

HOUSE OF REPRESENTATIVES

Quezon City

14<sup>th</sup> Congress

First Regular Session

House Resolution No. 266

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**Introduced by Hon. Lorenzo R. Tañada III**

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**RESOLUTION**

**DIRECTING THE COMMITTEE ON OVERSIGHT TO CONDUCT AN INQUIRY,  
IN AID OF LEGISLATION, ON THE ALLEGED OVERPRICING OF THE SUBIC-  
CLARK TOLL PROJECT TO BE UNDERTAKEN BY THE BASES CONVERSION  
DEVELOPMENT AUTHORITY**

**Whereas**, the completion of the Subic-Clark Tarlac Expressway Extension is underway and is expected to augment the road capacity of the north-south transportation trunk line in the Northwestern Luzon area, cutting travel time that will enhance productivity and efficiency in agriculture, tourism and commercial transactions;

**Whereas**, the immediate completion of this road network will support the dealings from Northern Luzon to the National Capital Region and pave the way to intensive global competitiveness of the host regions;

**Whereas**, the Bases Conversion Development Authority (BCDA) has approved the amount of P8 billion pesos for the 41-kilometer Subic-Clark Toll Project based on figures submitted by three Japanese consultants - Pacific Consultants, Inc., Nippon Koei and Katahira;

**Whereas**, the lowest bid for the same at P13 billion from Hasama Construction Company of Japan and based on this, it would cost approximately P310 million for every kilometer of this 41-kilometer stretch while the average road construction cost is only P35 million to P50 million per kilometer for a two-lane road and P70 million to P100 million for a four-lane road;

**Whereas**, the amount of P18.7 billion approved by the National Economic Development Authority (NEDA) in 2000 increased by 36% in project cost due to the late bidding which was conducted three (3) years after the approval of the NEDA's Investment Coordinating Council which resulted to adjustments in the total cost of the highway project amounting to P21 billion;

**Whereas**, the P13 billion cost of the Subic-Clark Toll Project is more than one-half of the P21 billion loan facility that is expected to cover the cost of the entire 94.5-kilometer expressway which leaves a mere P8 billion to construct the remaining 53.5 kilometers of the Subic-Clark-Tarlac Expressway;

**Whereas**, this highly irregular and anomalous transaction, very similar to the two-lane Diosdado Macapagal Avenue which cost P75 million per kilometer should be looked into as it is grossly disadvantageous to the Philippine government;

**Whereas**, it has been reported that a new loan has been secured to further finance this project when the original loan was supposed to fully fund the project;

**NOW BE IT RESOLVED AS IT IS HEREBY RESOLVED**, that the House of Representatives direct the Committee on Oversight to conduct an inquiry, in aid of legislation, on the highly questionable and alleged overpricing of the Subic-Clark-Tarlac Expressway Extension Project to be undertaken by the Bases Conversion Development Authority.

Adopted.

**LORENZO R. TAÑADA III**  
Representative  
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