

FIFTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

OFFICE OF THE SECRETARY

SENATE

S. No. 38

RECEIVED

Introduced by Senator Manuel "Lito" M. Lapid

EXPLANATORY NOTE

In 1902, Clark was established by the Americans and was formerly known as Fort Stotsenburg. In 1917, the eastern portion of Fort Stotsenburg was converted into an airfield and was renamed Clark Air Field in 1919. In 1947, the first RP-US Military Bases Agreement was signed. This integrated Clark Field and Fort Stotsenburg into the Clark Air Base. In November 1991, the Clark Air Base was reverted back to the Philippine government.

Republic Act No. 7227, also known as the Bases Conversion Act of 1992, created the Bases Conversion and Development Authority (BCDA) as the implementing arm of the government to accelerate the conversion of the former Clark Military Reservation into the Clark Special Economic Zone, where Clark Development Corporation (CDC) became a subsidiary corporation of BCDA, and in turn, the Clark International Airport Corporation (CIAC) as a subsidiary of the CDC. Executive Order No. 174 (1994) mandates the Bases Conversion Development Corporation Authority and the Clark Development Corporation to implement the phased development of the Clark Aviation Complex and tasks the former to recommend the organizational structure of a proposed Clark International Airport Corporation which shall have jurisdiction over the operations of the entire Clark Aviation Complex.

In April 2008, Executive Order 716 was issued, transforming the CIAC as a subsidiary of the BCDA. Pursuant to EO 716, series of 2008, the Clark International Airport Corporation is tasked and mandated to develop, operate, manage and maintain the Clark Civil Aviation Complex. The Clark Civil Aviation Complex, located within the Clark Freeport Zone in Pampanga, the biggest American military base outside the United States, covers an area of approximately 2,367 hectares with a 3,200-meter long runway and associated taxiways, aircraft parking apron, a passenger terminal building and related facilities.

With its strategic location within the region and the locality, the Clark International Airport is only one and a half to four hours flying time away from most major Asian cities and less than an hour away from Metro Manila and the Subic Bay Freeport. The Clark International Airport takes pride in its modern amenities complemented by world-class airport and airline support services such as United Parcel Services, with its Clark Intra-Asian Hub; Gate Gourmet, the world's largest in-flight catering service; Lubwell Corporation; Lufthansa Technik Philippines; and International Aviation Services Assistance, just to name a few.

This proposed measure seeks to provide a fix term of office for the Chairman, President and members of the Board of Directors of the Clark International Airport Corporation in order to provide stability and long-term sustainability in the strategic operations of the Clark International Airport.

In view of the foregoing, the immediate passage of this bill is therefore requested.

MANUEL "LITO" M. LAPID
Senator

FIFTEENTH CONGRESS OF THE REPUBLIC
OF THE PHILIPPINES
First Regular Session

OFFICE OF THE SECRETARY

SENATE

S. No. 38

RECEIVED

Introduced by Senator Manuel "Lito" M. Lapid

AN ACT
PRESCRIBING FIXED TERMS FOR THE CHAIRMAN, PRESIDENT AND
MEMBERS OF THE BOARD OF DIRECTORS OF THE CLARK
INTERNATIONAL AIRPORT CORPORATION (CIAC)

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

SECTION 1. *Term of Office of the Chairman, President and Board of Directors of Clark International Airport Corporation (CIAC).* - Any provision of law to the contrary notwithstanding and pursuant to Sec. 16 of Republic Act No. 7227, the powers of the Clark International Airport Corporation (CIAC) shall be vested in and exercised by a Board of Directors which shall be composed of not more than eleven (11) members.

The members of the Board representing the equity of the CDC and the other government corporations or agencies in the capital stock of the CIAC shall be nominated by the President of the Philippines to serve for a term of six (6) years, unless sooner removed for cause, except that any person appointed to fill a vacancy shall serve only for the unexpired term of the member whom he/she succeeds.

No person shall be nominated as a member of the Board representing the equity in the capital stocks of the national government in CIAC unless he is a Filipino citizen, of good moral character, and of recognized competence in relevant fields including but not limited to management, civil aviation, international relations, economics, tourism, law or engineering. Preference in the designation of the members of the Board Clark International Airport Corporation

(CIAC) shall be given to residents within the local government units that concur to join the Clark Special Economic Zone.

The Chairman of the Board of the Clark International Airport Corporation (CIAC), hereinafter referred to as the Chairman, shall be its Chief Executive Officer. He/she shall be appointed by the President of the Philippines for a fixed term of six (6) years unless sooner removed for cause. He/she may be reappointed for another term of six (6) years, provided that no individual shall be reappointed as Chairman of the Board more than once.

In the event of death, resignation, or removal of the Chairman of CIAC during his/her term of office, his/her successor shall only serve the remaining term of the deceased, resigned, or removed chairman.

Clark International Airport Corporation (CIAC) shall have a President who shall be appointed by the President of the Philippines for a term of six (6) years unless removed for cause. The President shall not be eligible for reappointment. He/she shall be a member of the Board of Directors and the Chief Operating Officer of CIAC.

In the event of death, resignation, or removal of the President of CIAC during his/her term of office, his/her successor shall only serve the remaining term of the deceased, resigned or removed President.

SEC. 2. Separability Clause. - If any provision of this Act is declared unconstitutional or invalid, the other provisions not affected by such declaration, shall remain in full force and effect.

SEC. 3. Repealing Clause. - All laws, orders, proclamations, rules and regulations, or part thereof, which are inconsistent with any provision of this Act are hereby repealed or modified accordingly.

SEC. 4. Effectivity Clause. - This Act shall take effect fifteen (15) days following its publication in the Official Gazette or in at least two (2) newspapers of general circulation.

Approved,