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January 13, 2021

HON. ARTHUR P. TUGADE Secretary Department of Transportation

HON. EDDIE V. MONREAL General Manager Manila International Airport Authority

Dear Secretary Tugade and GM Monreal:

The MANAGEMENT ASSOCIATION OF THE PHILIPPINES (MAP) as well as the FINANCIAL EXECUTIVES INSTITUTE OF THE PHILIPPINES (FINEX), the FOUNDATION FOR ECONOMIC FREEDOM (FEF), the MAKATI BUSINESS CLUB (MBC) and the SUBDIVISION AND HOUSING DEVELOPERS ASSOCIATION (SHDA) are cognizant of the vital role of the Ninoy Aquino International Airport (NAIA) in the economy of our country and international travel. Prior to the pandemic and opening of the new Mactan airport terminal, NAIA accounted for over eighty percent (80%) of international travel.

Unfortunately, the capacity and efficiency of NAIA have steadily fallen far short of demand and international standards, much to the detriment of air travelers and commerce. The first impression visitors to any country form of that country is through their observations about and experience at the gateway airport. Sadly, in the case of NAIA, these have not been pleasant. The same is true for Filipino air travelers, including the legions of overseas workers, who are entitled to a well-functioning international airport.

The trend worldwide is for the improvement and expansion of city airports because of the many unique benefits they offer. Large metropolitan areas abroad are served by multiple airports located in and out of their cities. Shanghai has HongXiao city airport in addition to Pudong International airport. Tokyo decided against closing Haneda and is even improving it, whilst operating Narita. Seoul is maintaining Gimpo in addition to Incheon.

NAIA is a valuable state aviation asset operating viably, compliant with international flight safety regulations and supported by road infrastructure that will be augmented by the Mega Manila Subway. It may be improved to serve up to 65 million passengers per annum, or 100% over its design capacity, according to studies submitted by two separate proponents.

We are hopeful that this period of low travel demand owing to the pandemic will not last long. In a few years, the situation will normalize, exert great pressure on NAIA's throughput capacity and it will, once again, be found sorely lacking. It is important that the present situation be seen as an opportunity to quickly undertake the necessary upgrading works. A private sector concessionaire, once granted the mandate, can more quickly mobilize the resources for this purpose.

We urge the government to cause the expeditious upgrading and expansion of NAIA up to the optimum level and international standards with landside and airside features and facilities comparable to the best in the region.

It is essential that the process in awarding the concession be seen as undertaken in a transparent and fair manner, in accordance with established procedures and the law.

Sincerely,

EDUARDO H. YAP

Chair, MAP Transportation and Infrastructure Committee

RIŹALIŃA G. MANTARING Co-Chair, MAP National Issues Committee

cc: Mr. AURELIO R. MONTINOLA III, President, MAP Atty. FRANCISCO ED. LIM, President, FINEX Mr. CALIXTO V. CHIKIAMCO, President, FEF Mr. EDGAR O. CHUA, Chair, MBC Mr. JEFFREY NG, Chair, SHDA