


NINETEENTH CONGRESS OF THE]
REPUBLIC OF THE PHILIPPINES]
First Regular Session]

'22 JUL 25 AIO :48

RECEIVED BY: 

SENATE

S.B. No. 810

Introduced by SEN. WIN GATCHALIAN

AN ACT
TRANSFERRING THE PERMANENT SEAT OF THE NATIONAL
GOVERNMENT TO NEW CLARK CITY, PAMPANGA, CREATING A
TRANSITORY COMMISSION, APPROPRIATING FUNDS THEREFOR, AND
FOR OTHER PURPOSES

EXPLANATORY NOTE

Metro Manila, the declared permanent seat of the Philippine government,¹ has a daytime population of around 15 million² people. It is also the most densely populated region in the Philippines with a population density of 21,765 persons per square kilometer in 2020,³ which is much higher than that of Mumbai, Paris, and Tokyo.⁴

Official figures from the Philippine Statistics Authority (PSA) show the metropolis had 13.48 million⁵ residents as of May 2020, a figure that has been growing 0.97 percent⁶ annually. This means that Metro Manila's population is projected to reach 14.52 million in 2025 using 2015 POPCEN data. Meanwhile, the population in the adjoining provinces of Bulacan, Cavite, Laguna and Rizal in May 2020 had reached 14.76 million – pegging Mega Manila's population at 28.24 million in May 2020 with projections of reaching 29.91 million in 2025. The PSA figures do not even include transients, workers from surrounding provinces and foreign and local tourists. We can

¹ Presidential Decree No. 940, June 24, 1976

² <http://worldpopulationreview.com/world-cities/manila-population/>

³ <https://psa.gov.ph/content/highlights-population-density-philippines-2020-census-population-and-housing-2020-cph>

⁴ Ibid at 2.

⁵ <https://psa.gov.ph/population-and-housing/node/166426>

⁶ This is the average 5-year population growth rate for 2015 to 2020 using 2015 PSA data. Metro Manila's population is projected to grow on the average at 1.41% annually from 2021 to 2025

thus surmise that more than 2 million people have been travelling every day in and out of Metro Manila.

In a study conducted by the Japan International Cooperation Agency (JICA) in 2014, traffic volume in Metro Manila has already exceeded road capacities, thereby reducing travel speed of road users and increasing uncertainty as to distinctions and punctuality in transport operation. It stated that traffic demand is at 12.8 million trips in Metro Manila and 6 million in the adjoining provinces of Bulacan, Rizal, Laguna and Cavite. While 69% of the total trips are done using the public transport, private transport takes up 78% of the road space. Accordingly, traffic congestion has been deterring the function and livability of Metro Manila. The same study also stated that the traffic congestion in the National Capital Region resulted in losses of at least Php 2.4 billion a day and could reach Php 6 billion a day if not solved.⁷ In its Follow-up Survey in 2017, JICA estimated that the Philippines loses Php 3.5 billion daily due to traffic congestion, and it is projected to lose Php 5.4 billion daily to traffic by 2035 if no interventions are made in Metro Manila.⁸

For several years, the government has been trying to ease traffic congestion in Metro Manila by building more roads and bridges and implementing various traffic policies such as the number coding scheme, the restriction against provincial buses and the "driver-only" vehicles along Edsa. However, these efforts are not enough to manage the daily traffic of around 15 million people daily within Metro Manila.

With the increasing day population in the metropolis, we need to move the seat of government to a new place to relieve Metro Manila of its traffic and population congestion problems.

This proposed measure, to be known as *Kabisera 2030*, seeks to transfer the permanent seat of the government from Metro Manila to New Clark City. Moving the permanent seat of government is not something new, and has been done in several countries including the United States, South Korea, Brazil, Kazakhstan, and our neighbor Malaysia, which moved its administrative capital from Kuala Lumpur to the planned city of Putrajaya in 1999.⁹

In the case of the Philippines, the solution lies outside Metro Manila, which is in the New Clark City located in a Clark Special Economic Zone in Capas, Tarlac. It is a carefully master planned community that is strategically located in Central Luzon, patterned after the development of Putrajaya, and said to be the next big metropolis that can attract businessmen, workers and tourists away from Metro Manila. Beyond easing the congestion problems in Metro Manila, the transfer of the seat of government to New Clark City is expected to spread development to other parts of the country, generate jobs for the Filipinos, and help the economy achieve a sustainable growth. Its development was already part of the previous administration's

⁷<https://newsinfo.inquirer.net/970553/jica-traffic-congestion-now-costs-p3-5-billion-a-day-metro-manila-traffic-jica-cost-of-traffic#ixzz5tRp6Y5rj>

⁸ <https://cnnphilippines.com/news/2018/09/19/JICA-study-traffic-5-billion.html>

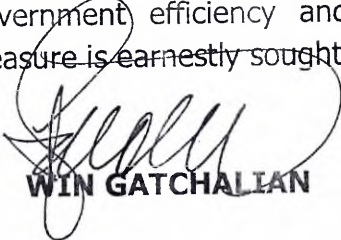
⁹<https://www.abc.net.au/news/2019-05-11/jakarta-indonesia-planning-to-move-its-capital/11090516>

Build-Build-Build program, and was projected to contribute Php 1.57 trillion per year to the country's gross domestic product upon its completion.¹⁰ This 9,450-hectare development has already set aside 1,514 hectares for a National Government Administrative Center that will house government offices and its attached agencies. It will be the country's first smart, disaster-resilient and sustainable city that will have a mixed use of residential, commercial, agro-industrial, educational institutions and information technology developments.

New Clark City is very accessible from Metro Manila through the North Luzon Expressway and the railway projects that are in the pipeline. It is near the new Clark International Airport. Its neighboring cities already has the infrastructure to support the massive migration of people to Pampanga and Tarlac. The construction of access roads inside the city will also provide interconnectivity and better logistics throughout the region, which will be complemented by new toll roads in Metro Manila, the Metro Manila Subway, and other projects planned by the Department of Public Works and Highways and the private sector.¹¹ In fact, there are several government offices, such as the Department of Transportation, Department of Science and Technology, and the Department of Public Works and Highways, that are planning to or has transferred several of its offices to Clark Freeport Zone.¹²

On one hand, with the transfer of the government seat to New Clark City, we have to consider how it will affect the delivery of government services, especially given the travel time and relocation of the government employees of the affected government offices. Based on the Inventory of Government Human Resources by the Civil Service Commission, the total number of government personnel in the Executive branch in the National Capital Region is 445,452 as of August 31, 2021, composed of 333,974 career service professionals, 37,568 non-career personnel and 73,910 personnel with job orders or contracts of service. This bill also seeks to provide the framework to address the transition in the continuous delivery of government services to the public, including the provision of benefits such as subsidized or low-cost housing for families of government employees who will be relocated, free transportation coasters or buses, and such other benefits as may be determined by the Transitory Commission.

It is my fervent hope that by establishing a new administrative center at a new location like New Clark City, the opportunities to have a well-planned urban center with modern facilities and technology to enhance government efficiency and productivity will be boundless. Thus, the passage of this measure is earnestly sought.



WIN GATCHALIAN

¹⁰<https://business.mb.com.ph/2017/08/20/re-launched-new-clark-city-set-to-complete-initial-phase-in-2022/>

¹¹ <https://bcda.gov.ph/clark-infrastructure-pushes-central-luzon-growth-93>


¹² <https://www.bworldonline.com/six-govt-agencies-set-to-move-to-new-clark-city/>

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FOR OTHER PURPOSES

Be it enacted by the Senate and the House of Representatives of the Philippines in Congress assembled:

1 *SECTION 1. Short Title.* — This Act shall be known as the "Kabisera 2030."

2
3 *SEC. 2. Declaration of Policy.* – It is hereby declared the policy of the State to
4 ensure efficient delivery of government services, through continuous development of
5 its infrastructure and innovative improvements in the delivery of its services. Thus, it
6 is imperative for the government to make necessary measures to provide smooth
7 operation of government processes and to ease congestion in its capital.

8 Towards this goal, the permanent seat of the Government of the Republic of
9 the Philippines shall be transferred so that it can spur development in the countryside
10 and deliver efficient and effective government services. Government offices in the
11 National Capital Region shall function independently from the offices transferred to
12 the new permanent seat of the government.

1 *SEC. 3. Objectives.* — The objective of this Act is to transfer the permanent
2 seat of the national government of the Republic of the Philippines to New Clark City
3 in Capas, Tarlac and separating it from the commercial and financial centers in Metro
4 Manila in order to create opportunities for progress and spur development in the
5 countryside, and to reduce migration, congestion and urban blight in Metro Manila.
6

7 *SEC. 4. Transfer of the Permanent Seat of Government.* — The permanent seat
8 of the national government of the Republic of the Philippines shall be transferred by
9 2030 to the New Clark City in Capas, Tarlac, where the National Government
10 Administrative Center shall be built.

11 The National Government Administrative Center shall be the new location of
12 the following offices:

- 13 a) Office of the President;
- 14 b) Office of the Vice-President;
- 15 c) National government agencies; and
- 16 d) Government-owned and controlled corporations.

17 The Office of the President, the Office of the Vice President and all other offices
18 under or attached thereto (Offices), and all central offices of national government
19 agencies (NGAs) and government-owned and controlled corporations (GOCCs) that
20 are located in the National Capital Region (NCR) shall immediately take measures to
21 transfer to the National Government Administrative Center in New Clark City in order
22 to ensure that their central offices will be fully-operational and functioning by 2030.

23 The non-critical functions of the NGAs and GOCCs, such as but not limited to
24 personnel, transportation, accounting, payroll, human resources, among others, shall
25 be prioritized in the transfer. These Offices, NGAs and GOCCs shall ensure that only
26 services catering to front-line public needs shall remain within the NCR in various
27 satellite offices.
28

29 *SEC. 5. Preparations prior to Transfer.* – The national government, through the
30 Transitory Commission, shall immediately take action towards the development and
31 implementation of masterplans, strategies and timetable that will provide the
32 framework towards the development of New Clark City as the new administration

1 center of the Philippine government. It shall be developed as a green smart city
2 equipped with the highest standard of modern technology and environment-friendly
3 facilities using energy-efficient and green infrastructure solutions, fortified with digital
4 information and communications technology infrastructure, and designed with
5 effective and efficient transportation systems.

6
7 *SEC. 6. Provision of Integrated E-Government Services.* - In anticipation of the
8 transfer to New Clark City and to improve effectiveness and efficiency in delivering
9 government services, the Transitory Commission shall include in its masterplan,
10 strategies and timetable the establishment, development and provision of integrated
11 E-Government Services.

12 All affected Offices, NGAs and GOCCs shall immediately take measures to set-
13 up electronic and online systems to facilitate the delivery of government services that
14 are acceptable to the public and are using web-based software developed by the DICT,
15 and adopt innovative ways in improving government services with the aim of fully-
16 providing integrated E-Government services to the public by 2025. These affected
17 Offices, NGAs and GOCCs shall develop their action plans aligned with the masterplan
18 and timetable developed by the Transitory Commission.

19
20 *SEC. 7. Benefits Available to Government Employees upon Transfer.*
21 Government employees who shall be affected by the transfer and who will continue
22 their government service with the main office in New Clark City shall be accorded the
23 following benefits by their respective offices:

- 24 a) Subsidized or low-cost and/or long-term payment options for housing of
25 families of government employees relocated in New Clark City and
26 neighboring cities;
27 b) Free transportation coasters/buses to New Clark City from a local pick-up
28 point in the National Capital Region; and
29 c) Such other benefits as may be determined by the Transitory Commission.

30 All regular or permanent employees who shall be affected by this Act shall not
31 suffer any loss of seniority or rank or decrease in emoluments.

1 *SEC. 8. Options Available to Government Employees.* Government employees
2 who shall be affected and will not transfer to the main office in New Clark City shall
3 be given the following options as may be applicable:

- 4 a) Transfer to attached agencies and offices of their respective agencies within
5 the NCR;
- 6 b) Special voluntary severance package other than that provided in Republic
7 Act No. 6683, otherwise known as "An Act Providing Benefits for Early
8 Retirement and Voluntary Separation from Government Service"; and
- 9 c) Exemption for certain pension requirements, amending for this purpose
10 Section 11 (1) of Presidential Decree No. 1146, otherwise known as the
11 "Revised Government Service Insurance Act of 1977", as amended, for the
12 early separation of government employees because of the transfer as
13 directed under this Act; and
- 14 d) Free retraining and reskilling programs conducted and developed by the
15 Technical Education and Skills Development Authority or the Development
16 Academy of the Philippines while awaiting employment in the NCR office of
17 other government agencies.

18

19 *SEC. 9. Creation of a Transitory Commission.* - A Transitory Commission,
20 chaired by the President of the Philippines and composed of six (6) members
21 representing the Civil Service Commission, Department of Budget and Management,
22 Department of Transportation, Department of Information and Communications
23 Technology, National Housing Authority, and the Bases Conversion and Development
24 Authority, shall be established upon effectivity of this Act.

25 The Transitory Commission shall have the following powers and functions:

- 26 a) Lead and organize the preparation, development and implementation of
27 masterplans, strategies, processes and timetable that will provide the
28 framework towards the development of New Clark City as the new
29 administrative center of the Philippine government;
- 30 b) Facilitate and oversee the establishment, development and provision of
31 integrated E-Government Services to the public aligned with the masterplan,
32 strategies and timetable for the transfer to New Clark City;

- 1 c) Serve as oversight committee for transferring and transitioning Offices,
2 NGAs and GOCCs;
- 3 d) Determine capabilities of Offices, NGAs and GOCCs to transfer to New Clark
4 City and prescribe measures to continue or dismiss such transfer;
- 5 e) Develop and approve necessary transfer and transition requirements and
6 conditions of government agencies and corporations, including possible
7 modes of transfer, safety measures, and labor standards;
- 8 f) Determine the amount necessary to implement the transfer to New Clark
9 City and recommend the same to the President for incorporation in the
10 proposed budget of the proper government agencies;
- 11 g) Oversee the immediate implementation of the provisions of this Act;
- 12 h) Perform functions mentioned in other provisions of this Act;
- 13 i) Perform such other functions as may be necessary or implied from this Act.

14 The Transitory Commission shall immediately convene upon approval of this
15 Act and shall cease to exist upon completion and full implementation of the objectives
16 of this Act, which shall not exceed twelve (12) years unless further extended by
17 Congress.

18

19 *SEC. 10. Appropriations.* — For its first year, the amount of Fifty Million Pesos
20 (Php50,000,000.00) shall be initially appropriated for the use of the Transitory
21 Commission to implement the provisions of this Act. For the succeeding fiscal years
22 until its cessation, the Transitory Commission shall include the amounts necessary for
23 its operations and the implementation of this Act in the annual General Appropriations
24 Act (GAA).

25 The Office of the President, the Office of the Vice President and the NGAs shall
26 incorporate the amount necessary in the implementation of this Act in the annual
27 GAA. The GOCCs shall source the amount necessary for the implementation of this
28 Act from their respective corporate funds in the corporate operation budgets approved
29 by the Department of Budget and Management.

1 *SEC. 11. Transitory Provisions.* — Upon the transfer of the permanent seat of
2 Government to New Clark City in Capas, Tarlac by 2030, the following shall be in
3 effect:

- 4 a) Manila shall remain to be the capital of the Philippines and the area
5 prescribed as Metro Manila under Presidential Decree No. 824 shall continue
6 to be the country's commercial and financial center;
- 7 b) The offices previously occupied by the government agencies in Metro
8 Manila shall be converted into their NCR Regional Offices, as much as
9 practicable;
- 10 c) The official residence of the President shall remain in the Malacañang
11 Palace;
- 12 d) Buildings, offices, and infrastructures to be vacated as a result of the
13 relocation which have historical significance shall be transferred, managed
14 and maintained by the National Historical Commission; and
- 15 e) All government agencies and offices shall assist and support the immediate
16 and orderly implementation of this Act.

17
18 *SEC. 12. Implementing Rules and Regulations.* — Within ninety (90) days from
19 the effectivity of this Act, the Commission, in consultation with appropriate
20 government agencies and other stakeholders, shall promulgate the necessary rules
21 and regulations to implement this Act.

22
23 *SEC. 13. Separability Clause.* — If any provision of this Act is declared invalid
24 or unconstitutional, the remaining parts or provisions not affected shall remain valid.

25
26 *SEC. 14. Repealing Clause.* — All acts, executive orders, administrative orders,
27 proclamations, rules and regulations or parts thereof inconsistent with any of the
28 provisions of this Act are hereby repealed or modified accordingly.

1 *SEC. 15. Effectivity.* — This Act shall take effect fifteen (15) days after its
2 publication in the Official Gazette or in two (2) newspapers of general circulation.

Approved,