

Message from Chief Representative SAKAMOTO Takema

Expert Panel Meeting for Railway Masterplan and Operation & Maintenance with DOTr Officials and
Japanese Officials and Experts

DOTr Board Room in Primex Tower/ February 21, 2024

- Honorable DOTr Secretary, Jaime Bautista
- DOTr Usec, Jeremy Regino, Timothy John Batan, and Anneli Lontoc
- Minister of Embassy of Japan, NIHEI Daisuke
- Professor Emeritus of GRIPS, MORICHI Shigeru
- Assistant Director General of MLIT, KANAZASHI Kazuhiko
- My dear DOTr officials
- Respected representatives and attendees from Japanese ministries, railway operators, consultants, including Hankyu Corporation, Tokyo Metro, JTTRI and Oriental Consultants Global
- All participants, friends,

Magandang Umaga po sa inyong lahat.

Ohayo Gozaimasu.

I am extremely thrilled to have you here for today's very important event.

During my almost two-year stay in the Philippines since 2022, I am very much grateful to witness the rich history of partnership between Japan and the Philippines, particularly in the field of transport sector including the railways.

These feats would not have been possible without the brilliant leadership of Secretary Bautista and Undersecretaries.

They have exemplified the strong commitments of the Philippine Government in tackling challenges to expand the transport network with massive railway projects.

Another important challenge, I would like to emphasize here, is the improvement of the Philippines' image in the international society and market.

It is exceptionally crucial to demonstrate that the Philippines is a reliable partner.

Followings are points we have to seriously ①take note, ②review and ③ensure;

- First, prompt decisions, approvals, or permissions by the Government of the Philippines for smooth project implementation and quickest impact.
- Second, timely management of land acquisition and resettlement.
- Third, adequate budget appropriation and timely payment to consultants and/or contractors.

I am sure that these challenging issues could be improved and resolved by the Government of the Philippines, and that DOTr can be a leading model in this regard, under the wise and strong leadership of Secretary Bautista.

Of course, JICA is always with you to support in order to overcome these challenges.

I strongly believe that, by fully addressing these challenges, you can attract more and more international potential investors, to make them look at the great potential of the Philippine transport sector, including railways.

And today, we would like to discuss several specific topics so as to open a new chapter of Japan-Philippines cooperation partnership in the transport sector.

We are pleased to organize this momentous opportunity for all the stakeholders relevant in railway sector of Japan.

It is our great honor to receive many distinguished participants from Japan, specifically from ①MLIT, ②Embassy of Japan, ③Hankyu Corporation, ④Tokyo Metro, ⑤Japan Transport and Tourism Institute (JTTRI), ⑥Oriental Consultants Global (OCG), and of course, from ⑦GRIPS, no less than Prof. MORICHI, who leads the transport sector in Japan from the academe.

They are qualified enough to share Japan's experiences, tips, lessons learnt, and knowledge with my Filipino friends, to tackle the development challenges together.

Today's active interaction affirms JICA's intention to support the Philippine transport sector in a holistic manner.

As you know, JICA's cooperation can cover all the stages of project development, from ①Master Plans, ②Feasibility Studies, ③Detail Designs, and ④Construction to ⑤Operation and Maintenance (O&M), through the best combination of our hard and soft cooperation.

We do not intend to focus only on a project, but also on the railway systems, and we do not focus only on the railway sector, but also cover the transport sector as a whole, through optimal coordination with PUV operation, TOD, and area development plans.

In this regard, today we pick up two specific agenda, which are significance of ①Master Plan and ②O&M.

Our first topic is Railway Master Plan.

JICA has just commenced its Technical Cooperation Project with DOTr on Formulation of 30-year Railway Master Plan for the Greater Capital Region.

We are fully convinced that the Metro Manila and Greater Capital Region will grow more and faster, not only as the capital region of the Philippines, but a “major global city of ASEAN”, so that DOTr with our support should create more visionary and well-organized image of railway and transport network of Metro Manila and Greater Capital Region.

We cannot accept any “piecemeal” or “patchwork” projects without well-organized design of the railway system as a whole.

To craft more useful master plans, some key points are as follows;

- 1) Basing on scientific evidences and data,
- 2) Indicating clear and solid priority of implementable projects, including realistic ridership expectation and plans of ①routes, ②connectivity and ③area development, taking into account their profitability and realistic financial resources,
- 3) Proposing feasible timelines for start and target years of those projects, where “ROW” and “staff training or outsourcing plan” might be critical to be examined seriously,
- 4) Formulating process with timely and fare coordination for consensus building among various stakeholders, duly recognizing Government’s role and responsibility.

I believe that these key aspects are thoroughly discussed in the first session, duly considering Japan’s rich experiences.

It is also noted that this master plan discussion closely links to the second topic, that is O&M.

Our second topic is railway operation and maintenance.

We can all agree that this is one of the most important challenges for the Philippine railway sector.

The Philippines is no stranger to O&M issues.

Less than a decade ago, MRT 3 became a nightmare for Filipinos, and became a symbol of O&M dysfunction.

We cannot repeat such a history any more!

For ①reliable, ②safe and ③sustainable railway O&M, I believe we need to discuss the key issues such as followings;

- 1) To ensure the reliable and qualified railway operators who have rich experiences,
- 2) To identify the roles and responsibilities of DOTr as the project owner,
- 3) To establish an adequate network as an effective railway system with trunk lines and feeder lines whose profitability is different,
- 4) Most importantly, to secure sound and sustainable railway operations in terms of financial position, especially in the early years of the commercial operation,

Indeed, the selection of capable firms for the reliable O&M of ①MRT3, ② North South Commuter Railway and ③Metro Manila Subway will be truly critical to avoid a similar nightmare in the future like the previous MRT3.

In this context, we are very much open to sharing our experiences, know-how and lessons learned in Japan and in other countries which JICA also supported.

I have no doubt that today's discussion on these two topics, namely "Master Plan" and "O&M", will lead a better railway or transport system in this country, which is our shared goal.

I really look forward to everyone's active participation in today's discussion.

Now, I would like to quote from Secretary's speech.

"Railway projects will not only provide safe, convenient and reliable public transport, but also generate jobs and livelihood opportunities for families along and around the rail lines, while trains also contribute to reducing air pollution and to addressing climate change issue".

In fact, our ongoing projects, MMSP, NSCR and MRT3, are currently generating thousands of job opportunities.

Furthermore, once completed, new stations and new lines will dramatically stimulate economic development in these areas, as seen in Japan.

Another important contribution, that is the reduction of 1 million tons of greenhouse gases per year, cannot be overemphasized.

Lastly, as I close my message, let me quote from another speech.

“A developed country is not a place where the poor have cars. It’s where the rich use public transportation.”

This is an aspiration I share with Filipinos,

so let us work together in making this a reality.

“KASAMA NIYO KAMI”.

Again, Magandang umaga po sa inyong lahat !

Mabuhay.

Maraming Salamat po.