

## Signing of Japanese ODA Loan Agreements with the Philippines: Contributing to the alleviation of traffic congestion and flood damage in Metro Manila with Japanese technology

On January 21, the Japan International Cooperation Agency (JICA) signed loan agreements with the Government of the Republic of the Philippines in Manila to provide Japanese ODA loans of up to a total of 205.104 billion yen for two projects. A summary of the two Japanese ODA projects provided by the loan agreements is as follows:

- (1) North-South Commuter Railway Extension Project (I) (loan amount: 167.199 billion yen)
- (2) Pasig-Marikina River Channel Improvement Project (Phase IV) (loan amount: 37.905 billion yen)

Details for the projects are provided below.

### (1) North-South Commuter Railway Extension Project (I)

#### (a) Objective and Summary

The objectives of the project are to strengthen the connectivity of urban transportation and enhance the transportation capacity in and around Metro Manila. To achieve those objectives, the project will extend the North-South Commuter Railway, for which an ODA loan agreement was signed in November 2015, to Clark International Airport in Pampanga Province in the north and to Calamba, Laguna Province, in the south, thereby contributing to expanding the economic sphere of Metro Manila, alleviating traffic congestion, improving the investment environment, and mitigating the effects of air pollution and climate change.

The project will be co-financed by the Asian Development Bank (ADB). The loan funds of the ODA loan will be allocated to procuring rolling stock and a railway system and to providing consulting services, and the ADB loan funds will be allocated to civil works.

The Special Terms for Economic Partnership (STEP)\* will apply to the Japanese ODA loan for the project, and it is expected that advanced Japanese technology, such as signaling systems that are safe and punctual and rolling stock that is lightweight and energy efficient, will be utilized in the project.

#### (b) Executing Agency

Department of Transportation

Address: S. Osmeña, Clark Freeport Zone, Angeles, Pampanga, Philippines

Phone: +63-2-790-8400

#### (c) Planned Implementation Schedule

1. Completion of project: September 2025 – when all facilities are put into service
2. Issuing of letters of invitation for consulting services (including construction supervision): January 2019
3. Tender announcement of initial procurement package for international competitive bidding on project construction:  
Procurement package title: Civil Works Package

Release date: January 2019

#### 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, Yuchengco Tower, RCBC Plaza, 6819 Ayala Avenue, Makati City, Philippines

Phone: +63-2-889-7119

### (2) Pasig-Marikina River Channel Improvement Project (Phase IV)

#### (a) Objective and Summary

The objective of the project is to mitigate flood damage in the core of Metro Manila by implementing river channel improvement works and constructing a control gate and other structures on the Pasig-Marikina River, along with non-structural measures, and thereby contributing to overcoming regional vulnerabilities and stabilizing infrastructure for living and industry.

The Special Terms for Economic Partnership (STEP)\* will apply to the Japanese ODA loan for the project, and it is expected that advanced Japanese technology, such as Hat-type and H-shaped Combined Steel Sheet Piles(SSP) method and Vibro-Hammer Driving with Waterjet Technology, will be utilized in the project for constructing dikes.

#### (b) Executing Agency

Department of Public Works and Highways

Address: Bonifacio Drive, Port Area, Manila

Phone: +63-2-304-3000

#### (c) Planned Implementation Schedule

1. Completion of project: December 2025 – when all facilities are put into service
2. Issuing of letters of invitation for consulting services (including construction supervision): May 2019
3. Tender announcement of initial procurement package for international competitive bidding on project construction:  
Procurement package title: Civil Works Package

Release date: June 2020

#### 4. JICA Contact Information

For further information about the procurement schedule, please contact the party listed below.

(Contact Point for Disaster Risk Reduction Management Section, JICA Philippines Office)

Address: 40th Floor, Yuchengco Tower, RCBC Plaza, 6819 Ayala Avenue, Makati City, Philippines

TEL: +63-2-889-7119



signing ceremony

Project title	Amount (million yen)	Annual interest rate (%)		Repayment period (years)	Grace period (years)	Procurement
		Project	Consulting services			
the North-South Commuter Railway Extension Project (I)	167,199	0.1	0.01	40	12	Japan tied
Pasig-Marikina River Channel Improvement Project (Phase IV)	37,905	0.1	0.01	40	12	Japan tied

\* 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.