




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SENATE
P.S. Res No. 1511

RECEIVED BY: 

Introduced by Senator **JOSEPH VICTOR EJERCITO**

**RESOLUTION URGING THE PROPER SENATE COMMITTEE TO CONDUCT
AN INQUIRY, IN AID OF LEGISLATION, CONCERNING THE DELAY IN
CONSTRUCTION OF MRT-7 DUE TO CHANGE IN LOCATION OF THE
PROPOSED COMMON STATION**

WHEREAS, Article 2, Section 5 of the 1987 Constitution provides: "The State shall promote a just and dynamic social order that will ensure the prosperity and independence of the nation and free the people from poverty through policies that provide adequate social services, promote full employment, a rising standard of living, and an improved quality of life for all"

WHEREAS, in 2008, a contract was signed by and between the DOTC and the Universal LRT Corporation Ltd (ULC BVI) to build the railway system and develop the project's real estate and commercial components. The railway system project involves the financing, design, construction, operation & maintenance of the 23-kilometer elevated railway line from San Jose Del Monte, Bulacan to MRT 3 North Avenue in Quezon City, which will consist of 14 stations.¹

WHEREAS, in 2010, as a consequence of the concluded project, San Miguel Holdings Corporation executed a share sale and purchase deal to acquire 51% of ULC BVI from the group of Salvador Zamora II.² Also, in 2010 the MRT-7 project was supposed to start construction and expected to be in commercial operation by 2012.

WHEREAS, On September 03, 2014, DOTC Secretary Joseph Abaya pronounced that the Universal LRT Corp. Ltd., which won the right to develop MRT 7, can already obtain a loan to undertake the project. The Secretary said that after the government released the implementing guidelines and approved the so-called performance undertaking, or financial guarantee, the project is good to go and can be started.³

WHEREAS, On November 19, 2014 or two (2) years after signing the contract, Conglomerate San Miguel Corp set the bid out of the contract to build the \$1.2-billion Mass Railway Transit Line 7 (MRT-7) with the consortium of D.M. Consunji Inc. and Marubeni Corp. of Japan. Also, according to San Miguel President and Chief Operating

¹ https://ppp.gov.ph/?ppp_projects=mrt-line-7

² <http://www.rappler.com/business/industries/208-infrastructure/67176-mrt7-construction-start-2014>

³ <http://business.inquirer.net/178132/dotc-p62-b-mrt-7-project-good-to-go>

Officer Ramon S. Ang, the company already finalized the financing of the project as well as the bidding for the supply contract of the trains.⁴

WHEREAS, however, the construction of the project was delayed and the issue on common station became controversial when its location, which was supposed to be at SM North EDSA, was transferred to Ayala Land-owned Trinoma Shopping Mall. SM Prime Holdings filed and obtained temporary restraining order from the Supreme Court stopping the government from building the common station near the Trinoma Shopping Mall.

WHEREAS, it was reported that, The DOTC pursued the transfer of the proposed P1.4 billion common station to the Trinoma Mall instead of SM North EDSA as part of the concession agreement for the P65 billion LRT-1 Cavite extension project signed with Light Rail Manila Consortium of Ayala Corp. and Metro Pacific Investments Corp. (MPIC).⁵

WHEREAS, in order to resolve the issue on common station the government decided to construct an additional common station at SM North EDSA.⁶

WHEREAS, due to allegations that the controversy in the common station results to delay in the construction of the MRT-7, it is imperative to clarify the issue.

WHEREAS, the government must ensure that the interest of the people must be placed in paramount consideration.

WHEREFORE, BE IT HEREBY RESOLVED BY THE PHILIPPINE SENATE, to urge the proper Senate committee to conduct an inquiry, in aid of legislation, concerning the delay in construction of MRT-7 due to a change in location of the proposed common station.

Adopted



JOSEPH VICTOR EJERCITO

⁴ https://ppp.gov.ph/?in_the_news=smc-to-bid-out-mrt-7-contract

⁵ https://ppp.gov.ph/?in_the_news=san-miguel-pushes-for-speedy-resolution-of-common-station-deadlock

⁶ https://ppp.gov.ph/?in_the_news=dotc-eyeing-another-mrt-lrt-common-station