# IMPLEMENTING THE PHILIPPINE NATIONAL TRANSPORT POLICY

PERSPECTIVE FROM THE PHILIPPINE DEPARTMENT OF TRANSPORTATION (DOTr)





## PHILIPPINE NATIONAL TRANSPORT POLICY

#### **POLICY VISION**

secure, reliable, efficient, integrated, intermodal, affordable, cost-effective, environmentally sustainable, and people-oriented national transport system that ensures improved quality of life of the people

#### **POLICY CONSTRAINTS**

Acknowledges that the Philippine transport system indicate recurring issues such as:

- Lack of integrated and coordinated transport network;
- Overlapping and conflicting functions of transport agencies;
- Transport safety and security concerns; and,
- Inadequate transport facilities particularly in conflict-affected and underdeveloped areas;

# PHILIPPINE NATIONAL TRANSPORT POLICY

### POLICY IMPLEMENTATION PRECEPTS

Ensure effective and efficient inter-government coordination, local government participation and stakeholders' collaboration with the end in view of

- Providing intermodal connectivity among transport infrastructures,
- Effecting good governance through streamlined transport regulations, rationalized transport agency functions, policies aligned with government priorities and programs,
- ensured adherence to safety standards and compliance with international agreements,
- Promoting green and people-oriented transport systems,
- Creating "new" economic growth centers outside of the country's key cities for inclusive growth through access improvement and support to tourism, agro-industry, trade and logistics, and other economic sectors, and
- Promoting transport infrastructure investments;

# TRANSPORT STRATEGY FORMULATION

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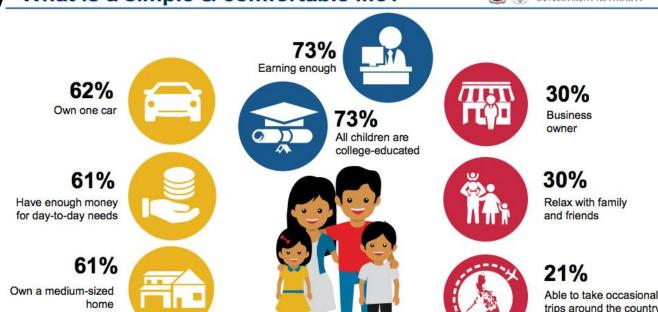
# COMFORTABLE LIFE STRATEGY

#### PRIMARY ATTRIBUTE OF COMMON FILIPINO COMMUTER

- Filipinos in the past 25 years have been toiling
- Average commute time of 5 hours/day
- In lower income strata at 6.5 hours/day

#### PRIMARY OBJECTIVES

- Give back precious time to our citizens
- Lower commute time to 2.5 hours/day What is a simple & comfortable life?
- Best possible comfort in commuting
- Optimal means of transport
- Reduce wait times & delays
- Remove improbabilities in the system



NATIONAL ECONOMIC AND

# FAST AND SURE STRATEGY

# A PROJECT SHOULD HAVE A COMMITMENT TO DELIVER A COMFORTABLE LIFE IN THE SHORTEST AMOUNT OF TIME

- Our projects to be viable has to fast and sure.
- It leverages on several best practices to deliver projects in a timely and orderly manner.
- Project tasks should be parallel and work should be 24 x 7.
- Further projects shall be negotiated in a short amount of time.
- Projects should partial operability
- Leadership support to commit resources
- Government apparatus is aligned to goals
- Direct Executive Branch Attention



# TEMPORAL OBJECTIVE STRATEGY

### TRADITIONALLY TRANSPORTATION PROJECTS IS SPATIAL

- Projects is determined based on their location in space and its dimensions
- Transport projects are measured in distance it connects (km of roads, miles of rail) passengers it carries (movements per hour, PPHPD, passengers per coach).

### DENSE URBAN AREAS NEEDS TIME-SPACE CONSIDERATIONS

- Based on "Activity First Mobility Model"
- As a country matures, TIME or "TEMPORAL DOMAIN" is more valuable to its citizens.
- We took upon ourselves to impose a "TEMPORAL OBJECTIVE".

### DOOR TO DOOR OBJECTIVE

- 55 minutes from house to place of work
- TOD project candidates starts at location
- 55 mins away from "traffic center of gravity"



# TRANSIT ORIENTED DEVELOPMENT STRATEGY

TRANSIT ORIENTED DEVELOPMENT (TOD) SUPPORTS THE TEMPORAL OBJECTIVE

- It support traffic shaping
- It creates center of gravity for traffic originations
- Temporal objectives is much more manageable

#### **INCUSIVE PARTICIPATION**

- Small local governments, businessmen and fringe stakeholders can participate in value creation.
- Reinforces the transformation of suburban economy

TRANSIT ORIENTED DEVELOPMENT (TOD)
IS OUR PRIMARY VEHICLE FOR
INCLUSIVE GROWTH



# LAND VALUE CAPTURE STRATEGY

# TRANSIT ORIENTED DEVELOPMENT (TOD) RESULTS INTO LAND VALUE CAPTURE

- Creates value in the local level allowing local governments and small business to obtain economic windfall
- Makes TOD more tangible
- Makes future projects viable (i.e. feeder systems, multi modal systems)

#### IMPLEMENTATION CONSTRAINTS

- Requires lobbying in national tax laws
- Legislation of LVC provisions
- Guidance to local leaders about LVC
- Future source of income for national agency and local government units



# HYBRID PPP STRATEGY

### **FISCAL BENEFITS**

- The Philippines wants lower financing costs and interest rates to its fund the infrastructure program.
- It uses a hybrid PPP Policy, where infrastructure will be built by using financing obtained through concessionary means.
- And offer the operations and maintenance to a PPP provider.

It allows us to utilize lower amortization costs compared to straight PPP

arrangements.

### **POLITICAL BENEFITS**

- Multi administration projects to succeed
- Allows broader participation of private sector
- Control inflationary impact of commuter fares
- Increase fare box value of PPP provider/partner



# PRIME STRATEGIC PRECEPT MOBILITY THROUGH INTERCONNECTIVITY

# RAILWAY INFRASTRUCTURE ROLLOUT

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# IMPLEMENTATION STRATEGY

#### TRUNK AND FEEDER

- Single mode primary main line
- Metro grade capacity trunk main line
- Light and medium metro as feeder
- Intermodal feeders
- TOD at mainline level (55 MINUTE TEMPORAL OBJECTIVE)

#### COMBINED LOCAL AND FOREIGN BEST PROCUREMENT PRACTICES

- Role Based Strategy
- Government Budget Ministry as "Procurement Board"
- Government Transport Ministry as "EMPLOYER"
- Implementing Agency "END USER"
- General Consultant as "ENGINEER
- Discipline across procurement roles to ensure timely procurement task delivery

# PROJECT DELIVERY STRATEGY

### **NEGOTIATION STRATEGY**

- We breakdown the whole negotiations into smaller parallel negotiations
- Delegated sub-negotiators
- Lower level agreements are agreed and disposed
- Only escalated matters are finally disposed in final round of negotiations
- 15 days/95% of issues, 21-30 days to determine rebid
- Game theory methods to resolve deadlock

#### ORGANIZATIONAL TRANSFORMATION STRATEGY

- Adopted a new attrition model within our organizations
- Simultaneous Massive Training
- Values formation as cornerstone of transformation culture
- Massive delegation of tasks

# TRANSPORT INFRASTRUCTURE LANDSCAPE OF LUZON ISLAND

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LUZON ISLAND CORRIDORS	LAND AREA (SQ. KM.)	POPULATION	NOTES
NATIONAL CAPITAL REGION CORRIDOR	566	12,877,253	25% Luzon Landmass population
GREATER CAPITAL REGION CORRIDOR	13,825	17,782,125	25 times bigger than NCR in land area, 3 times the NCR population
SOUTH LONG HAUL CORRIDOR	19,373	6,500,214	
NORTH WEST LONG HAUL CORRIDOR	38,928	9,120,293	
NORTH EAST LONG HAUL CORRIDOR	34,142	5,799,961	
	106,834	52,079,846	50% National Population

