

New Case	Description										
<h2 style="margin: 0;">The South Luzon Railways Project (South-Rail)</h2>	<p>Last July of 2006, the National Economic and Development Authority and China's Ministry of Commerce signed a memorandum of understanding for the rehabilitation of the 542-km Southrail. Under the agreement, both sides would create a Philippine-China Economic Joint Working Group to track and review the project's performance.</p> <p>The Philippine National Railways (PNR) states that the total project, which is estimated to cost \$932 million, is broken down into two phases. Phase 1 is estimated to cost \$627.811 million and consist of the rehabilitation and reconstruction of the existing railway line from Calamba in Laguna to Legazpi City in Albay, or about 423 kilometers. Phase 2, estimated at \$304.226 million, consists of the construction of a new railway extension line from Comun, Camalig in Albay to Matnog in Sorsogon or about 135 kilometers.</p>										
<h3 style="margin: 0;">Loan Information (using US\$1=PhP41)</h3>											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Creditor</td> <td>Chinese Export-Import (EXIM) Bank</td> </tr> <tr> <td>Loan Amount</td> <td>US\$ 885,400,000.00 PhP 36,300,000,000.00</td> </tr> <tr> <td>Interest Rate</td> <td><i><to be researched></i></td> </tr> <tr> <td>Years of Repayment</td> <td><i><to be researched></i></td> </tr> <tr> <td>Specified Contractor</td> <td>China National Technical Import and Export Corporation</td> </tr> </table>	Creditor	Chinese Export-Import (EXIM) Bank	Loan Amount	US\$ 885,400,000.00 PhP 36,300,000,000.00	Interest Rate	<i><to be researched></i>	Years of Repayment	<i><to be researched></i>	Specified Contractor	China National Technical Import and Export Corporation	<h3 style="margin: 0;">Why is it Illegitimate?</h3>
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	<p><u>Displacing Families</u> - The Southrail project displaced about 7,000 families currently living along the railroad tracks in Barangays Buli, Sucat, Cupang and Alabang, Muntinlupa to give way for the laying of the tracks.</p> <p><u>Overpricing</u> - Rodolfo Noel "Jun" I. Lozada, Jr. mentioned during the Senate investigation of the National Broadband Network (NBN) contract that the Southrail project was overpriced by as much as \$70 million.</p> <p>Senate President Manuel Villar stated that the Senate will schedule another inquiry on the matter. Administration ally Senator Joker vowed to derail the investigation on the Southrail project.</p>										



FREEDOM FROM DEBT COALITION

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