# Republic of the Philippines HOUSE OF REPRESENTATIVES Quezon City

# **EIGHTEENTH CONGRESS**

Second Regular Session

HOUSE BILL NO. <u>9468</u>



# **Introduced by Representative Edgar Mary S. Sarmiento**

#### **EXPLANATORY NOTE**

The bill seeks to legislate a 30-year National Transportation Infrastructure Program. It shall be entitled as "The Future of Mobility in the Philippines 2045 Act." The year 2045 marks the 100<sup>th</sup> anniversary of the country's liberation from Japanese occupation. At that point, majority of the vital projects legislated under this measure must have been completed as part of our roadmap for transportation infrastructure.

The perennial problem in the country is the difficulty in planning and implementing major infrastructure programs which involve multi-year implementation. Various sectors are affected by this difficulty including the transportation sector. Multiple changes are being implemented on government plans for infrastructure over the years. Thus, it makes it more grueling to meet the goals of the long-term plans being set for the country.

Major infrastructure projects are usually complex and capital-intensive which often need adequate planning and efficient implementation. Elections and changes in the administration of the country every so often can put a stop in the process of planning and implementing these major infrastructure projects. At times, these vital and necessary projects are put on hold or, assuming the worst case scenario, be ultimately cancelled.

The measure aims to provide a solution to this problem by adopting a long-term development program which indicates the specific projects that are needed to be implemented. The program covers at least 30 years, from the years 2023-2052. By legislating these projects and providing guidelines for planning and implementation, we can ensure that there is continuity even if political changes ensue especially changes in national leadership. The measure aims to encourage

stakeholders from the private sector through long-term plans which embody continuity, predictability and stability.

The measure provides a list of core projects to be implemented between 2023 and 2052. It may be updated every five years by the National Economic Development Authority (NEDA), in coordination with the Oversight and Implementing Agencies. NEDA shall also be primarily responsible for formulating the details of the infrastructure program. To ensure funding, the NEDA and the Department of Budget and Management (DBM) shall ensure that the total budget allocation by the Government for the program shall be at least five percent (5%) of the Gross Domestic Product.

In view thereof, approval of this bill is earnestly sought.

EDGAR MARY S. SARMIENTO Representative, 1st District Samar

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# HOUSE BILL NO. 9468

## **Introduced by Representative Edgar Mary S. Sarmiento**

# AN ACT ADOPTING A 30-YEAR NATIONAL TRANSPORTATION INFRASTRUCTURE PROGRAM

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

**SECTION 1.** *Short Title.* - This Act shall be known as "The Future of Mobility in the Philippines 2045 Act"

- SEC. 2. Declaration of Policy. It is the policy of the State to provide an efficient transportation infrastructure system to promote sustainable and inclusive economic growth and sound quality of life for all Filipinos. For this purpose, there is a need for the Government to adopt a Long-Term National Transportation Infrastructure Program that will provide the framework over the next 30 years for the systematic and continuing development across Government Administrations of essential transport facilities in the country.
- **SEC. 3.** *Definition of Terms.* The following terms as used in this Act are defined as indicated:
  - a. **Infrastructure** refers to the basic physical facilities, for use by the public, that underlie and enable, sustain, and enhance the economic and social development of the country. Infrastructure includes transport, energy, water resources, information and communications technology, social infrastructure systems, and other basic overhead facilities.
  - b. **Transport infrastructure** refers to (i) roads, including bridges, tunnels, grade separation, and related structures, (ii) rail, bus rapid transit and other mass transport systems, including subways, fixed facilities,

- and rolling stock, (iii) ports, including terminals and navigation facilities, (iv) airports, including terminals and navigation facilities, and (v) intermodal transport facilities, including terminals.
- c. **Core infrastructure projects** refer to projects in the 30-Year National Infrastructure Program with the highest priority in terms of national significance and impact.
- SEC. 4. Adoption of 30-Year National Infrastructure Program. There is hereby adopted a 30-Year National Transportation Infrastructure Program for the Philippines for the Years 2023-2052. This Program consists of major infrastructure projects of the National Government (NG) to be implemented by the concerned National Government Agencies (NGAs) and Government-Owned and Controlled Corporations (GOCCs) as provided under their respective charters, including projects under Public-Private Partnership (PPP) schemes and partnerships with Local Government Units (LGUs).
- **SEC. 5.** *Policies and Strategies.* The 30-Year National Transportation Infrastructure Program through its component projects shall pursue the following national development policies and strategies of the Government:
  - 1. Ensure that the Program consists of projects of national significance which are consistent with the National Physical Framework Plan and Land Use Plan, as well as with Regional Development Plans.
  - 2. Select, prioritize, and phase the projects in the program based on the following principles:
    - a) Effectiveness in meeting government objectives.
    - b) Economic feasibility and impact.
    - c) Social inclusion.
    - d) Environmental sustainability.
    - e) Safety.
    - f) Security
    - g) Affordability.
    - h) Public access.
    - i) Technical readiness for implementation.
  - 3. Encourage private sector participation in the planning, development, financing, design, construction, operation, and maintenance of infrastructure.

- 4. Ensure infrastructure asset preservation.
- 5. Incorporate climate change adaptation and disaster resilience measures, as well as updated strength, safety, health, and environmental standards, in the design and construction of infrastructure projects, especially against powerful/disastrous typhoons, floods, earthquakes, fires, volcanic eruptions, landslides, and other hazards.
- 6. Intensify infrastructure-related research and development.
- 7. Give priority to multi-sectoral, multi-modal and area-wide development projects to take advantage of their synergistic effects.
- 8. Ensure that projects cover complete functional structure, and provide for continuity in funding and implementation of multi-year projects up to their completion. Civil Service Employees from the NGAs, LGUs, GOCCs, and other government instrumentalities with the technical expertise should be highly involved in the planning and implementation of the project to ensure continuity amidst the changes among appointed government officials. The Civil Service Employees shall ensure the seamless transition once there is a change in government administration.
- 9. Develop a national transport system with the following characteristics: efficient in facilitating mobility, safe, economical, accessible, affordable, environmentally sustainable, user-oriented, reliable, convenient, integrated, and seamless.
- 10. Establish a strategic national transport network consisting of complementary roads, rail, ports, and airports that serve medium and long-distance high-density traffic between key cities and municipalities, economic hubs, international gateways, or along major corridors in urban centers. The configuration of the network should fit into and influence the desired spatial development pattern under the National Physical Framework Plan.
- 11.Plan and implement transport projects within the context of the entire supply chain and logistics to link production areas with processing, warehousing, transport and transshipment hubs, and markets.

- 12. Focus the role of the Government in infrastructure provision, policy formulation, planning, safety and environmental regulations, supervision, and monitoring of projects and operations, rather than as a direct provider of transport services which shall generally be assigned to the private sector.
- 13. Optimize the use of funds through efficient transport infrastructure maintenance and asset management before considering additional investments.
- 14. Make use of the comparative advantages and interconnectivity of the different transport modes and provide for healthy competition within and between transport modes to increase productivity, lower costs and user charges, and improve services.
- 15. Apply the user-pays principle for cost recovery where it is appropriate.
- 16.Improve road-based transport to address traffic congestion through engineering, enforcement, and education.
- 17. Encourage shift from private to public transport, especially on mass transport.
- 18.Improve the operational efficiency of airports and address constraints to their optimal capacity utilization.
- 19.Improve port facilities to ensure that inter-island shipping, including a stronger roll-on roll-off (RORO) network, is a viable option for transporting people and cargo.
- 20.Strengthen transport infrastructure to support agriculture, tourism, trade and industry.
- **SEC. 6.** *Core National Infrastructure Projects.* The 30-Year National Transportation Infrastructure Program shall give priority to the following initial list of core transportation infrastructure projects:

# 1. Road Transport:

- a) Inter-regional and regional roads and expressways in major road transport corridors of the country:
  - 1) North Luzon Expressway to Ilocos Region.
  - 2) North Luzon East Expressway to Cagayan Valley.
  - 3) Central Luzon East-West Links: Nueva Ecija-Tarlac, Tarlac-Zambales.
  - 4) South Luzon Expressway to Bicol Region, along the Pan-Philippine Highway Corridor.
  - 5) Luzon Eastern Seaboard Highway, Sta. Ana, Cagayan-Atimonan, Ouezon.
  - 6) Dalton Pass East Alignment Alternative Road.
  - 7) Laguna Lake Circumferential Expressway.
  - 8) Cavite-Tagaytay-Batangas Expressway.
  - 9) Luzon Iconic Bridge Projects for Socioeconomic Development.
  - 10) Panay Expressway, Iloilo-Roxas-Malay.
  - 11) Negros Occidental Expressway, Silay-Kabankalan.
  - 12) Samar-Leyte Expressway along the Pan-Philippine Highway Corridor.
  - 13) Mindanao North-South Expressway along the Pan-Philippine Highway. Corridor, Surigao-Davao-General Santos-Cotabato-Zamboanga City.
  - 14) Northern Mindanao East-West Expressway, Butuan-Cagayan de Oro-Iligan-Pagadian.
  - 15) Central Mindanao Expressway, Cagayan de Oro-Bukidnon-Davao City.
  - 16) Davao City Coastal Road.
  - 17) Road Network Development Project in Conflict-Affected Areas in Mindanao.
  - 18) Major inter-island bridges/links Bataan-Cavite, Batangas-Mindoro, Sorsogon-Samar, Panay-Guimaras-Negros, 4<sup>th</sup> Cebu-Mactan, Cebu-Negros, Samal-Davao City.
  - 19) Major RORO systems: Eastern, Central, and Western Networks.
  - b) Metropolitan and urban road and expressway systems:
    - 1) Metropolitan Manila Circumferential 5 Southlink Expressway.
    - 2) Metropolitan Manila Circumferential 6 Expressway.
    - 3) Metropolitan Cebu Expressway.

- 4) Bohol Bypass Road.
- 5) Metropolitan Davao Expressway.
- 6) Metropolitan Manila Logistics Network, particularly Bridges.

# 2. Rail and Other Mass Transport:

- a) Long-haul rail systems:
  - 1) Manila to Clark Airport and other parts of North Luzon.
  - 2) Manila to the Bicol Region.
  - 3) Subic-Clark Railway.
  - 4) Mindanao Rail Network, Tagum-Davao-Digos, with extensions to Butuan, Cagayan de Oro, General Santos, Iligan, Surigao and Zamboanga.

# b) Urban commuter rail systems:

- 1) Metro Manila Subway, San Jose del Monte-Quezon City-Makati-Taguig-Pasay-Paranaque-Las Pinas-Dasmarinas.
- 2) North-South Commuter Rail, Malolos-Calamba.
- 3) Light Rail Transit (LRT) 6, Bacoor-Dasmarinas.
- 4) Mass Rail Transit (MRT) 4, Ortigas-Taytay.
- 5) C5 MRT 10, Ninoy Aquino International Airport-Commonwealth Ave, Quezon City.
- 6) MRT-11, EDSA-Quirino-San Jose del Monte.
- 7) Cebu Monorail Transit, Central and Airport Lines.
- c) Urban bus transit systems and other projects:
  - 1) Metro Manila Bus Rapid Transit (BRT) Line 1, Quezon Ave-España.
  - 2) Metro Manila EDSA BRT.
  - 3) EDSA Greenways Project.
  - 4) Intelligent Transport System for Mega Manila.
  - 5) Cebu BRT.
  - 6) Davao Public Transport Modernization Project.

### 3. Ports

- a) Batangas and Subic Ports to complement Manila Ports.
- b) Iloilo Port.
- c) Cebu Container Port.

- d) Davao Sasa Port.
- e) General Santos Port.

# 4. Airports

- a) Mega Manila Airport System.
  - 1) Improved Ninoy Aquino International Airport.
  - 2) Bulacan Airport.
  - 3) Sangley Airport.

# b) Regional Airports:

- 1) Puerto Princesa.
- 2) Iloilo.
- 3) Kalibo.
- 4) Bacolod-Silay.
- 5) New Bohol (Panglao).
- 6) New Zamboanga.
- 7) Laguindingan.
- 8) Davao.

# 5. Intermodal Transport

Terminals for interface of buses/other modes in Metropolitan Manila, Metropolitan Cebu, Metropolitan Davao, and high-density urban areas.

# 6. Support for Alternative Modes of Transportation

- a) Elevated walkways
- b) Bicycle lanes and other support facilities for cyclists

As provided in Section 7 of this Act, the initial list of core national infrastructure projects in this Section may be updated by the NEDA, to reflect changes in development policies, in economic, physical and social and social conditions, and in the status of the projects in the Program, among other factors.

SEC. 7. Responsibility for Formulation and Updating of the Detailed 30-Year Program. - Pursuant to the policies, strategies, and other provisions in this Act, the NEDA shall, in coordination with the concerned Oversight and Implementing Agencies, be responsible for the formulation of the details of the

30-Year National Transportation Infrastructure Program, divided into six phases of five years each, including their component projects with their respective descriptions, scopes, cost estimates, schedules, financing and implementation modalities, and Implementing Agencies. The extent to which the projects in the Program meet the policies and strategies provided in Section 5 of this Act shall generally determine their priority and schedule of implementation

In coordination with the concerned Agencies, the NEDA shall review and update the 30-Year National Infrastructure Program once every five years, or oftener if necessary, taking into account changes in development policies, in economic, physical and social conditions, and in the status of the projects in the Program, among other factors.

In all updates of the Program, priority shall be given to the core infrastructure projects identified in this Act and in such updates.

SEC. 8. Minimum Budget Allocation for Infrastructure. - The NEDA and the Department of Budget and Management (DBM) shall see to it that the total annual budget allocation by the Government for the 30-Year National Infrastructure Program is at least five percent (5%) of the Gross Domestic Product.

**SEC. 9.** *Project Financing and Implementation Modalities.* – The projects under the 30-Year National Infrastructure Program may be implemented by the concerned Agencies under the following generic modalities in accordance with the criteria indicated:

Modality	Financing	Design	Construction	Operation	General
				and	Criteria
				Maintenance	
				(O&M)	
A:	NG for	NG - by itself	NG - by itself	NG - by itself	For non-
Conventional	Design,	or through a	or through a	or through a	financially
Scheme	Construction,	Private	Private	Private O&M	viable (but
	O&M,	Designer	Construction	Contractor	economically
	including		Contractor		feasible)
	ROW				projects
B:	NG for	Private DB	Private DB	NG - by	For non-
Design-Build	Design,	Contractor	Contractor	itself or	financially
(DB) Scheme	Construction,			through a	viable
	O&M,			Private	projects
					where

	including			O&M	alternative
	ROW			Contractor	DB
					technologies
					are feasible
C:	NG for ROW	Private PPP	Private PPP	Private PPP	For
PPP Scheme	and Subsidy;	Concessionaire	Concessionaire	Concessionai	financially
	Private PPP			re	viable
	Concessionaire				projects; with
	for Design,				recovery of
	Construction,				capital and
	O&M				O&M costs
					from user
					charges
D:	NG for	NG – by itself	NG - by itself	LGU for	For non-
NG-LGU	Design and	or through a	or through a	O&M	financially
Partnership	Construction;	Private	Private		viable
	LGU for	Designer	Construction		projects
	ROW/ O&M		Contractor		where LGUs
					provide day-
					to-day service

NG and LGU financing may include foreign funding in the form of loans and grants from Official Development Assistance (ODA) sources.

In addition to these generic project implementation modalities, the NEDA, in coordination with the Department of Finance and other Oversight and Implementing Agencies, may authorize other appropriate project implementation modalities, including variants of these generic modalities, as deemed feasible and suitable to the specific circumstances and requirements of the projects at hand.

SEC. 10. Basis for Medium-Term and Annual Programming and Budgeting. — Based on the 30-Year National Infrastructure Program, the Implementing Agencies shall formulate their respective Medium-Term Infrastructure Programs, which are to be integrated into the overall National Medium-Term Infrastructure Programs and the Medium-Term Philippine Development Plan to be crafted by the NEDA.

Based on the 30-Year National Infrastructure Program, the Implementing Agencies shall prepare their Annual Infrastructure Budgets (AIBs), which are to be integrated into the proposed Annual National Expenditure Programs (NEPs) to be prepared by the DBM, for submission to the Congress as the basis of the

annual General Appropriations Acts (GAAs). The Implementing Agencies and the DBM shall see to it that the core projects in the 30-Year National Infrastructure Program are given priority in the AIBs and NEPs.

Based on the 30-Year National Infrastructure Program and the approved GAAs, the DBM shall issue the necessary Multi-Year Contracting Authority (MYCA) to cover the total cost of each project whose implementation will span several years. The DBM shall provide the corresponding annual cash requirements of the projects covered by the MYCA in the NEPs.

SEC. 11. Use of Applicable Modern Technology for Project Implementation. – To achieve efficiency and transparency, projects in this Program shall be procured through electronic online systems, covering the submission and evaluation of bids.

For effective management of the projects, Implementing Agencies shall use the Building Information Modeling (BIM) or similar applicable automated management tools that can visualize, simulate, track, and help optimize the performance of a particular infrastructure in five dimensions - namely, length, width, height, time, and cost - throughout the lifecycle of the project, from planning and design, through procurement and construction, to operation and maintenance.

- SEC. 12. Implementing Rules and Regulations (IRR). Within sixty (60) days from the approval of this Act, a Committee, composed of the following officials, shall prepare the IRR for the proper implementation of the provisions of the Act.
  - a. The Secretary of Economic Planning and Director General of the NEDA as Chairman.
  - b. All Members of the NEDA Infrastructure Committee as Members.

In preparing the IRR, the Committee shall consult with major stakeholders from the concerned private sectors, business groups, LGUs, community organizations, and Non-Government Organizations, among others.

- **SEC. 13.** *Repealing Clause.* All laws, decrees, orders, rules and regulations or parts thereof inconsistent with this Act are hereby repealed or amended accordingly.
- **SEC. 14.** *Effectivity.* –This Act shall take effect fifteen (15) days following its publication in the Official Gazette.

Approved,