

NINETEENTH CONGRESS OF THE
REPUBLIC OF THE PHILIPPINES
First Regular Session

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SENATE
S. No. 2114

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RECEIVED BY:

Introduced by Senator Christopher Lawrence "Bong" T. Go

## AN ACT ESTABLISHING A COMPREHENSIVE FRAMEWORK TO ACCELERATE THE ATTAINMENT OF THE INFRASTRUCTURE FLAGSHIP PROGRAMS AND PROJECTS OF THE NATIONAL GOVERNMENT

## **EXPLANATORY NOTE**

The "Build, Build, Build" program is a flagship infrastructure development initiative of the government of former President Rodrigo Duterte, aimed at accelerating infrastructure spending to support economic growth and development in the Philippines. President Ferdinand Marcos Jr. committed to continue implementing the "Build, Build, Build" Program, with a more diversified funding strategy and strategic utilization of Public-Private Partnership with the "Build Better More" program.

Infrastructure development plays a crucial role in the economy of the Philippines by helping create an environment that supports sustainable economic growth and development. Providing essential facilities and services that would enable trade, investment, and mobility is crucial to attain economic recovery and growth. Infrastructure expansion can also improve access to basic services such as healthcare and education, which can improve human capital and contribute to long-term economic growth.

This proposed measure mandates the establishment of a Comprehensive Infrastructure Flagship Programs Development Plan that will provide the road map to facilitate the implementation of the Flagship Programs and Projects. The Flagship Programs Development Plan shall be implemented in four phases of six years each, with each phase focusing on mobilizing vital sectors of the economy.

In view of the foregoing, approval of this bill is earnestly sought.

SENATOR CHRISTOPHER AWRENCE "BONG" T. GO



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## **AN ACT**

## ESTABLISHING A COMPREHENSIVE FRAMEWORK TO ACCELERATE THE ATTAINMENT OF THE INFRASTRUCTURE FLAGSHIP PROGRAMS AND PROJECTS OF THE NATIONAL GOVERNMENT

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 "Infrastructure Flagship Programs and Projects Act."

**SEC. 2.** *Declaration of Policy.* – The State shall adopt and implement policies on infrastructure development that provide investment opportunities, develop industries that will yield robust economic growth, create jobs, increase capital flow, improve flow of goods, stimulate tourism, reduce traffic congestion, and decongest urban areas.

The State is cognizant of the highest multiplier effect of infrastructure. High-impact infrastructure projects, like roads and bridges, mass urban transport and alternative green city solutions are areas for key investments of the national government to address developmental challenges on traffic congestion, inadequate mass transport facilities, and lack of healthy, green livable community spaces.

The State shall promote extensive rural development that will provide access to inclusive, equitable and sustainable infrastructure that are necessary to promote exchanges of services and trading of domestic produce and market goods.

The State shall promote the creation of regional agro-industrial hubs to integrate and maximize local assets and ensure. the provision of social, economic, health, human, cultural, political, and industrial development in the countryside.

The State affirms that a strong leadership and efficient coordination among implementing agencies, private sectors and local government units, well-defined targets, and accelerating infrastructure development are critical factors to attract domestic and foreign investors.

Towards this end, the State shall establish a comprehensive framework on the acceleration of the national government's infrastructure flagship programs and projects, as a strategy that is essential in nation building.

- **SEC. 3.** Comprehensive Infrastructure Framework Policies. The Comprehensive Infrastructure Framework Plan which shall adhere to the following policies:
  - (a) Applicability of Infrastructure to Boost National and Local Economic Growth and Development. The plan shall provide an integrated and inclusive game-changing infrastructure to invigorate national and local economies by stimulating agriculture, trade, tourism through efficient public transportation systems, airports, maritime, information and communications technology, health, and waterways.
  - (b) Program and Project Prioritization and Identification. The National Economic Development Authority, the implementing agencies, LGUs and the regional authorities shall on the first year of the implementation of every Flagship Development Phase shall assess the current infrastructure needs in every region and prepar-periodic plans and targets, programs and projects in support of the Comprehensive infrastructure Development Plan. Planning and project selection shall be based on, but not limited to, the following considerations:
    - (1) National significance;
    - (2) Alignment with regional and national plans;
    - (3) Compliance with international commitments;
    - (4) Technical and Operational Feasibility and viability;
    - (5) Demands for emerging trends and technologies;

- (6) Economic feasibility and impact;
- (7) Job generation and social inclusion;
  - (8) Environmental sustainability and climate resiliency;
  - (9) Safety and security;

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- (c) Collaboration among key players. The plan shall guarantee effective and efficient coordination, collaboration and cooperation among national government agencies, local government units and stakeholders in harmonizing policies and plans across all sectors transportation, information and communications technology, health, power, water and human settlements;
- (d) Application of Research and Technology. The plan shall undertake intensive scientific research on infrastructure and public works-related concerns and trends. Develop, disseminate, and adopt modern technology for greater efficiency, safety and security of infrastructure.
- (e) Capacity-Building and Training for Infrastructure-Related Administrators and Operators. The plan shall establish and increase capacity-building programs geared towards compliance with international standards. Local or State universities including vocational schools shall provide higher education, appropriate trainings and accreditations, to effectively provide continuous education and transfer of modern technology in response to fast changing technology.
- SEC. 4. Creation of The Comprehensive Infrastructure Flagship Programs 22 Development Plan. – Within one hundred eighty (180) days from the approval of this 23 Act, the National Economic and Development Authority (NEDA) in collaboration with 24 the Department of Budget and Management (DBM), Department of Finance (DOF), 25 26 implementing agencies such as the Department of Public Works and Highways (DPWH), Department of Transportation (DOTr), Department of Information and 27 Communications Technology (DICT), Department of Energy (DOE), National Power 28 Corporation (NPC), Department of the Interior and Local Government (DILG), 29 Department of Science and Technology (DOST). Department of Health, Department 30 of Agriculture (DA), Department of Trade and Industry (DTI), National Irrigation 31 Administration (NIA), Toll Regulatory Board (TRB), Metropolitan Waterworks and 32

- 1 Sewerage System (MWSS), local government units (LGUs), regional authorities,
- 2 private sector representatives, and other stakeholders shall establish and develop a
- 3 Comprehensive Infrastructure Flagship Programs Development Plan that will provide
- 4 the road map to facilitate the implementation of the Flagship Programs and Projects.
- 5 The Flagship Programs Development Plan shall be implemented in four phases of six
- 6 years each, with each phase focusing on mobilizing vital sectors of the economy.

- (a) First Six-Year Infra Flagship Development Phase 1: The Infrastructure flagship program shall promote the acceleration of infrastructure on sufficient and sustainable power and energy, reliable information and communications technology, adequate water system, and efficient transportation system;
- (b) Second Six-Year Infrastructure Flagship Development Phase 2: Development shall focus on developing food sustainability and improving the capacity of domestic delivery and transportation of produce/goods and services. Infrastructure to support these activities shall include construction of farm-to-market, farm-to-mill roads, modern and automated irrigations and water systems, road networks, bridges, agricultural equipment, and post-harvest facilities;
- (c) Third Six-Year Infrastructure Flagship Development Phase 3: The plan shall establish comprehensive programs to prioritize and modernize the country's agriculture and aquaculture industry, ensuring high quality consumer goods. It shall support the development of agro-industrial hubs in every region including modernizing irrigation system, post-harvest facilities including warehouses, production facilities, major seaport projects equipped with cold storage facilities, road network syaem, railways, and telecommunications systems to provide livelihood and generate employment and investment opportunities to local businesses:
- (d) Fourth Six-Year Infrastructure Flagship Development Phase 4: This shall develop infrastructure that will help accelerate exportation of local goods such as additional domestic and international airports. It shall mobilize private sector participation to speed up the construction of road systems

1	and major highways that will connect urban centers and major islands
2	and facilitate access even in the remotest areas in the provinces.
3	SEC. 5. Comprehensive Infrastructure Flagship Programs Development
4	Strategies The Comprehensive Infrastructure Flagship Programs Development
5	Strategies (CIFPDS) shall contain and set forth the following:
6	(a) Strategies towards an integrated and inclusive infrastructure system and
7	planning and management on the implementation of the flagship programs
8	and projects, which shall include:
9	(1) Setting the standards and policies in the identification of Flagship
10	Programs System Management;
11	(2) Projecting the investments on vital and critical infrastructure based on
12	continuing trends and future demands of the LGUs, region and the
13	national;
14	(3) Instituting National and Local Land Use, Maritime and Waterways
15	policy to support the CIFPDS;
16	(4) Ensuring effective and efficient coordination, collaboration and
17	cooperation among national government agencies, local government
18	units and stakeholders in developing harmonization of policies and
19	plans across all sectors transportation, information and
20	communications technology, health, power, water and human
21	settlements;
22	(5) Formulating strategies in developing self-supporting economies,
23	focused on specific industries such as cement, fertilizer, development
24	of modern agricultural equipment and machineries, and set specific
25	production targets for each;
26	(6) Initiating massive expansion of vocational education to provide
27	technological trainings and mastery to skilled workers;
28	(b) Guidelines to choose specific industrial sites for each type of industry and
29	provide necessary facilities such as roads, ports, electricity and water;
30	(c) Policies to provide a financial and tax incentives for industrial sites;
31	(d) Periodic review and updating of the Development Strategies.

SEC. 6. Duties and Functions of the Implementing Agencies. The implementing agencies shall engage in the following national development policies and principles pertaining to infrastructure flagship programs and projects:

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- (a) Establish flagship development strategies to help develop the full potential of the Philippines as a middle-income country and an agro-industrial power in the Southeast Asian region;
- (b) Prioritize and identify game-changing and urgently needed infrastructure flagship programs of national significance focused on the security of energy supply including electricity, water resources, health, industrial sites, information and communications Technology, urban development and mass transport capacity;
- (c) Establish appropriate systems and procedures for classifying high impact flagship programs by defining the parameters or categories;
  - (d) Develop Medium-Term Road Map for Infrastructure Flagship Development based on territory or land use plan;
- (e) Project the investments on vital and critical infrastructure based on continuing trends and future demands of the LGUs and the region;
  - (f) Accelerate and facilitate the preparation of pre-feasibility/feasibility studies, design, processing, approval of environmental clearance, necessary permits and clearance, procurement, documentations and appropriation for approved flagship programs and projects;
  - (g) Construct integrated and seamless transport infrastructure that connect, and interlink major corridors, airports, ports and railways and road system, to facilitate efficiency in transportation, connectivity of information, produce/goods, and services, to promote sustainability of supply of products and intensify production;
  - (h) Implement traffic decongestion program, convergence and rural road development program and livable, sustainable and resilient communities;
- (i) Develop and create agro-industrial complexes or hubs in every region, including pre and post-harvest facilities, and processing plants for agricultural products to strengthen trade links domestically and internationally;

- (j) Engage private sector participation in the planning, development, design, financing, construction, operation and maintenance of high impact infrastructure;
  - (k) Grant fiscal and non-fiscal incentives for the investors;
- (I) Submit annual monitoring and reportorial requirement on project status and implementation;
  - (m) Address major infrastructure bottlenecks; and

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- (n) Implement appropriate capacity-building program in project analysis for
- (o) Consistent with the principle of local autonomy under the Local Government Code, LGUs shall exercise primary responsibility for the financing, construction, rehabilitation and maintenance of provincial, city, municipal, and barangay infrastructure. LGUs shall be assisted by the DPWH in formulating their local infrastructure development plan and must strictly adhere to their existing Land Use Plans consistent with provincial and regional plans, and the national land use policy/framework. Private sectors and local stakeholders shall be consulted by the LGUs. The Local Development Council shall synchronize plans with respect to any and all local infrastructure plans.
- **SEC. 7.** Scope and Categories of the Flagship Programs and Projects. National implementing agencies, local government units, and regional authorities, as coordinated by the NEDA, shall identify and determine high impact and game-changing specific infrastructure flagship projects that shall promote and highlight the domestic products in abundance in the region or has significant potential for development and economic viability, increase the productive capacity of the region, create employment, and strengthen the investment climate leading to sustainable inclusive growth.
- They shall identify specific areas for development where flagship programs shall be implemented. They shall establish and develop projects in accordance with the following categories:
- (a) Transport and Mobility: Roads and bridges, Bus Rapid Transit, railways, new airports and seaports, and upgrading and modernization of existing infrastructure facilities to accommodate tourist arrivals;

- (b) Urban development: New green cities, rehabilitation and recovery of conflicted areas in Mindanao, flood control structures, risk reduction and earthquake proofing;
- (c) Power and Energy: Hydroelectric power plants, renewable, other energy sources;
- 6 (d) Water resources: Dams, irrigation, and water supply;

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- 7 (e) Information and Communications Technology: IT systems and centers; and
- 8 (f) Health: Health care facilities, Specialty hospitals, equipment and supplies.
- 9 **SEC. 8.** Parameters and Criteria for Inclusion in the Flagship Programs and 10 Projects. All infrastructure flagship programs and projects shall be subject to the 11 approval process of the NEDA Board and the Investment Coordination Committee.
- 12 The projects shall conform with the following parameters:
  - (a) Urgency which addresses a current problem or concern;
- 14 (b) National or regional significance which relates to the impact or benefits of the 15 project that can be felt by more people in a wider area; and
- 16 (c) Game changing nature of the project which relates to the significant impact
  17 on people's lives and on the conduct of business in the country.
  - **SEC. 9.** Special Court for Infrastructure Issues. A special court shall be created to facilitate and handle legal cases specifically related to negotiated sale, expropriation, or road-right-of-way issues and other related cases from projects included in the Comprehensive Infrastructure Flagship Program.
- SEC. 10. Implementation and Status Report Each concerned national, regional, and local implementing agency shall submit an annual report on the status of the implementation of its respective Flagship Programs and Projects to both Houses of Congress.
- SEC. 11. Funding. Subject to the budgetary ceilings set by the
  Development Budget Coordinating Committee, the National Government shall
  annually earmark at least three percent (3.00%) of the Philippine Gross Domestic
  Product to fund the flagship programs and projects. Flagship Programs and Projects
  shall be funded through any of the following financing modalities:
- a. Official Development Assistance (ODA);
  - b. Public-Private Partnership (PPP) Scheme; and/or

- c. General Appropriations Act, as approved by the NEDA ICC.
- **SEC. 12.** Separability Clause. If any provision of this Act Chall be declared
- 3 unconstitutional or invalid, the other provisions not otherwise affected shall remain
- 4 in full force and effect.
- 5 **SEC. 13.** Repealing Clause. All laws, decrees, executive orders, rules and
- 6 regulations and other issuances or parts thereof which are inconsistent with this Act
- 7 are hereby repealed, amended or modified accordingly.
- SEC. 14. Effectivity Clause. This Act shall take effect fifteen (15) days after
- 9 its publication in at least two (2) newspapers of general circulation.

Approved,