



Press Statement

1 April 2011

**MBC STATEMENT ON THE SIGNING OF EO 29
LIBERALIZING THE PHILIPPINE AVIATION INDUSTRY**

The Makati Business Club commends President Benigno S. Aquino III, and his entire economic team, for issuing Executive Order 29 that authorizes the Civil Aeronautics Board and the Philippine Air Panels to offer and promote more liberalized international aviation agreements with foreign carriers. This policy development is a milestone for the Aquino administration, signifying the government's determined commitment to attain sustainable and inclusive growth for the country.

Recognizing the impact of EO 29 in achieving the economic vision of the Administration, we fully support this aggressive stance on liberalizing civil aviation. Opening our major and secondary gateways to foreign carriers will boost tourism, bolster our competitiveness as an investment location, and open vast economic opportunities in every region in the Philippines. Without this, the targets of attracting six million tourists, collecting \$18.5 billion in tourism receipts, and creating three million new tourism jobs by 2016 will likely just end up as—like many other ambitious goals in the past—missed targets. The absence of air rights reciprocity is not an indication of the absence of any form of reciprocity. The economic potential of EO 29, especially in bringing in more tourists resulting in the generation of new jobs and the stimulation of the local economy, is the reciprocal benefit of the open skies policy that is expected to impact millions of Filipinos.

The success of the tourism industry lies in the realization of EO 29 together with the full implementation of the tourism infrastructure plans laid out by DOT Secretary Alberto Lim. Developing and improving our airports, attracting investments in tourism establishments, upgrading our unique products and services, and addressing the security risks identified by the US Federal Aviation Authority in order to upgrade the country back to Category 1 are the next big steps that we hope the Aquino administration will pursue. The issuance of EO 29, signed together with EO 28 which reconstitutes and reorganizes the Philippine Air Panels, is a clear indication of the government's focus and dedication to strategic actions aimed at direct economic growth.

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