Cooperation Roadmap for Quality Infrastructure Development In the Transport Sector in Metropolitan Manila Area

A large part of the Philippines' more than 100 million population is in the Metropolitan Manila Area and given this, said region leads in contributing largely to the development of the nation. On the other hand, the area also faces risk as chronic traffic jams and frequent flooding caused by natural disasters. To further its potential, there is an immediate need for accelerating the development of infrastructure in the transport sector in Metropolitan Manila that should address the above challenges.

The Philippine government, therefore, formally endorsed the Roadmap for Transport Infrastructure Development for Metro Manila and its Surrounding Areas which was assisted by the Japan International Cooperation Agency (JICA) in June, 2014. Furthermore, the Japanese government announced its Partnership for Quality Infrastructure in May 2015 and, through this commits to actively support the building of high quality infrastructure in the surrounding Asian nations. In this regard, Mr. Shinzo Abe, Prime Minister of Japan and His Excellency Benigno S. Aquino III, President of the Republic of the Philippines commit to cooperate on the roadmap for a modern and efficient transportation network in the Metropolitan Manila Area by 2030, utilizing Japanese technology and Official Development Assistance, as applicable.

1 Short Term Development Project from 2014 to 2016

- (1) Both governments will discuss on exploring the possibility of using Official Development Assistance as determined through existing approval processes of, and subject to the regular programming exercises between both governments, and depending on the financing requirements to support the development of projects in sectors such as railways, highways, airports, and public transportation, as indicatively listed in the attachment (subject to change and priorities of the Philippine government).
- (2) Both governments decided to continuously and consistently cooperate on the four (4) ongoing projects, which are being implemented utilizing

Official Development Assistance:

- i Arterial Road Bypass Project Phase2;
- ii Capacity Enhancement of Mass Transit Systems in Metro Manila Project (LRT 1 Extension and LRT 2 East Extension)
- iii Metro Manila Interchanges Construction-Project, Phase VI; and
- iv Central Luzon Link Expressway (CLLEX) Phase 1
- (3) Furthermore, both governments, when applicable as determined through existing internal procedures, development priorities, and subject to the regular programming exercises between the two countries, and depending on the country financing requirements, will pursue discussions on exploring cooperation in utilizing Japanese Official Development Assistance in supporting the development of the eight (8) projects below (subject to change and priorities of the Philippine government).

(Railways)

- i North-South Commuter Railway Project, Phase I;
- ii Metro Manila CBD Transit System Project;
- iii Expert on Railway Planning, Operation and Management;
- iv Mega Manila Subway Study;

(Highways)

v C3 Missing Link;

(Airports, Others)

- vi New Manila International Airport Study;
- vii (Expert) Integrated Transport Implementation and Management; and
- viii The Project for Capacity Development on Transportation Planning and Database Management in the Republic of the Philippines

<u>2 The Utilization of the Framework Agreement which Includes the</u> <u>Mid-Long Term Development Cooperation Towards 2030.</u>

Both governments have decided to utilize the following framework for the short-term projects mentioned above as well as the medium to long-term development cooperation towards 2030.

(1) Steering Committee in Ministerial-Level (Newly Established)

A Steering committee will be held, in principle, once a year, to discuss the status of areas for possible cooperation and other related matters with the attendance of Philippines' minister-level officials including, but not limited to the Departments of Finance, Transportation and Communications, Public Works and Highways, the Socio-Economic Planning, the Chairman of the Metropolitan Manila Development Authority, and the Ambassador of Japan to the Philippines.

(2) Technical Working-Level Committee (Newly Established)

A Technical Working-Level Committee will be held under item (1) mentioned above, in principle, once or twice a year, to conduct more in-depth discussions on area for possible cooperation, with the attendance of undersecretary-level officials from the relevant Philippines' departments and agencies, including but not limited to the Departments of Finance, Transportation and Communications, Public Works and Highways, the Metropolitan Manila Development Authority, and National Economic and Development Agency and others and the Minister for Economic Affairs of the Japanese Embassy in the Philippines.

(3) Cooperation of the Existing Working-Level Committee

Both governments shall also utilize existing mechanisms and venues to consult each other on matters related to area for possible cooperation including the following:

-Japan-Philippines ODA Policy Consultation

-Sub-Committee on Improvement of the Business Environment Meeting under the Japan-Philippines Economic Partnership Agreement