Office of the President of the Philippines Malacafiang

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MEMORANDUM ORDER NO.84

CREATING A TECHNICAL WORKING GROUP TO STUDY AND REVIEW THE INTEGRATION OF THE INTERNATIONAL PASSENGER SERVICE CHARGE IN THE COST OF THE AIRLINE PASSENGER TICKET

WHEREAS, to address the congestion problems at the Ninoy Aquino International Airport (NAIA) terminals, provide passenger convenience, and add sizeable space in the passenger movement areas, the Manila International Airport Authority (MIAA) is continuously exploring measures to facilitate the collection of terminal fees such as the integration of the International Passenger Service Charge (IPSC) in the cost of airline tickets;

WHEREAS, there are concerns, particularly of those exempted by law from the payment of terminal and airport fees, that the integration of the IPSC in the cost of the airline tickets, while subject to refund, may cause inconvenience and unnecessary burden to them;

WHEREAS, Section 5(c) of Executive Order (EO) No. 903 (s.1983) or the Revised Charter of the MIAA, empowers the MIAA "[t]o promulgate rules and regulations governing the planning, development, maintenance, operation and improvement of the Airport and to control and/or supervise as may be necessary the construction of any structure or the rendition of any service within the Airport";

WHEREAS, the President has the power of control over all the executive departments, bureaus, and offices and is mandated to ensure that the laws be faithfully executed;

WHEREAS, EO No. 292 or the Administrative Code of the Philippines empowers the Executive Secretary to: decide, for and behalf of the President, matters not requiring personal presidential attention; exercise primary authority to sign papers "By authority of the President", attest executive orders and other presidential issuances; and have administrative responsibility for matters in the Office of the President coming from the various departments and agencies of government.

NOW, THEREFORE, the following are hereby ordered:

SECTION 1. Creation of a Technical Working Group (TWG). A Technical Working Group (TWG) is hereby created to study the integration of International Passenger Service Charge (IPSC) into the cost of the airline ticket at point of sale.

The TWG is also tasked to determine potential information technology (IT)-based solutions to immediately identify IPSC-exempt passengers purchasing tickets, averting the payment of the IPSC at the point of sale.

SECTION 2. Composition. The TWG shall be composed of representatives from the following:

- 1. Office of the Executive Secretary, as Chairperson;
- 2. Department of Transportation and Communication;
- 3. Department of Labor and Employment Philippine Overseas Employment Administration;
- 4. Department of Tourism;
- 5. Department of Foreign Affairs;
- 6. MIAA; and

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7. Two (2) representatives from the private sector.

The heads of the member agencies are authorized to designate their representatives to the TWG. The Chairperson shall designate the two (2) representatives from the private sector.

SECTION 3. Functions. The TWG shall perform the following functions:

- 1. Study and review the integration of the IPSC in the cost of the airline passenger ticket and provide a solution for the recognition of the exempted passengers;
- 2. Study and determine potential IT-based solutions to immediately recognize the entitlement of IPSC-exempted individuals;
- 3. Collaborate and coordinate with other agencies of the Government and private and non-governmental sectors;
- 4. Engage the services of consultants, advisers and resources persons, if necessary; and
- 5. Perform such other functions as may be necessary to carry out this Order, or as the President may direct.

SECTION 4. Funding. The member agencies of the TWG are authorized to charge against their current appropriations such amounts as may be necessary for the implementation of this Order, subject to existing budgetary, accounting and auditing rules and regulations.

SECTION 5. Reporting. The TWG is hereby directed to submit its report and recommendations to the President, through the Office of the Executive Secretary, within sixty (60) days from the effectivity of this Memorandum Order.

SECTION 6. Separability. If any provision of this Order be declared invalid or unconstitutional, the other provisions unaffected thereby shall remain valid and subsisting.

SECTION 7. Repeal. All orders proclamations, rules and regulations, or parts thereof which are inconsistent with any of the provisions of this Order are hereby repealed or modified accordingly.

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SECTION 8: Effectivity. This Memorandum Order shall take effect immediately upon publication.

DONE, in the City of Manila, this 3rd day of August , in the year of our Lord, Two Thousand and Fifteen.

By authority of the President:

PAQUITO NOCHOA, JR. Executive Secretary