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

Senate of the Secretary

16 AUG -8 P4:32

SENATE s. b. no. <u>9</u>99

.v. /S

INTRODUCED BY SENATOR ALAN PETER "COMPANERO" S. CAYETANO

AN ACT

GRANTING THE PRESIDENT/EXECUTIVE BRANCH OF GOVERNMENT EMERGENCY POWERS TO MANAGE, MITIGATE AND SOLVE THE TRAFFIC AND CONGESTION CRISIS ACROSS THE PHILIPPINES, TO EXPEDITIOUSLY AND EFFECTIVELY IMPLEMENT MEASURES THAT SHALL PROVIDE REAL LASTING SOLUTIONS AS WELL AS THE EARLIEST RESPITE FROM TRAFFIC AND CONGESTION, AND FOR OTHER PURPOSES

EXPLANATORY NOTE

People living in the Greater Metro Manila area (including the provinces of Rizal, Bulacan, Cavite, Laguna and Batangas), Metro Cebu and other growing highly urbanized cities across the Philippines face increasing and more pronounced traffic, congestion, and pollution. This situation leads to more problems such as air pollution, unsafe roads, health risks and, as a result, a deteriorating quality of life.

Increased traffic, congestion and pollution have also affected trade and commerce, thereby causing delay in the delivery of goods along the road network, additional delivery/distribution time and more transportation and warehousing costs, which all lead to added costs and higher prices of goods and services, thus making life harder for a majority of our people who barely make enough to supply the basic needs of their family.

Furthermore, even precious quality time with one's family is being sacrificed and wasted on the road and in our ports. A barista living in Cavite would spend two to three hours commuting to his or her workplace in Metro Manila, and another two to three hours going home – a total of six (6) hours in transit which could have been better spent being productive or being with one's family and loved ones. The typical Filipino dream of eating dinner together as a family and building memories with each other every day, has been rendered almost illusory. Hours spent lining up at the MRT or LRT stations, hoping the trains won't breakdown midway, or stuck in traffic at the airport for hours is now the new normal. With a little bit of rain comes flooding and an insurmountable time spent on the road due to gridlock. One stalled car in the highway during rush hour would already add around a thirty-minute delay to normal land travel time, if not cause a standstill altogether, due to the insufficiency of roads. Such hours spent in traffic and congestion also expose the commuter to safety risks and transportation hazards, while his or her family suffers their absence and continues to worry about their safe return home.

Take the case of Metro Cebu. The province's natural beauty and attraction of being merely thirty (30) minutes to an hour away from the cities, the mountains, or the beach areas, have now become just a myth. Traffic plagues the whole Metro Cebu with no relief in sight. Worse, our Cebuano *kababayans* have to wait for Manila to act and solve their problem. This is the fate that awaits other highly urbanized cities in the years to come if nothing will be done to change the way things currently stand. Slow, inefficient, Metro Manila-centric, highly centralized and at times corrupt: this is what we as a people have come to expect from our existing system.

As early as 2005, the World Bank ¹ noted in its review of the Philippine infrastructure sector that high levels of congestion, poor conditions of parts of the road network, inadequate connectivity for inter-city or inter-regional movement and the lack of

¹ Philippines: Meeting Infrastructure Challenges, World Bank, 2005.

sustainable road safety strategy had reduced the efficiency of the road sector in promoting economic growth and providing safe access within the country.

In 2015, Waze, an international traffic application, said that Metro Manila has the

 Daily cost of traffic in Metro Manila will likely increase to P6 billion from P2.4 billion today if there is no intervention by 2030, according to a Japan International Cooperation Agency (JICA) report entitled the "Roadmap for Transport Infrastructure Development for Metro Manila and Its Surrounding Areas." In 2030, the same low-income households will

have to allocate more of their respective incomes because transport cost will be 2.5 times higher.

worst traffic on Earth.

 Traffic has even reached our airspace! Traffic congestion in the runways of Metro Manila has caused flight delay and productivity losses as well as disrupted work flow. With our growing economy and increasing tourist arrivals, at least 200 flights have been added in a span of four years. Although long hours of flight delay and chaos in Philippine airport terminals already seem to have become commonplace, these problems must immediately be addressed and resolved so that precious hours and efforts are not simply wasted away within an airport's steel and concrete walls.

 A recent study done by the JICA predicted that the Ninoy Aquino International Airport (NAIA) would hit over-capacity in 2015, by which time the terminal will be handling approximately 37.78 million passengers. And by 2040, passenger traffic would reach 101.49 million. At the close of 2012, NAIA accommodated 31.88 million passengers, exceeding the 30 million passengers yearly capacity of the said terminal. Its maximum handling capacity currently stands at 35 million passengers per year. And presently, we are experiencing the effects of an over-congested NAIA.

 During the Asia-Pacific Economic Cooperation (APEC) Conference held in Manila just last year, many flights were cancelled to accommodate the arrival of various world leaders into the country. Reports claim that the Philippine Airlines (PAL) lost \$18.7 million (over P880 million) for cancelling over 700 flights, while Cebu Pacific Air incurred P400 million in revenue loss for cancelling 847 flights.

The situation has been at crisis levels. The time to act was yesterday.

 The traffic situation in Metro Manila and other highly urbanized cities, both land-based and air-based, has assumed the nature and magnitude of a public calamity. With the increasing volume of motor vehicles plying inadequate roads and highways in the metro and in other growing cities, as well as increasing air passenger traffic which has grown to be beyond the capacity of existing terminals, Philippine transportation infrastructure has clearly become unable to keep up with the demands brought about by a rising economy and growing population, severely disrupting economic productivity and efficiency, with billions of pesos lost in terms of productivity, health risks and social costs.

The President/Executive Branch of government should thus be granted emergency powers to address this modern day crisis situation faced by the country amidst its fast-growing economy, and all other powers necessarily included therein, with said emergency powers covering not just Metro Manila but also other areas within the country which are experiencing similar level of traffic and congestion or where a traffic and congestion crisis is imminent in the next two to three years.

The Executive Branch acts through its alter ego in the administration of government functions. Thus, the President of the Philippines acts through the Secretary of the Department of Transportation (DOTr) in planning, programming, coordinating, implementing and regulating networks of transportation systems in order to develop fast, safe, efficient and reliable transport services. As the President's representative in the transport sector, the DOTr Secretary is also tasked with coordinating and working with other departments, agencies, government corporations and the private sector to solve the traffic and congestion crisis. Being the public official tasked to administer and enforce all laws, rules and regulations in the field of transportation, the DOTr Secretary is in fact the country's Traffic Czar.

To grant sweeping authority to the Executive Branch to solve land and air traffic congestion will be the best solution to end the misery which over the years has caused, and which continues to cause, great damage not just to the Philippine economy but more so to the quality of life of the Filipino people. We should address this crisis now and ensure that it will not happen again for the benefit of our future generations.

In view of the foregoing, the immediate enactment of this measure is hereby sought.

ALAN PETER "COMPAÑERO" S. CAYETANO

Senator

SEVENTEENTH CONGRESS OF THE)
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SENATE 999

INTRODUCED BY SENATOR ALAN PETER "COMPANERO" S. CAYETANO

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GRANTING THE PRESIDENT/EXECUTIVE BRANCH OF GOVERNMENT EMERGENCY POWERS TO MANAGE, MITIGATE AND SOLVE THE TRAFFIC AND CONGESTION CRISIS ACROSS THE PHILIPPINES, TO EXPEDITIOUSLY AND EFFECTIVELY IMPLEMENT MEASURES THAT SHALL PROVIDE REAL LASTING SOLUTIONS AS WELL AS THE EARLIEST RESPITE FROM TRAFFIC AND CONGESTION, AND FOR OTHER PURPOSES

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

SECTION 1. Short Title. This Act shall be known as the "Freedom from Traffic and Congestion Act of 2016".

 SECTION 2. Declaration of the Existence of Traffic and Congestion Crisis. – The traffic and congestion situation in Greater Metro Manila, other highly urbanized cities and other areas in the country have assumed the nature and magnitude of a public calamity. With the increasing volume of motor vehicles plying inadequate roads and highways in the metro and in other growing cities, as well as increasing air passenger traffic beyond the capacity of the country's existing terminals, and the heavy congestion of ports, Philippine transportation infrastructure at present has become unable to keep up with the demands of a rising economy and growing population. These result in severe disruption of the normal Filipino family life, the nation's economic productivity, and the competitiveness and efficiency of businesses, thereby resulting in billion-peso losses in terms of over-all productivity, health risks and social costs.

Thus, the existence of a traffic and congestion crisis in Greater Metro Manila, in other highly urbanized cities and other areas in the country is hereby declared.

SECTION 3. *Declaration of Policy.* It is hereby the declared policy of the State to adopt adequate and effective measures that will immediately address the crisis brought about by land and air traffic, congestion and mass transportation shortage in Greater Metro Manila, other highly urbanized cities and other areas around the country.

In conformity with the provisions of the Constitution to promote the general welfare and social justice in all phases of national development, the State shall hereby promote a shift towards safe, secure, efficient, viable, competitive, dependable, integrated, environmentally sustainable, people-oriented, seamless and inclusive transportation system for the benefit of all citizens, the economy and society.

Towards this end, the State shall adopt a strong system of accountability and transparency in the pursuit of its objectives. The State shall strengthen measures that will restore order on the streets, rails, runways, and ports, properly plan and establish facilities and infrastructure projects that will respond to this paradigm shift in the transportation system, increase mobility options of the general public and promote the use of alternative modes of transportation in order to reduce travel time, air pollution and congestion while increasing economic productivity and tourism appeal.

The extraordinary remedy of granting emergency powers to the President/Executive Branch is for emergency purposes only and is limited to the period specified in this Act. In line with this, the State shall, after the period of the emergency, adopt short-term, mid-term,

and long-term development plans for the efficient and cheaper transport of people and delivery of goods and services, as well as a comprehensive long-term national transport policy, in order to sustain the significant gains and to meaningfully reduce the risk of a traffic and congestion crisis from happening again in the future.

SECTION 4. *Definition of Terms.* The following terms shall mean:

(a) "Emergency Powers" shall refer to the authority granted to the President of the Republic of the Philippines under Section 23 (2), Article VI of the 1987 Philippine Constitution by the Congress for a limited period and subject to such restrictions as it may prescribe to exercise powers necessary and proper to carry out a declared national policy;

(b) "Traffic and Congestion Crisis" shall refer to the current traffic situation, both land and air-based, which has assumed the nature and magnitude of a public calamity;

(c) "Greater Metro Manila" shall refer to the National Capital Region (NCR) of the Philippines, the seat of government and the most populous region of the country composed of the cities of Manila, Quezon City, Caloocan, Las Piñas, Makati, Malabon, Mandaluyong, Marikina, Muntinlupa, Navotas, Parañaque, Pasay, Pasig, San Juan, Taguig, and Valenzuela and the Municipality of Pateros, as well as the provinces of Rizal, Bulacan, Cavite, Laguna and Batangas;

(d) "Other Highly Urbanized Cities" shall refer to identified cities in the Philippines, such as but not limited to Metro Cebu and Metro Davao, which are on the threshold of full urbanization and motorization, with the carrying capacities of the road network in urban centers, notably at the city centers or Central Business Districts (CBDs), on the verge of being unable to cope with the increasing volume of vehicles using said network;

(e) "Other Areas" shall refer to other areas all over the Philippines not part of the Greater Metro Manila and Other Highly Urbanized Cities which are also experiencing a high level of congestion and traffic, or where traffic and/or congestion is already imminent, which shall be necessarily covered by the emergency measures to be undertaken by the Executive Branch.

SECTION 5. Grant of Emergency Powers to the President/Executive Branch. – The President/Executive Branch is hereby authorized to exercise powers necessary and proper to carry out the above-declared national policy. As such, the President, along with the heads of the departments and agencies under the Executive Branch related to the transportation sector, are hereby granted emergency powers to urgently utilize all necessary government resources, employ executive actions and measures, and reconfigure and harmonize national and local government projects to address the traffic and congestion crisis, unhampered by existing laws, regulations, and procedures that would cause severe delay in addressing the said crisis.

SECTION 6. Creation, Reorganization and Abolition of Offices. The President may abolish or create offices; split, group, or merge positions; transfer functions, equipment, properties, records and personnel; institute drastic cost-cutting measures and take such other related actions necessary to carry out the purpose herein declared. Nothing in this Section shall result in the diminution of the present salaries and benefits of the personnel of these agencies: Provided, That any official or employee of the concerned agencies which are phased out and his or her employment terminated by reason of the reorganization authorized herein shall be entitled to such benefits as may be determined by the Office of the President, in coordination with the Commission on Audit (COA) and the Civil Service Commission (CSC).

For this purpose, the President may realign funds to carry out the creation and/or reorganization of offices.

SECTION 7. Formulation of the Decongestion and Transportation Network Reform Plan. – The Executive Branch shall direct the formulation of a comprehensive, integrated and sustainable Decongestion and Transportation Network Reform Plan. This aims to provide a roadmap/blue print for the national and local transportation system, both land, sea and air, in order to decongest Greater Metro Manila, other highly urbanized cities and

other areas, with the end in view of spurring development in all regions in the country, providing sufficient transport infrastructure and linkages and ensuring transport safety and security.

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This shall include strategies relating to the integration of national and local land use plans for transit-oriented development, the creation of an integrated public transport infrastructure network, the enforcement of a seamless and inclusive public transportation system as a primary mobility option to the general public, the optimization of existing airports and increased utilization of alternative terminals, the expansion of the capacity of existing seaports and use of alternative ports, the adoption of non-motorized transport and green infrastructure and facilities and the shift towards transportation demand management measures.

SECTION 8. Appointment of a Traffic Czar. – The Secretary of the Department of Transportation (DOTr) is designated as the Traffic Czar. He/She shall take over-all full-time management and control of the traffic and congestion crisis and oversee the implementation of the Decongestion and Transportation Network Reform Plan. He/She shall sufficiently and purposely exercise all powers and authority delegated by the Executive Branch in order to mobilize resources of the different national government agencies and to expeditiously and effectively implement measures to provide the earliest respite from land and air traffic congestion. He/She shall coordinate with other relevant national government agencies, government-owned and –controlled corporations, government financial institutions and private stakeholders in the exercise of his/her functions.

For the period of the emergency under this Act and pending reorganization of the pertinent government offices under the succeeding Section, the powers, authority and functions over land traffic management of the Metro Manila Development Authority (MMDA) under Section 3 (b), Section 5 (e) and (f) and other related provisions of Republic Act No. 7924, Land Transportation Office (LTO), Land Transportation Franchising and Regulatory Board (LTFRB), Philippine National Police (PNP), Toll Regulatory Board (TRB) and Philippine Ports Authority (PPA); the powers, authority and functions over air route and airway facilities, air traffic service and air navigation of the Civil Aviation Authority of the Philippines (CAAP), Civil Aeronautics Board (CAB), Manila International Airport Authority (MIAA) and other pertinent Departments or government institutions; and the powers, authority and functions over seaports of the Philippine Ports Authority (PPA) shall be vested in the Traffic Czar.

SECTION 9. *Powers of the Traffic Czar.*- The powers of the Traffic Czar are herein prescribed, as follows:

a. Land-based transportation. - The Traffic Czar shall have the power to override MMDA, LTO, LTFRB, PNP and TRB permits and licenses, as well as the relevant and existing procedures pertinent thereto, and implement such other measures as exigencies shall require. These include, but are not limited to, the following:

- a) integration of different transportation modes to the public transport infrastructure network;
- b) operation of certain public conveyances;
- c) rationalization and reorganization of bus, jeepney and tricycle routes;
- d) transfer and relocation of transport terminals;
- e) car ownership policies in relation to proof of parking and air pollution;
- f) imposition of parking regulations for vehicles;
- g) issuance and revocation of driver's licenses;
- h) construction of structures or implementation of roadworks that impede traffic flow:
- i) rapid response to road safety and traffic-blocking accidents and incidents;
- j) implementation of the number coding scheme and other traffic reduction schemes:
- k) opening up of private roads, whether or not with the imposition of toll fees, as additional access points for motorists;
- l) implementation of staggered work hours in government offices; and

m) encouraging ride-sharing and other transportation demand management programs, with the establishment of carpool lanes in main thoroughfares.

The LTFRB and LTO shall not issue any rule or circular in conflict with the provisions of this Act.

The Traffic Czar shall periodically coordinate with LGU executives and their officials and the private sector in the execution of traffic and transport plans, programs and measures and may likewise enlist and deputize traffic enforcement units of the MMDA, LGUs, Highway Patrol Group (HPG) of the PNP and such other agencies as may be required.

b. Air-based Transportation. - The Traffic Czar shall have the power to override CAAP, CAB, and other pertinent Departments or government institutions' regulations, permits and licenses, as well as the relevant and existing procedures pertinent thereto, and implement such other measures as exigencies shall require. These include, but are not limited to, the following:

- a) comprehensive evaluation of the airport's current airspace, runway, and terminal capacities, air traffic and surface operation, and runway access points;
- b) optimization of existing airports and transfer to alternative airports;
- c) development of new airports;
- d) augmentation of the air- and land-side facilities;
- e) relocation of general aviation activities to Sangley Point, Cavite;
- f) exemption from travel tax and excise tax on aviation fuel for Clark International Airport and other identified airports to increase utilization thereof; and
- h) hastening of ground servicing of aircrafts and adjustment on passenger loading times.

The Traffic Czar shall, however, periodically coordinate with airport executives and their officials and the private sector in the execution of air transport plans, programs and measures.

c. Seaports – The Traffic Czar shall have the power to override PPA's regulations, permits and licenses, as well as the relevant and existing procedures pertinent thereto, and implement such other measures as exigencies shall require. These include, but are not limited to, the following:

- a) expansion of the capacity of the Port of Manila to receive cargo;
- b) shifting of international container traffic to Batangas and Subic ports;
- c) staffing of Batangas and Subic ports with sufficient Bureau of Customs (BOC) and PPA personnel;
- d) provision of cargo handling equipment, berth capacity, and container yard capacity that are commensurate to the volume of cargo and transaction that are targeted to be diverted from the Port of Manila;
- e) construction of a new and large deep-sea port at a location outside Manila to be identified under the Decongestion and Transportation Network Reform Plan; and
- f) adoption of a rationalization plan for future port development and investment programs for ports in the National Capital Region (NCR) and the neighboring Central Luzon and Southern Tagalog Region.

The Traffic Czar shall, however, periodically coordinate with PPA executives and their officials and the private sector in the execution of plans, programs and measures for seaports.

SECTION 10. Power of Eminent Domain. - In coordination with the concerned government agencies, the Traffic Czar shall work for the immediate resolution of issues and bottlenecks on transport and traffic infrastructure, as may be identified by the Executive Branch. This shall include the exercise of the power of eminent domain by expropriating private property with just compensation for right-of-way acquisition necessary for infrastructure projects or public convenience.

SECTION 11. Exemption from Procurement Laws. - The Executive Branch may, in its discretion, waive the application of Republic Act No. 9184 or the Government Procurement Reform Act (RA 9184) and Republic Act No. 6957, as amended, or the Build-Operate Transfer (BOT) Law, in entering into transport and traffic infrastructure and service and supply contracts on a case to case basis, provided that these agreements shall not be grossly disadvantageous to the government. As such, alternative methods of procurement defined in RA 9184 and other relevant laws may be allowed, including but not limited to:

- a) Limited Source Bidding;
- b) Direct Contracting;
- c) Repeat Order;
- d) Shopping;

- e) Negotiated Procurement, including agency-to-agency procurement and procurement originating from unsolicited proposals.
- f) Competitive Challenge or Swiss Challenge for unsolicited proposals, with concomitant right to match, to be completed within a period of fifteen (15) days.

SECTION 12. Right to Information. – Upon perfection of each contract entered into by the Government pursuant to Section 11 hereof, the terms and conditions of the same, with the name and qualification of the contractor, together with the description, the budgetary estimates involved and other salient features, shall be published in a website created for this purpose.

SECTION 13. Prohibition on the Issuance of Temporary Restraining Orders, Preliminary Mandatory Injunctions. – No court, except the Supreme Court, shall issue any temporary restraining order, preliminary injunction or preliminary mandatory injunction against the government or any of its subdivisions or officials or any person or entity, whether public or private, acting under the government's direction, to restrain, prohibit or compel the following acts:

- a) Acquisition, clearance and development of the right-of-way and/or site or location of any transportation project identified by the Executive Branch;
- b) Negotiations, bidding or awarding of any transportation project identified by the Executive Branch;
- c) Commencement of prosecution, execution, implementation, operation of any transportation project identified by the Executive Branch:
- d) Termination or rescission of any transportation project identified by the Executive Branch; and
- e) The undertaking or authorization of any other lawful activity necessary for any transportation project identified by the Executive Branch.

SECTION 14. *Duration of Grant of Powers.* — The authority granted to the Executive Branch under this Act shall subsist and be valid and effective for a period of three (3) years from the effectivity of this Act, unless sooner withdrawn by a joint resolution of Congress, without prejudice to rights and benefits that may have been vested and culpabilities and liabilities that may have been incurred under its provisions.

SECTION 15. Oversight Committees. — There is hereby created an Oversight Committee in each House of Congress to be composed of five (5) members each to be respectively designated by the Senate President and the Speaker of the House of Representatives, which committees shall be tasked with monitoring the implementation of this Act and the exercise of the authority granted hereunder.

The Oversight Committees shall submit periodic reports, evaluations and recommendations to the Senate and the House of Representatives.

SECTION 16. *Report to Congress.* — The Executive Branch shall submit a quarterly report to Congress on the implementation of this Act.

SECTION 17. Separability Clause. – In the event that any provision of this Act is declared unconstitutional, invalid, or illegal, the constitutionality, validity, or legality of the remainder of the provisions of this Act shall not be affected thereby.

SECTION 18. *Repealing Clause.* – All laws, presidential decrees, letters of instructions, executive orders, rules, regulations, and other issuances or parts thereof which are contrary to or inconsistent with the provisions of this Act are hereby revoked, repealed, amended or modified accordingly.

SECTION 19. *Effectivity.* – This Act shall take effect fifteen (15) days following the completion of its publication in two (2) newspapers of general circulation.

Approved,