

B. CIVIL AERONAUTICS BOARD**STRATEGIC OBJECTIVES**

MANDATE : The Civil Aeronautics Board (CAB) is mandated by R.A. 776, as amended by P.D. 1462, to regulate, promote and develop the economic aspect of air transportation in the Philippines and vests the CAB with supervision, jurisdiction and control over all carriers in the Philippines, including their properties, equipment and facilities. This regulation involves assuring the fitness and capability of air carriers to render air transportation services, and assuring free, fair and healthy competition, with the end in view of attaining a fully developed air transportation network that provides adequate direct connectivities and air service availability that can support the requirements of trade, tourism and overall economic development.

VISION : It shall promote the Philippines as a regional key player in civil air transport - creating and developing service connections and tourism networks by adopting policies geared towards growth, fair competition, and public convenience.

MISSION : To provide business-friendly strategies in our policy framework by adopting international standards and best practices in the air transport industry, and to provide responsive regulation in processing operating rights, fares, rates and tariffs and all other permits related to air transport.

KEY RESULT AREAS : Rapid, inclusive and sustained economic growth

SECTOR OUTCOME : Access to markets and seamless interconnection of the entire country

ORGANIZATIONAL OUTCOME : 1. Access to air services improved
2. Passenger traffic increased
3. Air passenger rights protected

**SECTION 1 : EXPENDITURE PROGRAM
(in pesos)**

No./ Code	GASS / STO / OPERATIONS / PROJECTS	2014 Actual	2015 Current	2016 Proposed
000001000000000	General Administration and Support	32,746,000	37,921,000	46,543,000
	PS	15,242,000	13,349,000	11,384,000
	MOOE	16,629,000	20,560,000	25,915,000
	CO	875,000	4,012,000	9,244,000
000003000000000	Operations	28,192,000	33,167,000	33,715,000
	PS	20,810,000	23,167,000	23,535,000
	MOOE	7,382,000	10,000,000	10,180,000
TOTAL AGENCY BUDGET		60,938,000	71,088,000	80,258,000
	PS	36,052,000	36,516,000	34,919,000
	MOOE	24,011,000	30,560,000	36,095,000
	CO	875,000	4,012,000	9,244,000

STAFFING SUMMARY

	2014	2015	2016
TOTAL STAFFING			
Total Number of Authorized Positions	86	86	86
Total Number of Filled Positions	74	74	74

PROPOSED 2016

OPERATIONS BY MFO	PROPOSED 2016			
	PS	MOOE	CO	TOTAL
MFO 1: AIR TRANSPORT POLICY AND DEVELOPMENT SERVICES	9,331,000	206,000		9,537,000
MFO 2: AIR TRANSPORT REGULATORY AND ENFORCEMENT SERVICES	12,244,000	9,974,000		22,218,000

SECTION 2 : EXPENDITURE PROGRAM BY CENTRAL / REGIONAL ALLOCATION, 2016
(in pesos)

REGION	PS	MOOE	CO	TOTAL
Regional Allocation (net of Central Office):	32,028,000	36,095,000	9,244,000	77,367,000
National Capital Region (NCR)	32,028,000	36,095,000	9,244,000	77,367,000
TOTAL AGENCY BUDGET	32,028,000	36,095,000	9,244,000	77,367,000

SECTION 3 : SPECIAL PROVISION(S)

- Appropriations for Programs and Specific Activities. The amounts appropriated herein for the programs of the agency shall be used specifically for the following activities in the indicated amounts and conditions:

SECTION 4 : PERFORMANCE INFORMATION

KEY STRATEGIES :

- Policy and legislative reform that would take stock of the patchwork of old and new statutes, issuances and rules and regulations, and synthesize a comprehensive and rational regulatory framework that is in step with the current demands of global aviation.
- Continuous staff training, acquisition of technology and update of hardware/software to align with demands and requirements based on latest technology, information-sharing/transfer and interconnectivity.
- Further liberalize and expand the exchange of traffic rights in existing and new air services agreement and to promote pocket open skies.
- Attend regular trainings related to Quality Management, conduct of Annual Internal Quality Audit and conduct of Annual Surveillance Audit by a Third Party Auditor (TUV-SUD).
- Undertake orientation, training and awareness programs and provide passenger assistance in various airport terminals in the Philippines.

ORGANIZATIONAL OUTCOMES (OOs) / PERFORMANCE INDICATORS (PIs)	Baseline	2016 Targets
Access to air services improved		
% increase in number of seats offered	27,612,527 domestic seats	5% (28,993,153)
	25,362,438 international seats	5% (26,630,560)
% increase in the number of operated routes	84 domestic routes	1% (85)
	79 international routes	3% (81)
Passenger traffic increased		
% increase in the total number of passengers	20,334,850 domestic passengers	5% (21,351,592)
	17,322,963 international passengers	5% (18,189,111)
Air passenger rights protected		
% change in the number of air passenger complaints	644 air passenger complaints	5% increase (676)
% change in the number of violations of airlines	105 violations of airlines	5% increase (110)
MFO / PIs		2016 Targets
MFO 1: AIR TRANSPORT POLICY AND DEVELOPMENT SERVICES		
No. of plans and policies reviewed, updated, issued and disseminated		6
Average % of clients who rate the plans and policies as satisfactory or better		80%
% of policies reviewed and updated over the last three (3) years		80%

MFO 2: AIR TRANSPORT REGULATORY AND ENFORCEMENT SERVICES

Licensing

No. of air agreements negotiated/air consultation talks conducted, reviewed and updated	6
No. of new applications/renewals of operating permits acted upon	2000
No. of countries with entitlements concluded as a % of total number of countries with whom air talks were conducted/negotiated	2
% of operating permit holders with one (1) or more recorded incidents in the last three (3) years	10%
% of air agreements negotiation/air consultation talks initiated or acted upon within a year	75%
% of applications for operating permits acted upon within twenty (20) days from receipt of applications	80%

Monitoring

No. of cases/complaints acted upon	300
% of permit, license, or certificate holders with two or more incidents recorded over the last three years	10%
% of filed cases/complaints acted upon within 5 days from receipt of cases/complaints	90%

Enforcement

No. of enforcement actions carried out	300
No. of persons and entities with two or more recorded violations in the last three years as a % of total violators	10
% of detected violations that are resolved within seven working days	5%

Appropriations/Obligations

(In Thousand Pesos)

<u>Description</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
New General Appropriations	55,502	68,032	77,367
General Fund		68,032	77,367
R.A. No. 10633	55,502		
Automatic Appropriations	2,789	3,056	2,891
Retirement and Life Insurance Premiums	2,789	3,056	2,891
Continuing Appropriations		74	
Unobligated Releases for Capital Outlays			
R.A. No. 10633		25	
Unobligated Releases for MOOE			
R.A. No. 10633		49	
Budgetary Adjustment(s)	2,721		
Transfer(s) from:			
Miscellaneous Personnel Benefits Fund	1,174		
Pension and Gratuity Fund	1,547		
Total Available Appropriations	61,012	71,162	80,258
Unused Appropriations	(74)	(74)	
Unobligated Allotment	(74)	(74)	
TOTAL OBLIGATIONS	60,938	71,088	80,258
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Proposed New Appropriations Language

For general administration and support, and operations, as indicated hereunder.....P 77,367,000

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New Appropriations, by Programs/Activities/Projects

		Current Operating Expenditures			
		Personnel Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
PROGRAMS					
000001000000000	General Administration and Support	10,453,000	25,915,000	9,244,000	45,612,000
103001000100000	General Management and Supervision	P 10,453,000	P 25,915,000	P 9,244,000	P 45,612,000
Sub-total, General Administration and Support		10,453,000	25,915,000	9,244,000	45,612,000
000003000000000	Operations	21,575,000	10,180,000		31,755,000
000003010000000	MFO 1: AIR TRANSPORT POLICY AND DEVELOPMENT SERVICES	9,331,000	206,000		9,537,000
165003010100000	Policy formulation for the development of Air Transport	9,331,000	206,000		9,537,000
000003020000000	MFO 2: AIR TRANSPORT REGULATORY AND ENFORCEMENT SERVICES	12,244,000	9,974,000		22,218,000
165003020100000	Conduct of hearing on applications of permits and other authorization	1,780,000	206,000		1,986,000
165003020200000	Grant of Certificate of Public Convenience	4,676,000	206,000		4,882,000
165003020300000	Other related services for the regulation of civil aviation pursuant to R.A. No. 776, P.D. No. 1462 and P.D. No. 1466	5,788,000	9,562,000		15,350,000
Sub-total, Operations		21,575,000	10,180,000		31,755,000
TOTAL NEW APPROPRIATIONS		P 32,028,000	P 36,095,000	P 9,244,000	P 77,367,000

Obligations, by Object of ExpendituresCYs 2014-2016
(In Thousand Pesos)

	2014	2015	2016
Current Operating Expenditures			
Personnel Services			
Civilian Personnel			
Permanent Positions			
Basic Salary	22,550	25,478	24,088
Total Permanent Positions	22,550	25,478	24,088
Other Compensation Common to All			
Personnel Economic Relief Allowance	1,680	1,896	1,776
Representation Allowance	450	510	510
Transportation Allowance	450	510	510
Clothing and Uniform Allowance	350	395	370
Productivity Incentive Allowance	140	158	
Honoraria	322	322	322
Year End Bonus	1,978	2,122	2,008
Cash Gift	307	395	370
Step Increment	59	63	119
Productivity Enhancement Incentive	395		370
Performance Based Bonus	779		
Total Other Compensation Common to All	6,910	6,371	6,355

Other Benefits			
Retirement and Life Insurance Premiums	2,789	3,056	2,891
PAG-IBIG Contributions	83	94	89
PhilHealth Contributions	224	249	233
Employees Compensation Insurance Premiums	83	94	89
Total Other Benefits	<u>3,179</u>	<u>3,493</u>	<u>3,302</u>
Other Personnel Benefits			
Pension, Civilian Personnel	1,547		
Total Other Personnel Benefits	<u>1,547</u>		
Military/Uniformed Personnel			
Other Compensation for Specific Groups			
Flying Pay	1,866	1,174	1,174
Total Other Compensation for Specific Groups	<u>1,866</u>	<u>1,174</u>	<u>1,174</u>
TOTAL PERSONNEL SERVICES	<u>36,052</u>	<u>36,516</u>	<u>34,919</u>
Maintenance and Other Operating Expenses			
Travelling Expenses	5,000	7,000	7,210
Training and Scholarship Expenses	1,000	2,000	2,000
Supplies and Materials Expenses	2,000	2,000	2,060
Utility Expenses	3,500	3,500	3,605
Communication Expenses	2,800	4,800	5,860
Confidential, Intelligence and Extraordinary Expenses			
Extraordinary and Miscellaneous Expenses	110	110	110
Professional Services	1,100	1,100	5,050
General Services	2,400	2,400	2,400
Repairs and Maintenance	1,951	2,000	2,000
Taxes, Insurance Premiums and Other Fees	250	250	250
Other Maintenance and Operating Expenses			
Advertising Expenses	500	500	515
Representation Expenses	3,000	4,500	4,635
Rent/Lease Expenses	300	300	300
Subscription Expenses	100	100	100
TOTAL MAINTENANCE AND OTHER OPERATING EXPENSES	<u>24,011</u>	<u>30,560</u>	<u>36,095</u>
TOTAL CURRENT OPERATING EXPENDITURES	<u>60,063</u>	<u>67,076</u>	<u>71,014</u>
Capital Outlays			
Property, Plant and Equipment Outlay			
Machinery and Equipment Outlay		3,012	7,244
Transportation Equipment Outlay	875		
Furniture, Fixtures and Books Outlay		1,000	2,000
TOTAL CAPITAL OUTLAYS	<u>875</u>	<u>4,012</u>	<u>9,244</u>
GRAND TOTAL	<u>60,938</u>	<u>71,088</u>	<u>80,258</u>