Overview of the strategic planning process for freight infrastructure in the Philippines

Project Launch and Stakeholder Consultation on the National Roadmap Study re: Decarbonising Pathways for Freight Transport in the Philippines

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I. Philippine Development Plan (PDP)

II. Public Investment Program (PIP)

III. Investment Coordination Committee (ICC) appraisal process

IV. Strategies in the Updated PDP 2017-2022 on freight infrastructure

V. The National Transport Policy (NTP) and its Implementing Rules and Regulations (IRR)

VI. Specific provisions in the NTP and its IRR on freight infrastructure
I. Philippine Development Plan (PDP)

The PDP serves as the government’s *overall guide in development planning* for six years.

- **Socio-economic policies**
- **Strategies**
- **Programs**
I. Philippine Development Plan (PDP)

Planning Committees

• Economic Development
• Human Capital Development
• International Migration and Development
• Infrastructure Development
• Macroeconomic Policy
• Competition
• Technology and Innovation

• Responsive, People-centered, Technology-enabled, and Clean Governance
• Justice
• Peace, Security, and Public Order
• Culture
• Ecological Integrity

NEDA Board
I. Philippine Development Plan (PDP) (1/2)

Plan Formulation Process

1. President issues a memorandum circular to formulate the plan

2. Instructions from the President

3. Guidelines are circulated

4. The socioeconomic planning secretary convenes with other cabinet secretaries for an interim meeting

5. Creation of planning committees (PC)

6. PCs to create a strategic framework for their thematic area

- PCs conduct regional consultations
- PCs, through NEDA, conduct workshops with regional stakeholders

- NEDA Secretary circulates guidelines to all government agencies (including regional development councils)
- PCs are formed by thematic areas approved by the PSC.
I. Philippine Development Plan (PDP) (2/2)

Plan Formulation Process

7. Drafting of the PDP chapters

- Initial draft of the PDP is reviewed for harmonization with the thematic areas

8. Inter-PC meeting

- Each PC will present their chapters in order to assess the consistency of the plan

9. Finalization of the PDP

- Once the plans for each chapter is harmonized, the drafted chapters are finalized by an editorial team

10. Approval of the NEDA Board

- Final plan is to the NEDA Board for approval

11. Dissemination of the PDP

- NEDA disseminates the PDP to all stakeholders
## I. PDP – Results Matrices (RM)

The PDP - RM contains indicator statements and targets to be achieved in the next six years.

### Table: PDP - RM

<table>
<thead>
<tr>
<th>Objective/Results SDG Tier 1 Indicators</th>
<th>Indicator</th>
<th>Baseline*</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>End of Plan Target*</th>
<th>Means of Verification</th>
<th>Responsible Agency</th>
<th>Reporting Entity*</th>
<th>Assumptions and Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.1.2 (Passenger and freight volumes, by mode of transport)</td>
<td>Cargo shipped via air increased (international and domestic) (MT, cumulative)</td>
<td>2016</td>
<td>385,859,903</td>
<td>342,773,723</td>
<td>365,800,978</td>
<td>360,540,263</td>
<td>377,910,968</td>
<td>328,531,087</td>
<td>328,937,007</td>
<td>Real statistics to be counterchecked with CAB Traffic Flow Statistics</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cargo shipped increased (international and domestic) (MT, cumulative)</td>
<td>2016</td>
<td>302,662,830</td>
<td>313,881,202</td>
<td>330,127,541</td>
<td>344,392,106</td>
<td>317,922,964</td>
<td>325,124,523</td>
<td>322,957,094</td>
<td>Complete set of data needed from identified agencies</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>PPA</td>
<td>2016</td>
<td>341,575,750</td>
<td>252,038,994</td>
<td>269,672,994</td>
<td>270,999,838</td>
<td>240,492,693</td>
<td>242,857,468</td>
<td>245,286,943</td>
<td>246,286,943</td>
<td>PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, PPA, Data based on PPA Ports Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cebu Port</td>
<td>2016</td>
<td>46,628,761</td>
<td>51,400,000</td>
<td>56,330,000</td>
<td>58,840,000</td>
<td>62,260,000</td>
<td>66,080,000</td>
<td>62,610,000</td>
<td>68,610,000</td>
<td>Data based on CPA Ports Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subic Port</td>
<td>2015</td>
<td>10,161,715</td>
<td>9,502,867</td>
<td>11,642,240</td>
<td>12,224,352</td>
<td>12,635,970</td>
<td>13,477,349</td>
<td>14,151,216</td>
<td>14,151,216</td>
<td>Data based on SVMA Port Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CEZA</td>
<td>2016</td>
<td>34,945</td>
<td>N/A</td>
<td>N/A</td>
<td>130,000</td>
<td>60,000</td>
<td>66,000</td>
<td>72,600</td>
<td>72,600</td>
<td>Data based on the Sta. Ana Cagayan Port operations</td>
<td></td>
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</tr>
<tr>
<td></td>
<td>Mindanao Ports</td>
<td>2016</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>Mindanao Ports not handled by PPA</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>San Fernando</td>
<td>2016</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>BCDA, BCDA, BCDA, BCDA, San Fernando Port Operations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bataan Freeport</td>
<td>2016</td>
<td>N/A</td>
<td>869,251</td>
<td>1,482,317</td>
<td>2,087,916</td>
<td>2,384,155</td>
<td>2,640,706</td>
<td>2,897,235</td>
<td>2,937,235</td>
<td>AFAB, AFAB, AFAB, AFAB, Bataan Freeport Operations</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The PIP contains the list of programs and projects (PAPs) that are responsive to the societal goals and outcomes in the PDP and RM, and to be implemented by national government agencies and offices within the medium term.
II. Public Investment Program (PIP)

**Issues the call/guidelines for the formulation of the PIP**

Submit and endorse list of PAPs for inclusion in the PIP, through the Public Investment Program Online (PIPOL) system

**Review and validation of Agencies’ PIP submission**

Presentation of the working draft PIP (as validated by NEDA Secretariat) to the appropriate Inter-Agency Body for review and confirmation

Submission to DBM of the working draft PIP (as input to budget preparation)

Publication in the NEDA website/annual updating
II. Public Investment Program (PIP)

Core Investment Programs/Projects (CIPs)
- Big ticket PAPs, and serves as pipeline for ICC and NEDA Board approval process.

Non-CIPs
- PAPs that need not go through the ICC or NEDA Board review and approval process

Three-Year Rolling Infrastructure Program (TRIP)
- Nationally-funded priority infrastructure PAPs

Public Investment Program
III. ICC appraisal process

1. NEDA Secretariat
   Appraisal of the Project
   - Provides technical support to ICC:
     - PER other reports
     - Logistical support

2. ICC - Technical Board
   Endorsement
   - Deliberates on programs/projects & submits recommendations to the ICC-CC for approval.
   - Provides direct advice to the proponent on how proposals can be improved.

3. ICC - Cabinet Committee
   Approval
   - Focuses on concerns that requires Cabinet level decision making & deliberates on policy-related issues, e.g., institutional arrangement, APs, ROW issues.

4. NEDA Board
   Confirmation of ICC Approval
   - Confirms ICC decisions on projects.
IV. Strategies in the Updated PDP 2017-2022

Chapter 19

Accelerating Infrastructure Development

Expand the rail network, improve port facilities, and optimize utilization of existing port capacities

- Establishment of multimodal and interconnected freight system supported by ancillary facilities;
- Establishment of rail-based connection to seaports, dry ports, and airports for faster movement of freight and decongestion of traffic along terminals;
- Optimal utilization of existing and additional ports, and;
- Prioritization of critical transport infrastructure (infrastructure that ensures continued economic activities during disaster and health response).
V. National Transport Policy

TRANSPORT VISION

"provide a safe, secure, reliable, efficient, integrated, intermodal, affordable, cost-effective, environmentally sustainable, and people-oriented national transport system that ensures improved quality of life of the people”
V. National Transport Policy and its IRR

- Adopted by the NEDA Board on 27 June 2017
- NEDA Board Resolution No. 5 s. 2017, “Approving the National Transport Policy”
- Published in general circulation on 14 February 2018

Scan to access the NTP and its IRR.
V. National Transport Policy and its IRR

Salient points of the NTP IRR

- Resource generation, allocation and cost-sharing;
- Program and project selection;
- Cost recovery and subsidies;
- Regulation of passenger transport services;
- Transportation management in urban/regional areas;
- Support to other economic sectors; and
- Governance and institutions.
V. National Transport Policy and its IRR

Pertinent strategies in the NTP-IRR that will increase efficiency and provide improved service for freight infrastructure include:

<table>
<thead>
<tr>
<th>NTP section</th>
<th>Pertinent provisions/strategies</th>
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<tbody>
<tr>
<td><strong>Section 29. Development of ports outside Metro Manila</strong></td>
<td>• Movement of cargo outside Metro Manila (i.e., Subic, Clark) will be encouraged to optimize investments in such ports. Ancillary services will also be provided to entice the use of said ports.</td>
</tr>
<tr>
<td><strong>Section 30. Truck ban in urban roads</strong></td>
<td>• Proposals to restrict movement of trucks in urban areas must account for its economic impacts. Alternative routes for trucks must be planned and provided.</td>
</tr>
</tbody>
</table>
| **Section 31. Establishment of seamless, intermodal transport logistics network** | • Seamless transport logistic networks will be established to ensure unimpeded flow of goods and basic commodities during emergencies.  
  • Elimination of arbitrary charges/toll-like fees on goods passing through LGU jurisdictions shall be pursued. |
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| **Section 33. Establishment of single transport document and single access point one-stop shop** | • Make best use of information communication technologies by establishing a single access point (one-stop shop) for administrative processes.  
• Establish a single transport document that can be used in all transport modes. |
| **Section 34. Standardizing handling characteristics of intermodal loading units**     | • Introduce a national standard for intermodal loading units to reflect technological advancements and facilitate intermodal transport of cargo. |
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<td><strong>Section 35. Developing interfaces between long distance deliveries and short distance distribution</strong></td>
<td>• Review of land use, transport network, and environmental impacts in relation to transport logistics to develop efficient interfaces between short- and long-distance deliveries. &lt;br&gt;• Better management of fleet movement through consolidation of operators. &lt;br&gt;• Consolidation/distribution centers for cargo shall be provided with transport access and mode interchange facilities. &lt;br&gt;• Use of IT tools/services for freight matching and load consolidation.</td>
</tr>
</tbody>
</table>
Thank you.