

MALACAÑAN PALACE  
MANILA

BY THE PRESIDENT OF THE PHILIPPINES

EXECUTIVE ORDER NO. 29

**AUTHORIZING THE CIVIL AERONAUTICS BOARD AND THE PHILIPPINE AIR PANELS TO PURSUE MORE AGGRESSIVELY THE INTERNATIONAL CIVIL AVIATION LIBERALIZATION POLICY**

**WHEREAS**, Executive Order No. 219 dated 03 January 1995 established a liberalized domestic and international civil aviation policy to encourage the entry into the Philippines of more domestic and international players providing air services;

**WHEREAS**, Executive Order No. 500 dated 27 January 2006, as amended by Executive Order No. 500-A, dated 22 August 2006, provided for the grant of unlimited third and fourth freedom rights to foreign air carriers operating in the Diosdado Macapagal International Airport (DMIA) and the Subic Bay International Airport (SBIA), subject to evaluation by the Civil Aeronautics Board (CAB), taking into consideration its impact on the Philippine carriers and the domestic civil aviation industry;

**WHEREAS**, to boost the country's competitiveness as a tourism destination and investment location, there is a need for the country to pursue more aggressively a liberalization policy in international aviation through the grant of third, fourth and fifth freedom rights and unrestricted capacities and frequencies to foreign air carriers, among others;

**WHEREAS**, under Section 10 of Republic Act No. 776 as amended by Presidential Decree No. 1462 and Executive Order No. 217, the CAB is vested with the power to regulate the economic aspect of air transportation in the Philippines, and to issue, deny, amend, revise, alter, modify, cancel, suspend or revoke, in whole or in part, any permit to engage in air commerce in the Philippines, except that in the case of foreign air carriers, the permit shall be subject to restrictions provided therein and issued only with the approval of the President of the Philippines.

**NOW, THEREFORE, I, BENIGNO S. AQUINO III**, President of the Philippines, by virtue of the powers vested in me by law, do hereby order:

**Section 1.** In the negotiation of Air Services Agreements (ASAs), the Philippine Air Negotiating Panel and/or the Philippine Air Consultation Panel (collectively, the "Philippine Air Panels") created under Executive Order No. 28 dated March 14, 2011, shall be guided by the following:



- a. The need to promote domestic tourism by providing travelers more and varied choices of access to the Philippines through improved and increased aviation services;
- b. The need to promote investment, trade, and employment generation in the Philippines through aviation;
- c. The need to spur competition in the Philippines aviation industry by enticing the entry of more players therein for the greater benefit of travelers; and,
- d. The need to enhance the competitiveness of Philippine domestic carriers.

**Section 2.** In the negotiation of the ASAs, the Philippine Air Panels may offer and promote third, fourth, and fifth freedom rights to the country's airports other than the Ninoy Aquino International Airport (NAIA) without restriction as to frequency, capacity and type of aircraft, and other arrangements that will serve the national interest as may be determined by the CAB.

**Section 3.** Notwithstanding the provisions of the relevant ASAs, the CAB may grant any foreign air carriers increases in frequencies and/or capacities in the country's airports other than the NAIA, subject to the conditions required by existing laws, rules and regulations. All grants of frequencies and/or capacities which shall be subject to the approval of the President shall operate as a waiver by the Philippines of the restrictions on frequencies and capacities under the relevant ASAs.

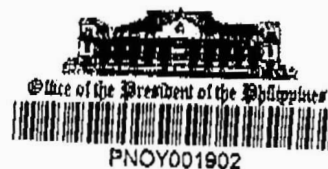
**Section 4.** The CAB may impose a period or other conditions on the avallment or utilization by foreign air carriers of such additional frequencies and/or capacities and may revoke the waiver granted to them if they fail to comply with said conditions.

**Section 5.** In no case shall the CAB grant to any foreign air carrier Cabotage traffic rights of any kind, i.e., the right to transport passengers and goods between two or more points within the Philippines.

**Section 6.** The provisions of Executive Order No. 219, dated 03 January 1995, Executive Order No. 500, dated 27 January 2006, Executive Order No. 500-A, dated 22 August 2006, and all other executive, department, and agency issuances, are deemed amended or revoked insofar as they are inconsistent with this Order.

**Section 7.** The CAB is hereby directed to draft the appropriate guidelines implementing the provisions of this Executive Order within thirty (30) days after the effectivity hereof.

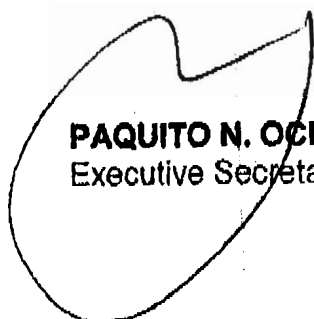
**Section 8.** The Executive Order shall take effect fifteen (15) days after its publication in a newspaper of general circulation.



**DONE** in the City of Manila, this 14<sup>th</sup> day of March, in the year of our Lord Two Thousand and Eleven.

Handwritten signature and official seal of the President of the Philippines.

By the President:

Handwritten signature of Paquito N. Ochoa, Jr.

**PAQUITO N. OCHOA, JR.**  
Executive Secretary

