

A commercial airplane is shown in flight, viewed from a low angle, flying through a sky filled with soft, white clouds. The lighting suggests either dawn or dusk, with a warm, golden glow. The airplane's landing gear is visible, and it appears to be on a descent or approach. The overall mood is serene and professional.

# Modernizing and Strengthening Aviation Institutions

## Overview of Reform Initiatives

# Philippine Aviation: Key Figures 2019



Network of Airports

**85**



Real Gross Value-Added in 2019

**PHP 119 B**



Contribution to Merchandise Trade Value

**34%**



## Aviation Supports the Tourism Industry

### Tourism Revenues (PHP Billions)



CAGR (2016-19)

**Tourism's share to PH GDP: 12.7%**



Contributions to National Output

**0.61%**

Direct share to PH GDP  
(source: PSA)

**3.4%**

Total share to GDP  
(Source: IATA)



Passenger Traffic

**60**

Million scheduled passengers  
(domestic and international)



International Tourist Arrivals

**8.3** Million tourists

**96%** Arrivals By Air

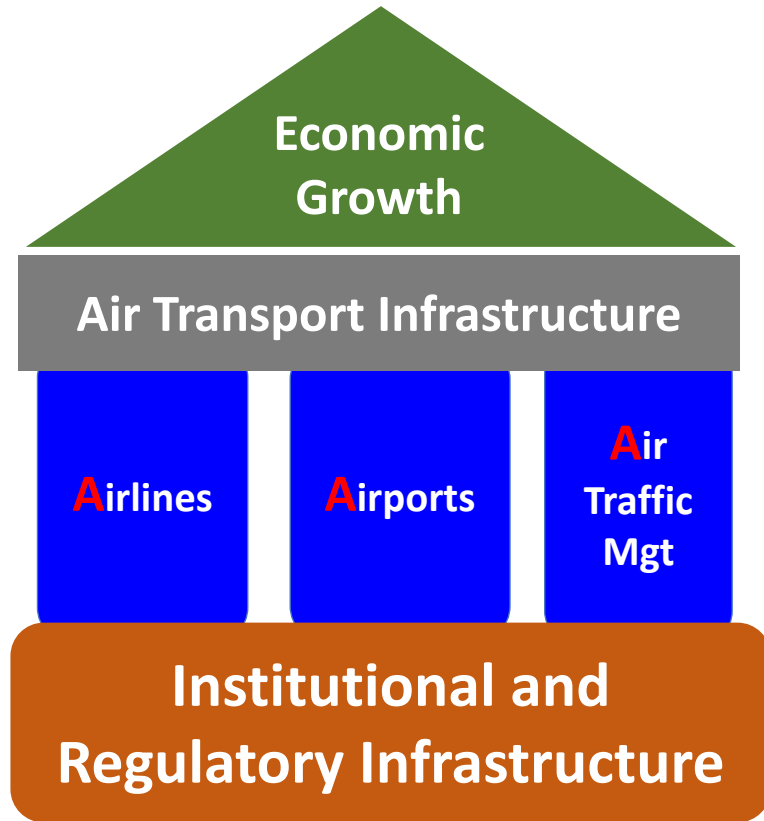


Employment

**1.2** Million in aviation

**5.7** Million in tourism

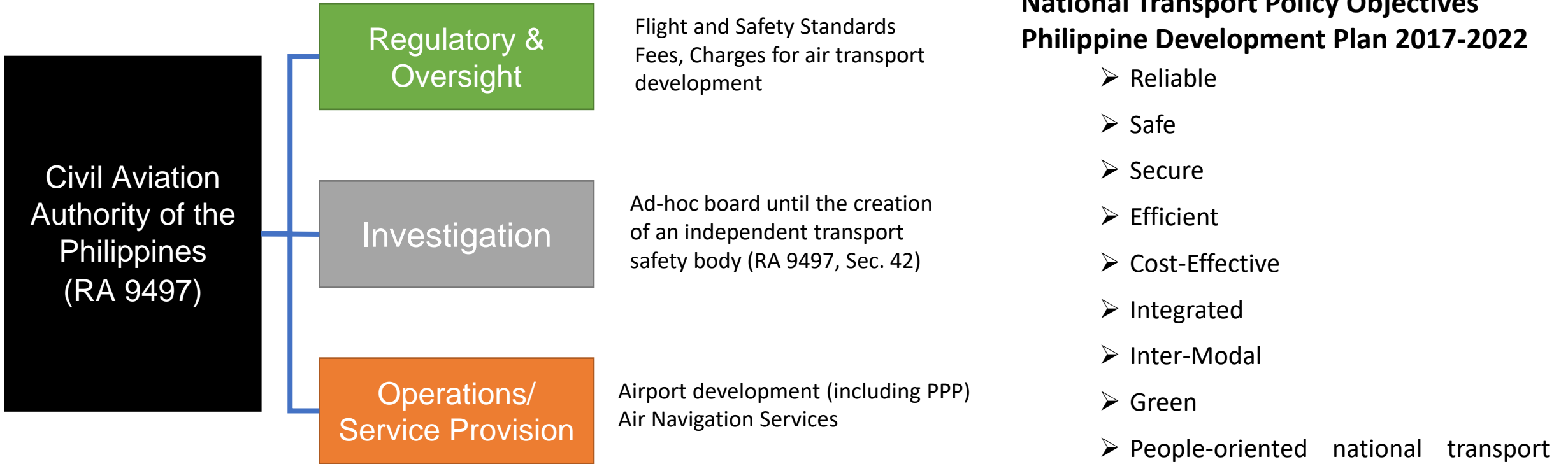
# Institutions and Growth



## Role of Aviation Authorities

- Non-economic regulatory oversight (safety)
  - *certify the safety of aerodromes*
  - *Issues licenses and regulates air operators, aircraft, pilots, air traffic controllers*
- Ensure that service providers and operators comply with regulations and pursue high safety and security levels/standards.
- Oversight functions include the ability to impose appropriate sanctions in respect of non-compliance with mandatory requirements by aerodrome operators (ICAO, Aerodrome Best Practice, 2011).

# CAAP and National Objectives



*Key Challenges:*

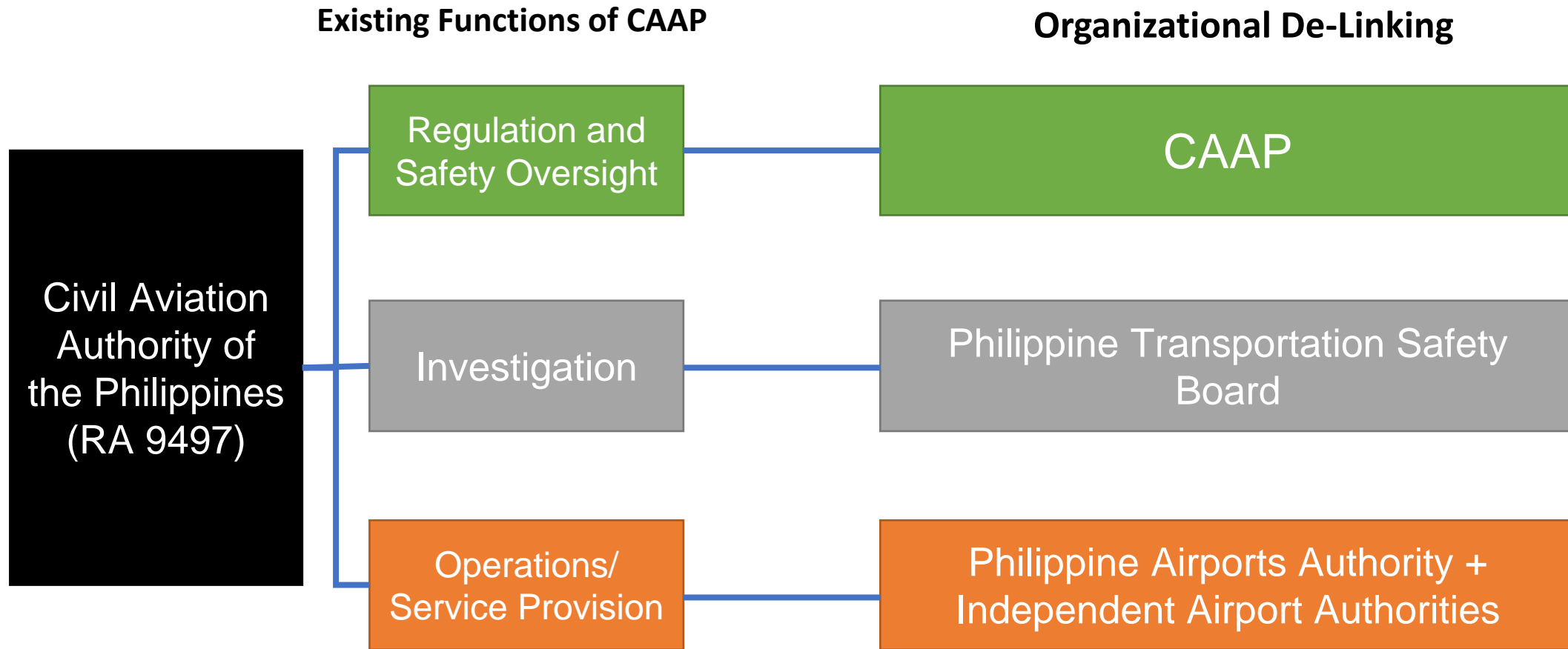
1. Conflicts of interest
2. Weak link between airport planning, budgeting, and implementation\*
3. Under recovery scenarios, such model may not allow for an adequate adaptation to users' expectations and demands



**Provide linkages where there should be convergence; *de-couple* where there should be independence**

\*Source: ADB Transport Sector Assessment (2012)

# Scope of Reforms



There is no single – one-size-fits-all approach to achieving reforms.

Experiences differ depending on record and history of strong institutions in a country.

# Philippine Transportation Safety Board



# Status of PTSB

Version	Bill filed in the 18 <sup>th</sup> Congress	Status
House of Representatives	<ul style="list-style-type: none"><li>• HB 9030 under CR No. 876 Principal Author: Rep. Sarmiento</li></ul>	The House Committee Report has already been filed and pending on Second Reading
Senate	<ul style="list-style-type: none"><li>• SB 1077 Principal Author: Sen. Poe</li></ul>	Approved on third and final reading

- The bill seeks to create a Philippine Transportation Safety Board, an **independent and non-regulatory agency** under the Office of the President, to be the primary agency responsible for the conduct of impartial investigation on transportation-related accidents and incidents.

## What is the Philippine Transportation Safety Board?

- **Non-regulatory** and **autonomous** agency under the Office of the President
- **Primary** agency to **investigate** transportation-related accidents and incidents on **land, air** and **sea**
- The PTSB can issue **recommendations** that will improve transportation safety

## Main Objectives of the PTSB

- **Improve** transportation safety measures
  - **Prevent** transportation accidents
  - **Mitigate** dangers to human lives and property
- **Ensure implementation** of transportation safety standards





# CAAP Law Amendments

# Status of CAAP Law Amendments

Version	Bill filed in the 18 <sup>th</sup> Congress	Status
House of Representatives	<ul style="list-style-type: none"><li>HB No. 8700 Principal Author: Rep. Sarmiento</li></ul>	Approved by Transportation Committee
Senate	<ul style="list-style-type: none"><li>No counterpart bill</li></ul>	

House Bill No. 8700 seeks to grant CAAP with sufficient power and authority to resolve any deficiencies in the industry.

Reforming CAAP is critical to strengthen and modernize our air transport system towards an improved, safe, secure, and efficient air travel and tourism post COVID-19 and recover eventually the jobs in aviation and broadly travel and tourism.

# CAAP Law Amendments

**House Bill 8700** seeks to:

- **Strengthen the CAAP** as the agency in charge of safety by addressing human resource development, strengthening the CAAP board and increasing the country's compliance with international standards of safety and security;
- **Separate conflicting functions of CAAP** as a regulator, operator, and investigator

Philippine Airports Authority

# Status of PAA

Version	Bill filed in the 18 <sup>th</sup> Congress	Status
House of Representatives	<ul style="list-style-type: none"><li>• HB No. 7976 Principal Author: Rep. Olivarez</li></ul>	Approved by the Joint House Government Enterprises and Transportation Committees
Senate	<ul style="list-style-type: none"><li>• SB No. 1490 Principal Author: Sen. Poe</li></ul>	Awaiting a hearing

# Philippine Airports Authority (PAA)

## House Bill 7976

PAA shall perform the following functions:

- Undertake all manner for business and development projects for the establishment of a reliable and more efficient airport industry, especially for the **construction, maintenance, and operation of airports** all over the country.
- Ensure an integrated manner of **operating international and domestic airport terminals** in the country, and to avoid conflicting policies and programs on airport maintenance, operation and development, as well as flight operations.