

May 12, 2021

**CONGRESS SHOULD APPROVE THE CAAP LAW AMENDMENTS BILL
BUSINESS COMMENDS HOUSE COMMITTEE APPROVAL
REQUESTS SENATE TO FOLLOW SUIT**



**AMCHAM
PHILIPPINES**

AMERICAN

The Joint Foreign Chambers (JFC) and Philippine business groups (PBG) laud the approval in March by the House Committee on Transportation of House Bill 8700 amending the Civil Aviation Authority Act of the Philippines (CAAP). The House Committee on Transportation, is chaired by Rep. Edgar Mary Sarmiento (Samar, 1st District).



**ANZCHAM
PHILIPPINES**

AUSTRALIAN-NEW
ZEALAND

The business groups also recommended that the Senate file a counterpart measure and initiate hearings on the reform with a view to approving it by the end of 2021.

HB 8700 seeks to strengthen CAAP as the agency in charge of safety. It will enable CAAP to focus on its role as regulator and overseer of safety by removing its conflicting and multiple functions as operator and investigator.



CANADIAN

In a recent letter to the House, the groups expressed that they have long advocated for reforms embodied in HB 8700.



EUROPEAN

A 2017 policy brief published by the JFC and PBG observed that CAAP's conflicting responsibilities as a regulator, operator, and investigator as provided in Republic Act No. 9497 "made the agency weak as a regulator and ineffective as an operator of airports."



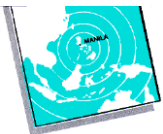
JAPANESE

The same document recommended (a) strengthening CAAP as the agency in charge of safety through amendment of the CAAP law to address human resource development, strengthen its board of directors, and increase compliance of the Philippines with international standards of safety and security; (b) separating conflicting functions of CAAP as a regulator, operator, and investigator; and; (c) setting a clear framework for the regulation of privatized airports.



KOREAN

The business groups believe HB 8700 addresses remaining critical elements in the supervision and management of the Philippine aviation sector and provides CAAP with sufficient power and authority to resolve deficiencies in the sector. Additionally, amendments to RA 9497 will sustain efforts initiated by CAAP in upgrading the status of Philippine aviation so that it may gain the trust of international bodies monitoring and accrediting aviation quality throughout the world.



PAMURI

The grave impact of COVID-19 on the Philippine aviation industry is one of many challenges requiring a highly competent CAAP more focused on a streamlined mandate in order to assist the industry to recover when the pandemic ends, according to the business groups.



The CAAP bill amendments is one of the priority measures recommended by the business groups to recover from the negative GDP brought by the pandemic. House Speaker Allan Velasco is supporting passage of such reforms that improve the country's business and investment climate.

Other industry associations including the Safe Travel Alliance (STA), Air Carriers Association of the Philippines, and the International Air Transport Association also have manifested support and recommended amendments in the bill.

According to STA Convenor Ms. Maria Cherry Lyn Rodolfo, HB 8700 seeks to "modernize our air transport system towards an improved, safe, secure, and efficient air travel and tourism post COVID-19 and to support the recovery of almost 6 million jobs in the Philippine tourism industry.

Approved by:

American Chamber of Commerce of the Philippines
Australian-New Zealand Commerce of the Philippines
Canadian Chamber of Commerce of the Philippines
European Chamber of Commerce of the Philippines
Japanese Chamber of Commerce & Industry of the Philippines
Korean Chamber of Commerce of the Philippines
Philippine Association of Multinational Companies Regional Headquarters, Inc.
Semiconductor and Electronics Industries in the Philippines, Inc.



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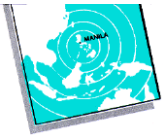
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