

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City

Eighteenth Congress
First Regular Session



HOUSE BILL NO. 306

Introduced by Representative JOEY SARTE SALCEDA

**AN ACT
ESTABLISHING THE POLICIES FOR THE FORMULATION OF THE
NATIONAL TRANSPORTATION STRATEGY FOR THE PHILIPPINES TO 2050,
AND FOR OTHER PURPOSES**

EXPLANATORY NOTE

There is need for a long-term transportation road map considering the increasing population, high urbanization rate and requirements for the country's economic youth in urban, rural and far-flung areas of the country.

Developed countries such as Japan, Canada and the United States have also put planning and development of transportation systems and infrastructure under one ministry or department for optimum coordination of policy formulation and program implementation. This has led to greater efficiency in the use of resources and effective planning and implementation of transportation projects which ultimately benefit the commuting public.

This bill, therefore, seeks to mandate the formulation of a 30-year National Transportation Strategy for the Philippines (NTSP) through the following:

- a. Prescribing the principles for the efficient and effective coordination of transportation and public works projects in support of the Build, Build, Build program of the Duterte Administration, noting the need to strengthen LGU capacities in transportation planning and management beyond the present collaborative arrangement between DOTR and LGUs;
- b. Declaring the policies for formulating the Master Plans in support of the National Transportation Strategy for the Philippines to 2050.

- c. As needed, merging national government agencies with the Department of Transportation (DOTr) as the sole authority for transportation planning in the country.

In view of the foregoing, the passage of this bill is highly recommended.



JOEY SARTÉ SALCEDA

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

**CHAPTER 1
GENERAL PROVISIONS**

SECTION 1. *Short Title.* – This Act shall be known as the “**National Transportation Act of 2019**”.

SEC. 2. *Declaration of Policy.* – It is hereby declared the policy of the state to. Towards this end, the state shall:

- a) Ensure improved quality of life of the Filipino people by recognizing the key role of transportation and public works in national development, through a people-oriented national transport system that is safe, convenient, intelligent, secure, reliable, efficient, integrated, intermodal, affordable, cost-effective, and environmentally sustainable in moving people, goods and services;
- b) Classify the entire transportation and public works system as critical infrastructure essential to the functioning of Philippine society, the nation's economy and the people's security and health;
- c) Formulate a National Transportation Strategy for the Philippines to 2050, hereinafter referred to as the NTSP, to provide an overarching vision and policy for the transportation system and transport infrastructures in the Philippines covering

- all modes of transportation including land and rail, civil aviation, maritime and waterways;
- d) Institute a National Land Use, Maritime and Waterways Policy which shall support the NTSP;
 - e) Ensure efficient and effective coordination, communication, collaboration and cooperation among national government agencies (NGAs), local government units (LGUs), and stakeholders in developing the functionality of domestic and international connections of country's transportation and public works system through harmonization of policies, plans and programs for the sector consistent with international and sub-regional standards and commitments such as the Association of Southeast Asian Nations (ASEAN) integration, Brunei Darussalam-Indonesia Malaysia-Philippines East ASEAN Growth Area (BIMP-EAGA), International Maritime Organization (IMO), International Civil Aviation Organization (ICAO);
 - f) Review the Local Government Code especially in regard to transportation standards and policies which shall be set by the DOTR while the LGUs shall implement and enforce such standards and policies for their respective transport programs.
 - g) Promote a shift towards a safe, cost-effective, efficient, non-congestive, non-pollutive, and healthful locomotion and seamless and inclusive transportation system for the benefit of all citizens, the economy and society in consonance with signed international agreements such as Aichi Statement of 2005, United Nations Economic Commission for Europe (UNECE) Agreement, United Nations Framework Convention on Climate Change (UNFCCC) Agreement of 1992, UNECE World Forum for Harmonization of Vehicle Regulations (WP 29) and Bangkok Declaration for 2020.
 - h) Streamline the bureaucracy by merging the policy coordination, planning and implementation of transportation and infrastructure projects of various agencies under the Department of Transportation for greater efficiency in the use of resources and effective planning and implementation of transport projects which will ultimately benefit the commuting public;
 - i) Undertake other legislative measures in support of this Act.

CHAPTER II **BASIC POLICIES ON TRANSPORTATION AND INFRASTRUCTURE**

SEC. 3. *National Transportation Strategy for the Philippines to 2050.* – The NTSP shall set forth the following:

- a) Vision and direction of the entire transportation system, taking into consideration all types of transport users, vehicles, modes, infrastructures and services;
- b) Strategies towards an integrated and inclusive transportation system and infrastructure planning and management shall include, but not limited to, the following:
 - (i) Determination of a Transportation System Management and Accountability Framework;
 - (ii) Formulation of development strategies according to mode of transportation and for each region with the aid of scenario-building tools; and
 - (iii) Delineation of regulatory and licensing functions at the national and local levels.
- c) Policies to promote modal shift to sustainable and efficient transport modes;
- d) A Strategic Communication Plan in support of the NTSP.
- e) Periodic review and updating of the NTSP;
- f) Other guidelines necessary for the comprehensive and systematic implementation of national transportation policies.

The NTSP shall be consistent with international standards, the National Security Strategy and other long-term plans formulated by the national government covering the 30-year period mandated by this Act.

The NTSP shall be supported by detailed comprehensive National Transportation Master Plans. The DOTr shall lead the formulation of three 10-year Master Plans, or any number of Master Plans that may be determined to effectively implement the NTSP. Any existing National Transport Policy Framework and National Transportation Master Plan formulated by the DOTr or other national government agencies must be reviewed by the DOTr for compliance with the provisions of this Act.

SEC. 4. Transportation Planning Principles. – The aforementioned Master Plans shall adopt and abide by, but not limited to, the following transportation planning principles:

- a) *Institutionalized Continued Capacity Building.* – Institutionalize training in terms of consolidating gains made in previous capacity building programs, sustaining

efforts at constantly identifying and targeting trainees, and developing more specialized trainings beyond collaborative arrangements with LGUs.

- b) *Transit-Oriented Development.* – Prioritize strategies to avoid unnecessary travel through transit-oriented development (TOD) which refers to mixed-use residential and employment areas designed to maximize the efficient use of land through high levels of access to public transport. A transit-oriented development has a walking and cycle friendly core with a public transport station surrounded by relatively high-density residential development, employment or a range of mixed uses.
- c) *Transportation System Management (TSM) and Travel Demand Management System (TDM).* – Adopt TSM and TDM as the basis of the National Transportation and Public Works Road Map. TSM focuses on non-facility, low-capital cost and shortrange improvement strategies which consider the fact that urban transportation problems cannot not be solved solely through infrastructure investments. TDM refers to influencing traveler behavior for the purpose of reducing or redistributing travel demand. Its primary purpose is to reduce the number of vehicles using highway facilities while providing a wide variety of mobility options for those who wish to travel.

Highly urbanized LGUs shall utilize TSM and TDM to integrate transportation in their land use plans. Traffic engineering solutions and the use of intelligent transport systems (ITS) utilizing artificial intelligence (AI) and Internet of Things (IOT), among other technologies, shall also be adopted.

- d) *Integrated Approach in Land-Maritime-Waterways Use, Infrastructure and Transportation Planning.* – An integrated approach to land use decisions, economic development, and environmental conservation and transportation investments should be used to achieve a balanced transportation system considering the archipelagic nature of the country. This shall be contained in the National Transportation Roadmap and in the Master Plans.

In the preparation and updating of their land use plans, all local government units (LGUs) shall explore the important relationship among land use, transportation infrastructure

investments and transportation systems to meet the National Transportation Roadmap Vision consistent with a National Land Use, Maritime and Waterways Policy. The DOTr shall provide technical assistance to key stakeholders and LGUs in the completion of these integrated land use and transportation plans, upon the request of the LGUs and subject to availability of resources.

The DOTr shall set transportation standards and policies while the LGUs shall implement and enforce such standards and policies for their respective transport programs. To ensure clear delineation of authorities, accountabilities, and responsibilities between the DOTr and the LGUs, the Local Government Code shall be reviewed and amended accordingly.

SEC. 5. *Transportation Planning Policies.* – The Master Plans shall contain, but not limited to, 39 the following polices:

- a) *Convenience of the Public.* – Public convenience shall be a paramount consideration in transport planning, including ensuring punctuality in accordance with set departure and arrival times, improving speed by shortening the time required to reach a destination, ensuring comfort, facilitating connections between transportation services or upgrading the functionality of connecting transportation services by other means and streamlining transportation services.
- b) *Support to Tourism and Other Economic Sectors.* – Provide the necessary means of transportation to tourists for the smooth flow of tourist traffic and revitalize local economies by supporting and stimulating tourism, trade industry and agriculture through inter-city, inter-municipality, inter-provincial, inter-regional and inter-island transportation and public works networks. Alternative routes for trucks shall be planned, provided and constructed as needed. A national maritime, port and waterways policy must be formulated to address traffic congestion concerns.
- c) *Research and Technology.* – Undertake scientific research on transportation and public works-related concerns and trends to inform policy and decision-making. Develop, disseminate and adopt modern technology for greater efficiency, safety and security of transportation and public works systems and networks.

- d) *Resource Generation, Allocation and Cost-Sharing.* –
 - (i) Identify, review and address the strategic resource needs of the transport sector for the short-, medium- and long-term;
 - (ii) Assess the failure or success factors and deficiencies or efficiencies of the previous fiscal allocation or cost-sharing;
 - (iii) Identify the available supply of transportation resources; and
 - (iv) Update the list of modern equipment and technology for transportation.
- e) *Inventory and Use of National Government Resources.* – The resources of the National Government shall be devoted mainly to transport infrastructure and facilities, including inter-island bridges, classified as "national" based on their functional and strategic importance to the country, and as defined in existing laws, regulations and issuances.
- f) *Transportation Data Management.* – The DTPW shall act as the central node/repository for all transport-related data. It shall be the lead agency in collaboration with other related agencies, institutions, academe in the development of national travel demand model -- forecasting passenger and cargo traffic and consolidation of accident statistics. In support of this, LGUs shall undertake comprehensive gathering of any and all data concerning the transportation sector. The data shall include demography of riding population, rate of growth of public and private vehicles, accidents and mortality, perception of the people about the existing and desired future transportation system.
- g) *Role of Local Government Units.* – 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 transport facilities, unless such facilities are included in Convergence Programs.

LGUs shall primarily be responsible for the settlement activities, which include the development of resettlement sites, provision of adequate basic services and community facilities, in anticipation of informal settlers that have to be removed from the right-of-way (ROW) site or location of future infrastructure projects, with

assistance from the national government agencies. Where resettlement comprises a significant component of a proposed project, the civil works component shall not be bid out until the affected households have been adequately resettled.

LGUs, in formulating their local transportation plans, shall be assisted by the DTPW and must strictly adhere to their existing Land Use Plans consistent with provincial and regional plans, and the national land use policy/framework. Transport-related business and stakeholders shall be consulted by the LGUs.

The Local Development Council (LDC) as the central planning body of the LGUs designated by the Local Government Code shall synchronize plans with respect to any and all local transportation plans.

- h) *Program and Project Selection.* – Transport-related agencies and LGUs shall annually assess and prepare periodic plans, programs and projects in support of the each 10-year Master Plan. Planning and project selection shall be based on, but not limited to, the following considerations:
 - (i) alignment with regional and national plans;
 - (ii) compliance with international commitments;
 - (iii) evidence-based studies and relevant transport data and indicators;
 - (iv) emerging technologies;
 - (v) technical and operational feasibility;
 - (vi) economic feasibility over the life cycle;
 - (vii) environmental soundness; and
 - (viii) public need and social acceptability.
- i) *Cost Recovery and Subsidies.* – Fares, fees and charges for transportation services shall be cost-based and shall recover, at the minimum, the operational and maintenance costs, net of eligible subsidies. Subsidies including incentives and other government undertakings, which are justified and allowed under existing laws, rules and regulations, shall be direct, specific and transparent. This may include, without limitation, transport infrastructure which are proven to have significant economic benefits to society, thus may be eligible for targeted and transparent subsidies under the government's social policies.

- j) *Regulation of Passenger Transport Services.* – Routes and areas of operation across all modes of transportation shall be determined and modified by the appropriate regulatory bodies based on established criteria and network analysis considering travel demand and route capacities, as well as the application of technical, economic and safety standards issued by the DTPW, and upon prior consultation and coordination with the LGUs, relevant agencies, and other stakeholders. Passenger transport services shall include bicycles, *kalesas*, electronic and human-powered rickshaws, tricycles, and similar types of transportation.
- k) *Transportation of Elderly, PWDs, Pregnant Women, Parents with Young Children.* – Gender, persons with disability (PWD) and elderly considerations must be put in the mainstream by minimizing barriers to access so that the transport system is available to as many persons who wish to use it, while providing tailored infrastructure, services and support for persons who find it difficult to use the transport system. The structure and features of vehicles, railway vehicles, marine vessels, aircraft, passenger facilities, roads, and parking lots must be improved to provide smooth transportation for elderly persons, persons with disabilities, pregnant women, infants who are accompanied by adults and others whose daily lives or social lives are restricted due to physical limitations.
- l) *Safety and Security Measures.* – Ensure safety and security of commuters, goods and services through the implementation, but not limited to, of the following measures:
 - (i) Ensure that transportation and public works projects shall meet required standards for safety and security, structural integrity and performance, and quality/level of service.
 - (ii) Tighten regulatory control pertaining to safety, environmental quality and level of service through strict implementation of motor vehicle inspection prior to registration and effective enforcement system.
 - (iii) Institutionalize an embedded risk management system that allows for preventive maintenance and targeting, measuring and monitoring of outcomes of the system.

- (iv) Prescribe standards for entry, seating and exit of passengers, including the use of seatbelts and other safety paraphernalia inside transportation terminals and vehicles across all modes of transportation.
- (v) Establish a national coordination center for reporting transport accidents and incidents and analyzing safety data, and formulate policies to improve safety.
- (vi) All concerned national government agencies, and local government units shall clearly define, regularly upgrade and update their respective standards on safety level of service and inter-modal connectivity, in keeping with applicable international standards and practices, and shall strictly implement and enforce the same. Coherence of such standards should be ensured at all times.
- (vii) On top of the criminal and civil liabilities arising from road accidents, the government may impose penalties and fines on economic and social disruptions resulting from the traffic congestion around the area of the accident.
- (viii) The existing systems and networks of the national authorities responsible for the different aspects of surveillance, such as border control, safety and security, fisheries control, customs, environment or defense, should be integrated so that data and information are shared and not collected separately. An integrated surveillance system and network in other transport sectors is crucial for a coordinated national approach to security.

- m) *Sustainable and Environment-Friendly National Transportation and Public Works System.* – The national transportation and public works system shall be environmentally sound which means reducing the environmental burden caused by traffic across all modes of transportation through the following policies:
 - (i) Reduce the annual growth rate of energy consumption and associated GHG emissions from the transport sector in urban areas of the country
 - (ii) Mainstream environmentally sustainable transport (EST), which involves, but not limited to, the promotion of transportation systems of low carbon intensity and shift towards the use of more sustainable transport modes.
 - (iii) Prevent air, marine and noise pollution, including the introduction of progressively lower fuel consumption targets for new vehicles according to the environmental requirements of the DENR;

- (iv) Use of Environmentally Sustainable and Inclusive Technologies and Approaches such as the use of clean and energy-efficient transport technology/fuels.
- n) *Role of Transport-Related Businesses and Traffic Facilities Administrators and Operators.* – Administrators and operators of transport-related businesses shall endeavor to conduct their business appropriately and abide by policies on transportation implemented by national government agencies and LGUs. They shall endeavor to provide correct and appropriate information relevant to their business to the government and the public, including the formulation and implementation of a traffic education program.
- o) *Capacity-Building and Training for Transport-Related Businesses and Traffic Facilities Administrators and Operators.* – Establish and increase capacity-building programs from basic to advanced levels in all aspects of transport planning, investment decision-making, operations, and enforcement at the provincial- and city-levels. Such capacity-building and training for transport-related businesses and traffic facilities administrators and operators must be geared towards compliance with international standards. Capacity-building and training may be driven by the development and extension of local training and accreditation centers for transportation management based in local universities around the country, and can be supported by the national government. These local transport centers of excellence can also provide support to LGUs that may lack staff to perform any transport-related functions. Administrative structures should be continuously developed to respond effectively to the challenges of a changing operating environment.
- p) *Disaster Risk Reduction and Management for Natural and Anthropogenic Hazards Affecting Transportation and Public Works Systems and Networks.* – Adopt critical infrastructure resilience or the ability to prepare for and adapt to changing conditions and withstand and recover from disruptions. This is to ensure the reduction of effects of climate change on economic business and activities; minimal disturbance on flow of traffic during and after disasters and attain some degree of seamless movement of people and commodities; coordinated evacuation

procedures; easy recovery, reconstruction and rehabilitation after disasters and smooth return to normalcy; efficient debris management after disasters for humanitarian logistics; and minimal loss of lives and property.

The DOTr in coordination with relevant government agencies, LGUs and stakeholders, shall conduct a transport resiliency analysis on existing infrastructure, starting with areas that are most vulnerable to the impact of climate-change and disasters based on available geo hazard maps and studies.

The DOTr, in cooperation with all stakeholders, shall formulate a detailed Disaster Risk Reduction and Crisis Management Plan for the Transportation Sector, including for each sub-sector. Each transport service provider shall submit its own Disaster Risk Reduction and Crisis Management Plan to the DOTr for review and approval. The Plan shall include a Public Transportation Emergency Relief Program to help LGUs and public transportation systems pay for protecting, repairing, and/or replacing equipment and facilities that were damaged by natural and anthropogenic hazards.

- q) *Role of the Public.* – The public shall abide by all traffic rules and regulations across all modes of transportation, provide inputs to planning, feedback on safety and security, and suggestions for improving convenience and related concerns which are likely to affect or have an impact on their quality of life.

CHAPTER III **MERGING RELEVANT NATIONAL GOVERNMENT AGENCIES** **WITH THE DOTR**

SEC. 6. *Plan for Merging Relevant National Government Agencies with the DOTr.* – There is a need to rationalize the structure and functions of the different transportation agencies and harmonize all transportation plans, policies, programs, and projects of various government corporations and agencies. The Department of Transportation (DOTr), with the support of the National Economic Development Authority (NEDA), and in consultation with the concerned national government agencies, shall formulate a 5- to 10-year plan for merging relevant national government agencies with the Department of Transportation within two years from the signing of this Act, in accordance with existing civil service rules.

SEC. 7. Transfer of Powers and Functions. – The powers and functions of the national government agencies that will be merged with the DOTr shall be transferred to the DOTr or to the new Department that will be created as a result of the merger. The transfer of powers and functions shall include all applicable funds and appropriations, records, equipment, property, contracts, liabilities and personnel as may be necessary in accordance with pertinent laws, rules, and regulations. Provided, That the officers and employees of the concerned national government agencies and the DOTr shall continue in a holdover capacity until such time as the new officials and employees of the new Department shall have been duly appointed pursuant to the provisions of this Act.

CHAPTER IV **FINAL PROVISIONS**

SEC. 8. Implementing Rules and Regulations. – Unless otherwise expressly provided in this Act, the DOTr and DPWH, in consultation with other appropriate agencies and stakeholders, shall formulate, issue and promulgate the necessary implementing rules and regulations within sixty (60) days from the effectivity of this Act. The implementing rules and regulations shall cover, but not limited to, the following:

- a) Penal provisions for the deliberate undue delay of the implementation of government projects, non-compliance of service providers with the provisions of construction, operation and maintenance contracts and the inclusion of penal provisions in such contracts;
- b) Guidelines for merging the national government agencies with the DOTr; and
- c) Submission of periodic reports such as Annual Report, mid-Master Plan Report and End-of Master Plan Report to the Joint Congressional Oversight Committee.

SEC. 9. Transition Phase. – The DOTr and DPWH shall, upon prior consultation with other government agencies and stakeholders, determine the appropriate period for the transition phase to allow for merger of said Departments consistent with the objectives of this Act.

SEC. 10. Appropriations. – The respective regular budgets of the DOTr and DPWH shall constitute the budget of the new Department of Transportation and Public Works.

SEC. 11. Joint Congressional Oversight Committee. – There is hereby created a Joint Congressional Oversight Committee to monitor the implementation of this Act. The committee

shall be composed of three (3) senators and three (3) representatives to be appointed by the Senate President and the Speaker of the House of Representatives, respectively. The oversight committee shall be jointly chaired by the Chairpersons of the Senate Committee on Public Services, Senate Committee on Public Works, the House Committee on Transportation and the House Committee on Public Works and Highways: *Provided*, that the Minority in both the Senate and the House of Representatives shall be equitably represented therein. *Provided further*, that the Oversight Committee shall exist for a period of 35 years from the effectivity of this Act.

The mandate given to the Joint Congressional Oversight Committee under this Act shall be 18 without prejudice to the performance of the duties and functions by the respective existing oversight 19 committees of the Senate and the House of Representatives.

SEC. 12. *Construction and Interpretation.* – Any doubt in the interpretation of any provision in this Act shall be interpreted in favor of the interest of the general public particularly to ensure access to a an integrated, convenient, safe and secure transportation and public works system.

SEC. 13. *Separability Clause.* – If for any reason, any chapter, section or provision of this Act shall be declared unconstitutional, illegal, or invalid, such parts not affected thereby shall remain in full force and effect.

SEC. 14. *Repealing Clause.* – All laws, decrees, executive orders, proclamations and administrative regulations, or parts thereof inconsistent herewith are hereby repealed or modified accordingly.

SEC. 15. *Effectivity Clause.* – This Act shall take effect fifteen (15) days after its publication in the Official Gazette or in a newspaper of general circulation.

Approved,