

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 536

CREATING THE CEBU RAILWAY PROJECT OFFICE AND THE MINDANAO RAILWAY PROJECT OFFICE IN THE DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS AND FOR OTHER PURPOSES

WHEREAS, one of the 10 points of the agenda of the Arroyo administration is to develop a network of transport infrastructure to connect the entire country;

WHEREAS, another of the 10 points of the agenda of this administration is the creation of 6-10 million jobs between 2004 and 2010 by, among other infrastructures and investments, tourism investments in Central Philippines revolving around Cebu as the hub, business process outsourcing in Cebu, and agri-business investments in Mindanao;

WHEREAS, the state of economic, political and social growth, as well as the development and progress of Cebu, being in the center of tourism and business process outsourcing among others, requires dependable, convenient, economical, adequate, efficient and reliable public mass transportation system to guarantee safe, fast and dependable mobility for the greater mass of our people and the increasing number of tourists;

WHEREAS, there is a need to pursue vigorously the Cebu Light Rail Transport System to effectively solve the traffic situation in Cebu;

WHEREAS, there is a need to pursue vigorously the Mindanao Railway System to boost agri-business in Mindanao and to provide the people of Mindanao faster, cheaper, reliable and convenient means of mass transportation;

WHEREAS, bills have been filed in Congress to create the Cebu Light Rail Transport System and the Mindanao Railways Corporation.

NOW, THEREFORE, I, GLORIA M. ARROYO, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

Section 1. Creation of the Cebu Railway Project Office and the Mindanao Railway Project Office - The Cebu Railway Project Office (CRPO) and the Mindanao Railway Project Office (MRPO) are hereby created under the Department of Transportation and Communications (DOTC) that shall pursue the development and implementation of railway projects in Cebu City and Metro Cebu, and in Mindanao, respectively.



The CRPO shall be established in Cebu City while the MRPO shall be established in Cagayan de Oro City.

Section 2. Functions of the Project Offices - The CRPO and the MRPO shall have the following functions:

1. Review and consolidate all plans relating to the establishment of the Cebu Railways and the Mindanao Railways, respectively;
2. Develop, in coordination with all other agencies concerned, a master plan for the Cebu Railways and the Mindanao Railways, respectively, and for this purpose formulate or cause to be formulated engineering studies;
3. Undertake the implementation of said plans and programs and towards this end, enter into contracts subject to existing laws and regulations for the procurement of equipment, construction of facilities and the installation of the respective systems;
4. Arrange for funding from any source, private or government, foreign or domestic, including Official Development Assistance from bilateral and multilateral agencies, to enable them to carry out their respective objectives subject to applicable laws and regulations;
5. Coordinate with local and foreign consultants in order to avail of their expertise in railway operation;
6. Conduct consultation meetings and public hearings with the stakeholders, i.e. members of the local community, industry, local government units, non-governmental organizations, and people's organizations;
7. Explore the best funding schemes suited for the Cebu Railway System Project and the Mindanao Railway System Project, respectively, that would provide the best budgetary cost on the part of the government such as the Build-Operate-Transfer, Build-Own-Operate, Counter-Trade and other similar arrangements; and
8. Perform such other necessary activities that may help push for the immediate implementation of the respective Projects.

Section 3. Project Directors - To carry out the day-to-day operations of the CRPO and the MRPO, a Project Director shall be appointed by the President for each office. Each director shall have the following powers, duties and responsibilities:

- a) To submit for the DOTC Secretary's consideration policies and measures which are necessary to carry out the purposes and provisions of this order;
- b) To prepare the budget of his/her office respectively, for the approval of the DOTC Secretary;
- c) To execute and administer plans, policies and measures approved by the DOTC Secretary;
- d) To direct or supervise the operations and internal administration of the Project Office and, for this purpose, to delegate some or any of his/her powers and duties to other officers of the Office, subject to the rules and regulations approved by the DOTC;
- e) Subject to the guidelines and policies established by the DOTC Secretary, to appoint all employees of the Project Office, and to dismiss or otherwise



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- discipline for cause, such employees in accordance with the standard guidelines for personnel, subject to the Civil Service Law;
- f) To represent the Project Office in all dealings with other offices, agencies and instrumentalities of the Government and with all persons and entities, public or private;
 - g) To prepare an annual report on the activities of the Project Office on or before the end of the first quarter after the fiscal year completed and to submit a copy thereof to the DOTC Secretary with copies furnished to the President of the Philippines and the Congress of the Philippines; and
 - h) To exercise such other powers and duties that are proper or necessary to carry out the purposes of this Order as may be vested in him/her by the DOTC.

Section 4. Provision of Funds - Funds needed to finance the activities of the CRPO and the MRPO for the initial year shall be provided from the funds of the DOTC, subject to the usual accounting and auditing rules and regulations.

Funding requirements for the operations of the CRPO and the MRPO for the ensuing years shall be included in the succeeding General Appropriations Act.

Section 5. Separability Clause - Any portion or provision of this Executive Order that may be declared unconstitutional shall not have the effect of nullifying other portions or provisions of this Executive Order as long as such remaining portions or provisions can still subsist and be given effect.

Section 6. Repealing Clause - All executive orders, rules or regulations or other issuances or parts thereof that are inconsistent with the provisions of this Executive Order are hereby revoked, repealed and/or modified accordingly.

Section 7. Effectivity - This Executive Order shall take effect fifteen (15) days after its publication in at least one (1) national paper of general circulation.

Done in the City of Manila, this 25th day of May, in the year of Our Lord Two Thousand and Six.

Gloria Arroyo



By the President:

Eduardo R. Ermita

Eduardo R. Ermita
Executive Secretary

