

Signing of Japanese ODA Loan Agreement with the Philippines: Contributing to the alleviation of serious traffic congestion in Metro Manila through rehabilitation of MRT Line 3

On November 8, the Japan International Cooperation Agency (JICA) signed a loan agreement with the Government of the Republic of the Philippines in Manila, the capital city, to provide a Japanese ODA loan of up to 38.101 billion yen for the Metro Rail Transit Line 3 Rehabilitation Project.

The objective of the project is to improve the safety and service level of Metro Rail Transit Line 3 (hereinafter referred to as "MRT Line 3"), which suffers from frequent operation disruptions and other problems, while promoting its use through rehabilitation of the line, thereby contributing to the mitigation of the serious traffic congestion in Metro Manila.

The Special Terms for Economic Partnership (STEP)* apply to the Japanese ODA loan for this project. Diagnostic technology to accurately identify maintenance needs, high-precision repair technology and other Japanese technology will be utilized in the project for the MRT Line 3 rehabilitation.

* STEP refers to special assistance terms for promoting the visibility of Japanese aid through a transfer of outstanding Japanese technology and expertise to developing nations. The main contract is Japan tied and subcontracting is general untied. Although the main contract allows a joint venture with the borrowing country in addition to the Japanese company and its subsidiary with an overseas presence, the Japanese company must be the leading partner in such an arrangement.



signing ceremony

Details for the project are provided below.

1. Terms and Amount of Loan

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
Metro Rail Transit Line 3 Rehabilitation Project	38,101	0.1	0.01	40	12	Japan tied

2. Executing Agency

Department of Transportation
Address: S. Osmeña, Clark Freeport Zone, Angeles, Pampanga, Philippines
Phone: +63-2-790-8400

3. Planned Implementation Schedule

- (1) Completion of project: April 2021 – when the rehabilitated rolling stock and rail systems are returned to service
- (2) Issuing of letters of invitation for consulting services (including construction supervision): November 2018
- (3) Tender announcement of initial procurement package for international competitive bidding on project construction: Under consideration by the executing agency

4. JICA Contact Information

For further information about the procurement schedule, please contact the party listed below.
Contact Point for Transportation Sector, JICA Philippines Office
Address: 40th Floor, Yuchengo Tower, RCBC Plaza, 6819 Ayala Avenue, Makati City, Philippines
Phone: +63-2-889-7119, fax: +63-2-889-6850