

[EXECUTIVE ORDER NO. 232, August 19, 2003]

**DIRECTING THE SECRETARY OF THE DEPARTMENT OF
TRANSPORTATION AND COMMUNICATIONS [DOTC] TO
EXERCISE PRIMARY OVERSIGHT FUNCTIONS OVER THE NORTH
RAIL PROJECT, TRANSFERRING THE NORTH LUZON RAILWAYS
CORPORATION [NORTHRAIL] FROM THE OFFICE OF THE
PRESIDENT TO THE DOTC, AND REORGANIZING THE
RESPECTIVE GOVERNING BOARDS OF NORTHRAIL AND THE
PHILIPPINE NATIONAL RAILWAYS [PNR]**

WHEREAS, the North Rail Project was established to provide a mass transport railway system that would interconnect the former baselands from Metro Manila (Fort Bonifacio) to Central ((Mark and Subic) and Northern Luzon (Poro Point);

WHEREAS, NORTHRAIL was incorporated and registered with the Securities and Exchange Commission as a wholly-owned subsidiary of the Bases Conversion Development Authority (BCDA) with the primary purpose to develop, construct, operate and manage a railroad system to serve Metro Manila, Central and Northern Luzon;

WHEREAS, to ensure the accomplishment of the objective of the North Rail Project, there is a need to establish clear lines of authority and accountability by directing a specific cabinet official to exercise "primary oversight functions over the same;

WHEREAS, the DOTC is the primary policy, planning, programming, coordinating, implementing, regulating and administrative entity in the Executive Branch in the promotion, development and regulation of dependable and coordinated networks of. transportation and communications system, as well as in the fast, safe, efficient and reliable postal, transportation and communications services;

WHEREAS, in order for the DOTC to effectively oversee and monitor the implementation of the North Rail Project, there is a need to transfer administrative supervision over NORTHRAIL from the Office of the President to the DOTC and to reorganize the respective Governing Boards of NORTHRAIL and the PNR to include the DOTC Secretary as *ex-officio* Co-Chairman thereof;

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

SECTION 1. *Primary Oversight Functions.* - The DOTC Secretary is hereby directed to exercise primary oversight functions over the North Rail Project to oversee and monitor the effective and efficient implementation thereof.

SECTION 2. *Transfer of NORTHRAIL.* - NORTHRAIL is hereby transferred from the Office of the President to the DOTC, which shall exercise administrative