall be sentenced to imprisonment not less than three (3) years and no more than ten (10) years, and may be fined not more than NT\$10,000,000. Any representative of an entity or agent of an entity or natural person, employee, or other personnel who commits offenses set forth in the preceding two Paragraphs due to the performance of business activities, in addition to the punishment imposed on the perpetrator, the entity or natural person shall also be fined not more than ten times of the stated amount.

#### Article 18

Anyone who destroys a Reclaimed Water Operator's water intake construction, water treatment facilities or water supply facilities and causes public hazards shall be punished with a sentence of imprisonment of no more than three (3) years, detention or a fine of no less than NT\$300,000 and no more than NT\$3,000,000.

#### Article 19

Any of the following violations shall be subject to an administrative fine of no

less than NT\$300,000 and no more than NT\$1,500,000 which may be consecutively imposed for each violation:

- 1.A Reclaimed Water Operator provides reclaimed water in violation of Paragraph 1 of Article 7.
- 2.Using reclaimed water in violation of the purposes specified in Paragraph 1 of Article 7.
- 3.A Reclaimed Water Operator operates without passing the inspection and acquiring the operation permit as required by Paragraph 4 of Article 9.
- 4.A Reclaimed Water Operator fails to cease operation according to Paragraph 1 of Article 10.
- 5.A Reclaimed Water Operator fails to cease operation and take appropriate measures according to Paragraph 2 of Article 10.
- 6.Destroying a Reclaimed Water Operator's water intake construction, water treatment facilities or water supply facilities and hampering normal water supply.

#### Article 20

A developer who fails to use a certain percentage of reclaimed water, non-systemic reclaimed water or other alternatives pursuant to the water consumption plan or the variance analysis report according to Paragraphs 1 to 3 of Article 4 and is notified by the central competent authority to make improvements within a designated time period but fails to improve by the designated time period shall be subject to an administrative fine of no less than NT\$200,000 and no more than NT\$1,000,000 which may be consecutively imposed for each violation.

If a developer fails to submit the variance analysis report according to Paragraph 2 of Article 4 or fails to make corrections within a designated time period notified by the central competent authority, the fine set forth in the preceding paragraph shall be applied *mutatis mutandis*.

#### Article 21

Any of the following violations shall be subject to an administrative fine of no less than NT\$200,000 and no more than NT\$1,000,000 which may be consecutively imposed for each violation:

- 1.The quality of reclaimed water provided by the Reclaimed Water Operator does not meet the quality standards for reclaimed water, use restrictions and other matters to be followed, or the quality standards for the purpose of use as set forth in Paragraph 2 of Article 7.
- 2.A Reclaimed Water Operator commences the construction without obtaining construction permit in accordance with Paragraph 3 of Article 9.
- 3.A Reclaimed Water Operator fails to restore to the original condition or take appropriate measures in accordance with Paragraph 1 of Article 10.
- 4.A Reclaimed Water Operator fails to cease the construction and make an appropriate disposition in accordance with Paragraph 2 of Article 10.
- 5.A user permitted under Paragraph 1 of Article 11 fails to pass the inspection in accordance with Paragraph 2 of the same Article and use the water.
- 6.A Reclaimed Water Operator and a user permitted under Paragraph 1 of Article 11 fail to make regular inspection, maintenance and annual repair, and make inspection records.

#### Article 22

The Reclaimed Water Operator or user permitted under Paragraph 1 of Article 11 shall be subject to an administrative fine of no less than NT\$20,000 and no more than NT\$100,000 if it avoids, impedes or refuses to be inspected, give explanations, take cooperative actions, or provide related information under Paragraph 1 of Article 16 without just cause. The punishment may be imposed for each violation.

#### Article 23

The Reclaimed Water Operator or the user permitted under Paragraph 1 of Article 11 shall be subject to an administrative fine of no less than NT\$10,000 and no more than NT\$50,000 if it fails to report in accordance with Paragraph 2 of Article 15. The punishment may be imposed for each violation.

#### Article 24

Except Article 20 shall be punished by the central competent authority, the fine prescribed in this Act shall be imposed by the competent authorities of the municipality

or county (city) or the competent authority governing the Specific Area.

#### Article 25

In the event that the systemic reclaimed water is provided to others for use before this Act comes into force, the reclaimed water construction and operation plan shall be replaced with the current report on the use of reclaimed water within two years from the date of promulgation of this Act. No operation may continue without obtaining the construction permit and operation permit in accordance with Article 9. In the event of violation, the punishment shall be imposed in accordance with Subparagraph 3 of Article 19. If the reclaimed water is provided in violation of Article 7, the punishment shall be imposed in accordance with Subparagraph 1 of Article 19 and Subparagraph 1 of Article 21.

#### Article 26

This Act shall become effective as of the date of promulgation.

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Data Source : Ministry of Economic Affairs R.O.C.(Taiwan) Laws and Regulations Retrieving System