

[REPUBLIC ACT NO. 11457, August 30, 2019]

AN ACT CREATING THE DAVAO INTERNATIONAL AIRPORT AUTHORITY, TRANSFERRING EXISTING ASSETS OF FRANCISCO BANGROY INTERNATIONAL AIRPORT TO THE AUTHORITY, VESTING THE AUTHORITY WITH POWER TO ADMINISTER AND OPERATE THE FRANCISCO BANGROY INTERNATIONAL AIRPORT AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Short Title.* - This Act shall be known and cited as the "Charter of the Davao International Airport Authority".

SEC. 2. *Creation of the Davao International Airport Authority.* - There is hereby established a body corporate to be known as the Davao International Airport Authority, hereinafter referred to as the "Authority", which shall be attached to the Department of Transportation (DOTr). The principal office of the Authority shall be located at the Francisco Bangoy International Airport in Davao City.

The Authority may have such branches, agencies or subsidiaries as it may deem proper and necessary.

SEC. 3. *Objectives.* - The Authority shall principally undertake the economical, efficient and effective control, management and supervision of the Francisco Bangoy International Airport in Davao City, the existing airports in the Davao Region, and such other airports as may thereafter be established in any of the provinces of the same region.

In addition, the Authority shall have the following objectives:

(a) Encourage, promote and develop international and domestic air traffic in Davao Region as a means of making the region a center of international trade and tourism, and accelerating the development of the means of transportation and communications in the country; and

(b) Upgrade the services and facilities of the Francisco Bangoy International Airport and formulate internationally acceptable standards of airport accommodation and service.

SEC. 4. *Duties and Functions.* - The Authority shall exercise the following duties and functions:

(a) Formulate a comprehensive and integrated development policy and program for the Francisco Bangoy International Airport and implement, review and update such

policy and program periodically;

(b) Control, supervise, construct, maintain, operate and provide such facilities or services as shall be necessary for the efficient functioning of the Francisco Bangoy International Airport compliant with International Civil Aviation Organization (ICAO) standards;

(c) Promulgate rules and regulations governing the planning, development, maintenance, operation and improvement of the Francisco Bangoy International Airport, and control and supervise the construction of any structure or the rendition of any service within the Francisco Bangoy International Airport;

(d) Exercise all the powers of a corporation under Batas Pambansa Big. 68, otherwise known as "The Corporation Code of the Philippines" insofar as those powers are not inconsistent with the provisions of this Act;

(e) Acquire, purchase, own, administer, lease, mortgage, sell or otherwise dispose of any land, building, airport facility, or property of whatever kind and nature, whether movable or immovable, or any interest therein: *Provided*, That any asset located in the Francisco Bangoy International Airport important to national security shall not be subject to alienation or mortgage by the Authority nor to transfer to any entity other than the National Government;

(f) Exercise the power of eminent domain in the pursuit of its purposes and objectives;

(g) Levy and collect dues, charges, fees or assessments for the use of airport premises, works, appliances, facilities or concessions, or for any service provided by the Authority;

(h) Retain and appropriate dues, fees, and charges collected by the Authority relative to the use of airport premises for such measures as may be necessary to make the Authority more effective and efficient in the discharge of its assigned tasks;

(i) Invest its idle funds, as it may deem proper, in government securities and other evidences of indebtedness; and

(j) Provide services, whether on its own or otherwise, within the Francisco Bangoy International Airport and the approaches thereof as may be necessary or in connection with the maintenance and operation of the Francisco Bangoy International Airport and their respective facilities.

SEC. 5. Police Authority. - The Authority shall have the power to exercise such police authority as may be necessary within its premises or areas of operation to carry out its functions and attain its purposes and objectives: *Provided*, That the Authority may request the assistance of law enforcement agencies, including request for deputization as may be required. Such police authority shall be exercised in connection with the following, among others:

(a) Maintenance of security to passengers, cargoes, aircraft, airport equipment, structures, facilities, personnel, funds and documents;

- (b) Regulation of the entry to, exits from and movement within the airports;
- (c) Maintenance of peace and order within the premises of the Francisco Bangoy International Airport;
- (d) Regulation and supervision of private security agencies operating in the Francisco Bangoy International Airport;
- (e) Enforcement of rules and regulations promulgated by the Authority pursuant to law; and
- (f) In case of emergencies or imminent danger involving national security within the airport premises, the Philippine Air Force Security Command shall take charge.

SEC. 6. *Board of Directors.* - The corporate powers of the Authority shall be exercised by and vested in the Board of Directors which shall be composed of a Chairman, a Vice-Chairman and thirteen (13) members. The Secretary of the DOTr and the General Manager of the Authority shall be the *ex officio* Chairman and Vice-Chairman of the Board, respectively.

The Director General or the duly appointed representative of the Civil Aviation Authority of the Philippines (CAAP) and the Secretaries of the following executive departments or any Undersecretary or Assistant Secretary designated by the respective Secretaries shall be *ex officio* members, to wit:

Department of Finance, Department of Justice, Department of Health, Department of Agriculture and Department of Tourism. An appointive nonelective official of Davao City, to be designated by the Mayor of Davao City shall be the last *ex officio* member of the Board.

In addition, seven (7) members from the private sector who are residents of the provinces and cities of the Davao Region shall be appointed by the President of the Philippines for a term of one (1) year, subject to the existing rules and regulations of the Governance Commission on Government-Owned or -Controlled Corporations (GCG). Two (2) of the seven (7) private sector members shall come from the City of Davao. Davao del Sur, Davao del Norte, Davao Oriental, Davao Occidental and Compostela Valley shall have one (1) representative each. The mayor of Davao City and the governors of Davao del Sur, Davao del Norte, Davao Oriental, Davao Occidental and Compostela Valley shall submit to GCG lists of candidates who are of known probity, competence and integrity on airport management, aviation, finance, business, law and other related fields to represent their respective city and provinces in the Board.

The GCG after examining the lists following the fit and proper rule and the standards on integrity, experience, education, training and competence shall recommend to the President a list of four (4) qualified candidates from each province and city, from this list shall be selected two (2) candidates for the City of Davao and one (1) candidate from each of the provinces, who shall be appointed by the President of the Philippines as the authorized representative of the respective city and provinces in the Board.

The Board shall promulgate its rules relative to meetings, quorum requirements and compensation or allowances of the members of the Board.

SEC. 7. Functions of the Board. - The Board shall exercise the following functions:

- (a) Define and approve the programs, plans, policies, procedures and guidelines of the Authority for the development and operation of the Francisco Bangoy International Airport;
- (b) Appoint the General Manager of the Authority who shall be the chief executive officer of the Authority;
- (c) Approve the Authority's organizational and administrative structure, staffing pattern, operating and capital expenditures, and financial budgets, upon recommendation of the General Manager, subject to the final approval of the GCG;
- (d) Approve salary ranges, benefits and other terms and conditions of service for all officers and employees of the Authority, upon recommendation of the GCG, which shall, as far as possible, be competitive with those offered in the private sector, subject to the approval of the President;
- (e) Fix the rate of dues, charges, fees, or assessments for the use of airport premises, works, appliances, facilities, concessions, services and other fees and charges related to the activities of the airports, upon recommendation of the General Manager; and
- (f) Exercise all the functions and powers necessary or incidental to attain the purposes and objectives of this Act.

SEC. 8. Duties of the General Manager. — The General Manager shall be directly responsible to the Board and exercise the following duties:

- (a) Direct and supervise the day-to-day management, operation and administration of the Francisco Bangoy International Airport;
- (b) Implement and enforce decisions, orders, rules and regulations issued, prescribed or adopted by the Board;
- (c) Undertake researches, studies, investigations and other activities related to the present operations and future improvement of the Francisco Bangoy International Airport, and submit comprehensive reports and appropriate recommendations to the Board for proper action;
- (d) Appoint, transfer, suspend, remove or otherwise discipline any subordinate officer or employee of the Authority, subject to the approval of the Board and in accordance with the existing rules and regulations of the Civil Service Commission;
- (e) Within the limits of the authority delegated to him by the Board, execute contracts, incur obligations, acquire and dispose of assets, and deliver documents on behalf of the Authority;