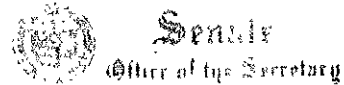



SIXTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
First Regular Session )



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SENATE

S. No. **1831**

RECEIVED 

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Introduced by Senator Ralph G. Recto

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### Explanatory Note

This bill seeks for the extension of the corporate charter of the Philippine National Railways (PNR) whose corporate existence is due to expire on June 20, 2014.

The government-owned Philippine National Railways (or *Pambansang Daangbakal ng Pilipinas*) is the sole operator of the intra-island railway in Luzon which operates two commuter rail services in Metro Manila and the Bicol Region. It officially began operations in 1892 as the *Ferrocarril de Manila-Dagupan*, and later became the *Manila Railroad Company* during the American colonial period. It became the Philippine National Railways on June 20, 1964 by virtue of Republic Act No. 4156 and has been an economical mode of transporting people, and goods for nearly 50 years.<sup>1</sup>

The PNR expects to increase its railway revenues in 2014 due to the resumption of the Bicol Express operations and the intensified Metro Manila commuter service. To achieve this, the PNR proposes to implement the following: (a) continuation of the limited rehabilitation of the Main Line South; (b) intensified repair/rehabilitation of rolling stock; (c) extension of the Metro Manila Commuter Operation to the Greater Manila Sub-urban Services; and (d) restoration of Bicol operations.

The Metro Naga Chamber of Commerce (MMCCI) considers the PNR to provide the impetus for economic activity between Metro Manila and the Bicol Region. It further emphasized that PNR is a very important link to the country's capital and that the discontinuation of its service is incomprehensible as it will deprive the people of access to the cheapest way to travel between Manila and Bicol.<sup>2</sup>

Since transportation plays a vital role in the national effort for socio-economic development of our country, this bill seeks to amend the charter of the PNR to extend its corporate life for another fifty years to ensure that it will continue its operation and to hasten the on-going rehabilitation and modernization of railway lines and stations.

It is hoped that with the approval of this measure, the PNR shall continue to work towards an improved, sustainable transnational railway system covering not only Luzon, but as well as Visayas and Mindanao; and, providing accessible means of transport to freight and passengers that is comfortable, secure, reliable and affordable.

With the foregoing considered, the approval of this bill is urgently sought.

mjma

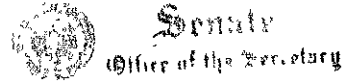
  
RALPH G. RECTO

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<sup>1</sup> PNR Corporate Profile. [http://www.pnr.gov.ph/corporate\\_profile.htm](http://www.pnr.gov.ph/corporate_profile.htm) (Accessed on September 14, 2013)

<sup>2</sup> Metro Naga CCI calls on for Prompt Renewal of PNR Charter. <http://www.philippinechamber.com/index.php/regional/66-south-luzon/134-metro-naga-cci-calls>. (Accessed on October 1, 2013)

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SENATE

S. No. **1831**

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AN ACT

**EXTENDING THE CORPORATE LIFE OF THE PHILIPPINE NATIONAL RAILWAYS FOR ANOTHER FIFTY (50) YEARS, FURTHER AMENDING FOR THIS PURPOSE REPUBLIC ACT NO. 4156, ENTITLED "AN ACT CREATING THE PHILIPPINE NATIONAL RAILWAYS, PRESCRIBING ITS POWERS, FUNCTIONS AND DUTIES, AND PROVIDING FOR THE NECESSARY FUNDS FOR ITS OPERATIONS", AS AMENDED**

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

1           **SECTION 1.** Section 1 of Republic Act No. 4156, as amended, is further amended to  
2 read as follows:

3           “Sec. 1. Name, Duration and Domicile. A Corporation to serve as the  
4 instrumentality of the Government of the Philippines in providing a nationwide railroad  
5 and transportation system, is hereby created to be known as the Philippine National  
6 Railways, which shall exist for a term of fifty (50) years **WITH AN EXTENSION OF**  
7 **ANOTHER FIFTY (50) YEARS** from the date of approval of this Act. It shall have its  
8 main office in the City of Manila, and shall have such branches and agencies within the  
9 Philippines as may be necessary for the proper conduct of its business. This Corporation  
10 shall be under the Office of the President.

11           “x x x.”

12           **SEC. 2. Repealing Clause.** - All other laws, presidential decrees or issuances, executive  
13 orders, circulars, rules and regulations or parts thereof, which are inconsistent with the provisions  
14 of this Act are hereby repealed, modified or amended accordingly.

15           **SEC. 3. Effectivity Clause.** - This Act shall take effect fifteen (15) days following its  
16 publication in at least two (2) newspapers of general circulation or the *Official Gazette*.

Approved,