- Regional planning

New Clark City will be PH's next metropolis — DOF

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Finance Secretary Carlos G. Dominguez III said the fasttracked development of the New Clark City in Pampanga is meant to transform it into the country's next big metropolis and decongest Metro Manila's highly populated urban centers.

Dominguez said New Clark City is envisioned to be a hub of agro-industrial activities, home to cutting-edge technology and logistics companies, and host to well-equipped backup government centers and world-class sports facilities.

"It captures what the 'Build, Build, Build' program aspires to achieve: A coherent national logistics circuit that will support our country's rapid and inclusive development," said Dominguez in his opening remarks at the recent Philippine Economic Briefing.

In welcoming the participants at the briefing, Dominguez described the New Clark City as the "showcase of the Duterte administration's economic strategy."

Alongside the development of New Clark City is the construction of railways going to Subic and to Manila and the expansion of the Clark International Airport.

Once completed, Dominguez said the new terminal building could accommodate a projected eight million passengers per year to help relieve the congestion at the Ninoy Aquino International Airport in Manila.

The expansion project for the Clark airport broke ground last December.

"This, truly, is where the future begins. We envision this as the hub of agro-industrial activities as well as the home for cutting-edge technology companies. Clark, in the near future, will be the growth driver for Luzon," Dominguez said.

President Duterte's economic strategy, Dominguez said, aims to grow the economy by 7.0 percent or better into the medium term by embarking on an ambitious infrastructure program consisting of 75 flagship projects.

Of the total projects, 23 have completed the approvals process and ready to begin implementation.

He said this aggressive "Build, Build, Build" program would not be possible without the fiscal space created by many years of disciplined management of the government's revenues and expenditures and the implementation of the Tax Reform for Acceleration and Inclusion (TRAIN) law.

Under the TRAIN, 70 percent of all incremental revenues will be used to fund the infrastructure program, while 30 percent will be used to expand social services and harness the country's human resources through education, health and skills-training programs.

"The infrastructure projects, with their high multiplier effects on the economy, will attract investments and create jobs," Dominguez said.

"The infrastructure program will stimulate rapid economic growth. By 2022, we expect to dramatically bring down poverty incidence in our economy from 21.6 percent to only 14 percent as we transform our economic development to make it more inclusive," he added.

Dominguez said the expanded inflow of official development assistance (ODA) from the Philippines' allies in the region and strong financing support from multilateral institutions allowed the government to veer away from the traditional Public-Private Partnership (PPP).

"These hybrid forms of project financing will, in turn, enable us to undertake the projects quickly and reap their economic benefits early," Dominguez said.

Under the "hybrid" PPP, the government is the one building the infrastructure projects and then, upon completion, bids out the operation and maintenance (O&M) of these facilities to the private sector. As a result, projects are bound to be finished faster and cheaper.