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SENATE

P.S. Res. No. 781

Introduced by SENATOR SHERWIN T. GATCHALIAN

RESOLUTION

DIRECTING THE APPROPRIATE COMMITTEE TO CONDUCT AN INQUIRY, IN AID OF LEGISLATION, ON THE STATUS OF THE IMPLEMENTATION OF THE BUS RAPID TRANSIT (BRT) PROJECTS IN METRO MANILA AND CEBU CITY WITH THE END GOAL OF FACILITATING THEIR IMMEDIATE IMPLEMENTATION AND EFFECTIVELY INSTITUTING SOLUTIONS THAT PROVIDE EFFICIENCY AND COMFORT IN THE PUBLIC TRANSPORT SYSTEM THEREBY INCREASING ECONOMIC PRODUCTIVITY OF THE PEOPLE

WHEREAS, according to the Philippine office of the aid agency Japan International Cooperation Agency (Jica), increasing economic losses caused by the worsening traffic in Metro Manila costs P3.5 billion in lost opportunities per day, highlighting the need for new and modern infrastructure to ease congestion[1];

WHEREAS, current modes of public transport are erratic, inefficient and provide low-quality service. They mostly defy the quality of fast travel, reliability, safety and convenience, hence, the propensity to use private vehicles instead which increases the volume of traffic flow in the streets. Likewise irreversible environmental hazards due to traffic are constant issues that hound the commuting public which must prompt the government to effectively institute solutions that can provide meaningful reform in the transport industry;

WHEREAS, the BRTs are expected to utilize exclusive right-of-way lanes, promote efficient boarding and alighting of passengers, institute pre-board fare collection and high-quality buses which shall attract more urban

[1] http://newsinfo.inquirer.net/970553/jica-traffic-congestion-now-costs-p3-5-billion-a-day-metro-manila-traffic-jica-cost-of-traffic

dwellers to commute via public transport[2], increase economic productivity, secure environmental sustainability, and promote the morale and welfare of the millions of commuters in Metro Manila and Cebu who depend on public transportation on a daily basis;

WHEREAS, pioneered in Curitiba, Brazil in 1974, BRT systems are growing in popularity throughout the world for efficiency and affordability. From Bogotá to Boston, Cleveland to Curitiba, Hartford to Honolulu, Las Vegas to Los Angeles, Oakland to Ottawa, Pittsburgh to Porto Alegre, and São Paulo to Sydney, Ahmedabad to Jakarta, over 150 cities operate or are developing BRT[3];

WHEREAS, managed by the World Bank, the Clean Technology Fund provides developing countries and emerging economies with resources to scale up clean technologies that have strong potential for reducing greenhouse gas emissions. Globally, the fund has provided $3.8 billon to support clean technologies such as renewable energy, energy efficiency, and transport[4];

WHEREAS, the Cebu BRT is a 23 kilometer - 33 station long, Project Corridor from Bulacao to Talamban transitway which was technically approved by the National Economic Development Authority (NEDA) Board on May 29, 2014, after a pre-feasibility study was funded by the Public-Private Infrastructure Support Facility (PPIAF) upon a request by the Cebu City Government. The Cebu BRT total project cost is estimated at USD 228,500 Million, and is funded by three (3) Loan Agreements, signed by the Republic of the Philippines in 2015 – (1) WB/International Bank for Reconstruction and Development (IBRD), USD116 Million, (2) Clean Technology Fund (CTF), USD25 Million, and (3) the Agence Francaise de Developpement (AFD) of the Government of France USD57 Million, GOP Counterpart is USD30 Million;

WHEREAS, the Cebu BRT was conceived in response to traffic congestion, taking into consideration local conditions including narrow streets, and the need for a reliable, affordable, and safe mass public transport system. The project, once complete, is expected to service an average of 433, 000 individual trips per day. The Cebu BRT is projected to save 25 minutes of travel time and P7.50 in fares. ***The Philippine government and the World Bank chose to undertake the development of a bus rapid transit system because of its low cost (5% to 10% of***

[2] http://www.up.edu.ph/the-dignity-of-travel-the-cebu-brt-project/
[3] http://www.worldbank.org/en/news/press-release/2017/03/16/philippines-first-metro-manila-bus-rapid-transit-line-to-benefit-thousands-of-commuters-daily
[4] ibid

rail), quick construction (around 2 years), and its higher quality of service despite having the same capacity as rail[5];

WHEREAS, the ***Metro Manila BRT Line 1*** Project - a 12.3-km. run from Quezon Memorial Circle to Manila City Hall via Elliptical Road, Quezon Avenue and España Boulevard, will cost $109.4 million, of which $64.6 million will come from the World Bank and the Clean Technology Fund (CTF). The Philippine government will provide funding equivalent to $44.8 million. The larger ***Metro Manila BRT Line 2*** will span 48.6 km., with an estimated cost of Php 3.09 billion. It will have four main corridors: A main line along Edsa and spur corridors along Ayala Ave. to World Trade Center, Ortigas to Bonifacio Global City, and Manila's Ninoy Aquino International Airport. It will serve approximately 1.6 million passengers, and will also come with a pedestrian and bicycle greenway network;

WHEREAS, the Department of Transportation (DOTr) serves as the implementing agency of these BRT Projects. However, the Cebu BRT project, in its fourth (4th) year of implementation is encountering delays due to several issues, according to the Implementation Status and Key Decisions Report of the World Bank, dated June 12, 2018[6], while the Metro Manila BRT which had been approved only in March 16, 2017 has likewise been temporarily put on hold by the DOTr;

WHEREAS, the BRT projects is expected to reduce private car use because of the availability of an efficient alternative, thereby relieving traffic congestion of streets. Managed by the World Bank, the Clean Technology Fund provides developing countries and emerging economies with resources to scale up clean technologies that have strong potential for reducing greenhouse gas emissions. Globally, the fund has provided $3.8 billon to support clean technologies such as renewable energy, energy efficiency, and transport[7];

WHEREAS, the World Bank has reiterated its view that the BRT Project is feasible. The delayed implementation/low utilization of the loan proceeds of the project, for whatever cause, must be immediately resolved to absolve the government from further incurring additional unnecessary expenditures in the form of payment of Commitment Fees (CF), levied on the undisbursed portion of the loan from the time when the loan became effective[8], and forthwith ensure to convey the immediate benefit that the

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[5] https://www.dof.gov.ph/index.php/philippines-signs-world-bank-cebu-bus-rapid-transit-brt-project/

[6] http://documents.worldbank.org/curated/en/827421528678161007/pdf/Disclosable-Version-of-the-ISR-Cebu-Bus-Rapid-Transit-BRT-Project-P119343-Sequence-No-08.pdf

[7] id

[8] Audit Observation Memorandum, Commission on Audit, Office of the Auditor, DOTr, pp 11, 12 March 2018

projects are intended to bring for the greater number of the people who deserve better, safe and reliable mass transport; Now, therefore be it

RESOLVED, AS IT IS HEREBY RESOLVED, Directing The Appropriate Committee To Conduct An Inquiry, In Aid Of Legislation, On The Status Of The Implementation Of The Bus Rapid Transit (BRT) Projects In Metro Manila and Cebu City With The End Goal Of Facilitating Their Immediate Implementation and Effectively Instituting Solutions that Provide Efficiency and Comfort in the Public Transport System.

Adopted,

SHERWIN T. GATCHALIAN