

**JTTRI International Seminar on  
"Railway and Area Development in Manila"  
Mr. Tugade's speech**

Thank you very much, Mr. Masafumi Shukuri, good morning sir. His excellency the ambassador, the government of Japan, and the Republic of the Philippines. My good friends, his excellency Mr. Koji Haneda, our new found friend from the ministry of land, transport, infrastructure and tourism, my friend, Mr. Hikasa. To all of you good morning. Dr. Morichi, it is nice to see you again. Our friends from JICA. Our friends from construction companies, from individual projects, from the government, to all of you good morning.

You know, last December, I was in Hokkaido. I have a high-level meeting in Hokkaido. And the Gentlemen from Japan Transport and Tourism Research Institute, by the name of Mr. Yamashita made an appointment to see me in between a very hectic schedule I had in Hokkaido. I saw him there, Mr. Yamashita, and Mr. Yamashita said "I would like to request for your approval if you can make a written message for the forum, the seminar we will had in Manila, in February next year. I said "message? no problem". I will prepare the message for you. And then he looked at me, and he said "can I make one more request?". And I said "what is your other request?". "Can you speak during the forum?". And I said "yes, I am going to speak during the forum". And I said, "is there anything else you to take up" And he said "no more". And I said "but you ask for one hour to see me?, in five minutes you have achieved you purpose. You have additional 55 minutes" And I said "since I have allotted one hour, why don't you just treat me for lunch, and then we can continue talking. And so we talked.

After that two days ago, I got information from the Japanese embassy, from Mr. Hori, asking my staff whether I am going to show up today. And I said "what is the hustle, I am going to show up today". And so he has been calling my secretary, at least two times a day for the last two days, making sure that I will attend. Last night, his excellency, the ambassador, was having a dinner with some of my friend and one of the people attending the dinner texted me "Are you hesitant to join the forum tomorrow?". I said "No, I am going to attend". "But there is a Corona virus". And I said "I don't give a shit about the Corona virus. I am going to attend the forum". And so I am here today after what I have committed with Mr.

Yamashita in December last year in Hokkaido. Maybe you will ask “why?”. I will tell you why.

Number 1, I am very very closed, with the Japanese people, with the Japanese government, with the Japanese businesses. And I have been exposed to the way they have doing things many years back. And for your information, for the Japanese, I used to be the president of Nippon Yusen Kaisha, I was still one. Or brought back, Yusen Koku in the Philippines. I have been a president for almost twenty years. I have been going to Japan, in and out, during those years.

And Dr. Morichi, I can tell you that I can order Japanese food without looking at the menu. Maybe you will be surprised. My favorite food is Shirako. In the morning, I can eat even Ika-Mentaiko. Some Japanese do not like Natto, but I can eat Natto. I have been very closed with NYK. And I thought by coming here I can show, and tell to the whole world, tell to the audience, that today I would like to say “Thank you, Thank you, Thank you Japanese Government”, for all of the help you have been giving to the government of Philippines. For all of the trust you have giving to President Mayor Rodrigo Roa Duterte, and for all of the cooperation you have been extending to us, in joint project, jointly undertaken with the Philippines government and Japanese government through JICA. I thought by coming here today, I can show that my sincerity and our appreciation. And I can say that we are grateful for your support and cooperation. Even if there is Conora virus, I will be here to come to tell you straight, thank you Japanese government for the help you are giving to Philippines government. And that is the reason why I am here.

I have remembered this thing very well. When we were giving the marching order, by Mayor Rodrigo Roa Duterte, when we assumed the helm ship of the Department of Transportation. He said, “Art (Minister’s nickname), make Filipino life’s comfortable. He said, “Art, enhance and improve mobility, connectivity and travel within the country. You have to do that”. And so this was a very simple mandate by the president, make Filipino life’s comfortable. That is easier said than done. And so I met with my people which is including Junn Magno, and including TJ Batan. And I said “the mandate of the president is to make Filipino life’s comfortable, the mandate of the president is to put connectivity and mobility. And I said this, after some thinking, we said “one of the better way to make Filipino’s life comfortable and one of the better way to have a

better connectivity is improving the rail system in the republic of Philippines, your subject matter in today's forum.

And so it was, we realize that the rail extension in the Philippines when we entered is only 77 kilometers. And so it is that we have planned, when it is time for us to leave our administration into a partner with the department of transportation, it is our expectation that that 77 kilometers will go as far as 1,900 kilometers. Maybe we will not finish it actually, but I assure you, we will put the foundation of the rail section to become true.

Why trains? Because all over the world, the mass transport system, the efficient transport system, is dedicated on rail. And so we said, "we have to do connectivity". And by the way, Mr. Koji Haneda, your excellency, sir, Dr. Morichi, did you know that, once upon the time, our length of rail, was more than 2,000 kilometers. During the commonwealth days. From the original of 2,000 kilometers, during the commonwealth days, now reduced to 77 kilometers. When all over the world, the government, states and cities will improve on the railway system, in the Philippines, it was reduced from 2,000 to 77 kilometers. And now we would like to bring it back to the original level of more than 1,000 kilometers. And you, the Japanese government, Japanese business, the professors, the operation and institution are greatly helping us. I come today to say "Salamat Po, Domo Arigatou" for all of the help you have giving us.

Why this is so, let me show you the example. Many of the Filipino audience here, are aware of MRT3. MRT3, right now is a headache fuss. And so we are doing the rail rehabilitation. Before when we were assumed, almost every day, every day, there will be problem in MRT3. And people will be cursing us. And saying "what the heck, what are we doing". But that is the reality which we have inherited. Now, we are trying to address the situation, with Japanese business, Sumitomo. And so hopefully we can finish this within 38 months. From what it is right now, of 30 km/h speed, after next year, we hope to achieve 60 km/h. Now with the headway of 7 minutes, sometimes 8, we are ready to do it in 3 minutes. This is the very fast, and the very clear example of mobility. Whereas today, people will be transported 180,000-200,000 person per day. When this modernization program of MRT3 will be completed, we will be moving daily 600,000 people per day. That is mobility. That is railway system. It is not easy to

do this, but we are going to do this. Because we believe, and we are on the opinion that if we are going to have connectivity and mobility, we are going to have a worthwhile railway transport system. And that is what we are going to do. And that is what is your subject matter today.

Earlier, I was asked “What is happening with the railway system from Tutuban, going to Clark. If I tell you now, as I speak, if you are going to the place called Malolos, Bulacan, you will see an entire place there. Where you will see huge construction. Why, because we want to finish, at least make it partially operable during the term of the president. You will see a massive expansion construction program. There are no less than 3,000 workers there now. We will do that. And again, that is in partnership with Japanese business, that is in partnership with JICA, that is in partnership with Japanese government.

We are going to do all this. And what we are doing, in order to be able to do all this, there are four concepts which I would like to share with you today. The first concept, whereas before, the construction will take only one shift, at most one and a half shift. Do you know what construction project is including? The railway project construction is 24-7. So that we first track the movement, so that we can monitor the movement, 24-7. In addition to this, we have introduced the concept of partial operability. Whereas before in many projects, before it is become operational, it must be full and completed. I said, putting up the railway will not take full and complete, 3 or even 4 years, depending on the lack. And I said, why don't we have partial operability? Meaning if we can finish 2 or 3 stations, let the Filipino people experience the railway. We don't have to wait until 24 stations for the people to experience it so we introduce partial operability. This is the concept which I have used during the term of President Mayor Rodrigo Roa Duterte. It the close coordination, within Japanese government and the Philippine government, between JICA and Department of Transportation. So close that we will meet 6 o'clock in the morning, so close even we can meet in the weekend, so close that ministers of Japan and ministers of the Philippines at least every two months will meet together and final, where we are going to strengthen the collaboration and the support. That is why it is moving fast. And that is why, whereas before, the Japanese budget in the Philippines, was characterized to be slow and sure. During our time, Japanese budget is now characterized as fast and sure. And so it is.

And then we introduce and push the concept of land value capture. Whereas before the people will analyze the benefits and the return of the railway based on the fare and tariff and I said, no that is not fair, you have to equalize and see for yourself, what we call “land value capture”. I understand that there will be the topic here and I congratulate you for having that. I hope more Filipino engineer can come and attend the topic and see and hear for themselves what is the meaning of land value capture which is the concept which we are pushing in our efforts in putting the value of transport needs in this country. Land value capture.

The other one is education. The other one is training. Training and education. So that why we are worry on how to put infrastructure, so why we are worry in how to operate the infrastructure. We said, we have to put up the aspect of education and training. And so we have organized and established, and the president of the institute and the executives are all here, of the Philippine Railway Institute. Let me tell you this, the Philippine Railway Institute is partnered with Tokyo Metro, and we are working very closely with them. Because I honestly believe that if there is no formal education in the operation of the railway, it is just a matter of time that operation will failed. I want to have the efficiency to continue, and therefore I said, there must be an education. And therefore, we have put up with the executives and the president he said we will have Philippine Railway Institute. Again, speaking of Philippine Railway Institute, we will finish this in less than two years. We will be putting up simulators, and the simulator is donated by Japanese government through the efforts of JICA. And this is not the very cheap thing. And we are getting all of this support. So whatever we are doing now, we are closing to it, what we call education and training.

I was informed by the organizer that I will speak only 5 minutes. How many minutes I have spoken? Can I speak for one more hour? No, they said no. There are many speakers which I want to interact with you. But let me put to four of my message here. Number 1, we will realize the railway system, and we will realize it with the partnership of the government of Japan. We will achieve it, with Japanese business, like all of Japanese businesses and companies are helping us, using their technology and education like the government of Japan. We will realize that. Number 2, we appreciate and would like to express our appreciation to Japanese government, ambassador Haneda, sir. To the effort and cooperation of the Ministry of Land, Infrastructure, Transport and Tourism, sir, Mr. Hikasa, thank

you very much. To all of you, I would like to thank you.

The president wants to have a golden age of infrastructure. He said “let my term be the golden age of infrastructure”. And so it shall be. You guys, all of you who are here, are helping us realize the golden age of infrastructure. Today I come, to ask you “don’t get tired of supporting us”. Maybe now this is the opportunity that I ask JICA, “Sir, can you reduce the interest charge for us?, maybe you can continue helping us by reducing the interest. Did you say “yes”, sir?”. But please don’t get tired of supporting us. We appreciate your help.

Today is a very beautiful day. It is very beautiful because we have a project like this. The project which is sponsored by Japan Transport and Tourism Research Institute. It is a very beautiful day because we are going to talk about the railway system, a beautiful topic. It is a beautiful day, because you all, guys, ladies and gentlemen, all those attendees, you are making this day a very beautiful day. To all of you, a happy and a beautiful day. Good morning.

Doumo Arigatou.