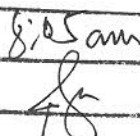


REPUBLIC OF THE PHILIPPINES
HOUSE OF REPRESENTATIVES
Quezon City

SEVENTEENTH CONGRESS
First Regular Session

House Bill No. 1507

HOUSE OF REPRESENTATIVES	
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Introduced by **MAGDALO Party-List Representative**
HON. GARY C. ALEJANO

Explanatory Note

The airline industry in the Philippines have continuously been growing and booming. Air travel has become the preferred mode of transportation and is the most convenient way of reaching far destinations. Being a common carrier, an air carrier has the obligation to transport passengers to their destinations safely and in accordance to a professional conduct of their business. However, with the surge of airline companies, airline passengers are also faced with various problems every day. Among these problems are long queues in check-in counters, delays and cancellation of flights, baggage loss and disappearance of reservations, to name a few.

In December 2012, the Department of Transportation and Communication and Department of Trade and Industry issued a joint administrative order which provides for the "Bill of Rights of Air Passengers and Airline Obligations". The administrative order is supposedly to protect consumers from poor airline services and deceptive practices. However, airline passengers continue to face the same problems as before. Furthermore, the administrative order has insufficient penalties and sanctions to air carriers who would violate the stipulated rights of airline passengers.

As stated in Article XVI, Section 9 of the 1987 Constitution, "The State shall protect consumers from trade malpractice and from substandard or hazardous product." However, existing laws such as Republic Act 776, with its amendatory laws, Presidential Decree 1462, and Civil Aeronautics regulations are no longer sufficient to protect air passenger rights. It is imperative now to create legislations that are long-term and more comprehensive and would be able to fulfill the mandate of protecting the rights of airline passengers.

This measure was filed by the Magdalo Party-List during the 16th Congress and was referred to the Committee on Transportation. It was substituted by House Bill No. 6191 and was approved on Third Reading on Oct. 9, 2015. However, on Nov. 24, 2015, approval on 2nd and 3rd Reading was reconsidered and eventually, the measure was recommitted to the Committee.

In view of the foregoing, approval of this bill earnestly requested.


HON. GARY C. ALEJANO

1 baggage but has either not been put in or been subsequently removed from the
2 cargo hold of the carrier;

3 (c) *Cancellation* refers to the act of calling off a flight. This shall include the
4 following instances:

5 (1) Cancellation by the air carrier before the estimated time of
6 departure (ETD) whether or not the reason for the cancellation is due to the air
7 carrier's fault;

8 (2) Cancellation by the air carrier after an unduly long delay; and

9 (3) Cancellation by the passenger or a situation deemed cancelled as
10 provided under this Act.

11
12 (d) *Check-in Deadline* refers to a reasonable point in time before the
13 published ETD as may be prescribed by the Civil Aeronautics Board (CAB) at
14 which a passenger may physically present travel documents to the air carrier at the
15 latter's check-in counter;

16 (e) *Check-in Period* refers to the time when the air carrier's check-in
17 counters are open for accepting and processing passengers checking in for their
18 flights which starts at least two (2) hours before the ETD in international
19 airports and in airports designated by the Department of Transportation and
20 Communications (DOTC). In other airports, the check-in period shall start at least
21 one (1) hour before the ETD;

22 (f) *Confirmed Reserved Seat* refers to a seat on a specific date and on a
23 specific flight and class of service of a carrier, which has been requested by a
24 passenger, and which the carrier or its agent has verified, by appropriate
25 notation on the ticket, as being reserved for the accommodation of the
26 passenger;

27 (g) *Convention* refers to the applicable international agreement, convention,
28 or treaty on carriage of goods or persons by air;

29 (h) *Delay* refers to the deferment of a flight to a later time. *Terminal delay*
30 refers to a delay that occurs while passengers are still inside the terminal waiting
31 for boarding, while *tarmac delay* is a delay that occurs while passengers are
32 already on board the aircraft;

33 (i) *Denied Boarding* refers to a situation where a passenger who has
34 physically presented travel documents pertaining to a confirmed seat

1 reservation at the proper time and place, and has fully complied with the carrier's
2 check-in reconfirmation procedures, and the carrier's tariff requirement,
3 was not allowed to board the aircraft;

4 (j) *Denied Check-in* refers to a situation where a passenger, who has
5 physically presented travel documents to an air carrier's check-in counter checked
6 in at the appointed area and at the appointed time, is denied or is not processed for
7 boarding a particular flight;

8 (k) *Fare* refers to the payment in consideration for the carriage of a
9 passenger but shall not include charges for ancillary services. Regular fare is
10 any fare that is offered on a regular basis, is nondiscounted, and offers the
11 advantage of cancellation, changing flight time or schedule, rerouting, or
12 rebooking, by the passenger, whether for a fee or penalty, or not. Promotional
13 fare is any fare that is generally lower than a regular fare and is offered for a
14 specific period. This includes offers of "no frills" fare, wherein the
15 nonessential features for flights such as free food and drinks onboard flights have
16 been removed to keep the price low, and discounted fares which require prior
17 approval by the CAB;

18 (l) *Free Tickets* refer to tickets provided by carriers to passengers, tickets
19 available for free to employees, and tickets claimed based on mileage, which do
20 not have confirmed status, are subject to space availability, and do not qualify as
21 either regular or promotional fare;

22 (m) *General Sales Agent* means a person who is not a bonafide
23 employee of an air carrier, and who as authorized by the air carrier, by itself or
24 through an agent, sells or offers for sale any air transportation, or negotiates
25 for, or holds out by solicitation, advertisement or otherwise as one who sells,
26 provides, furnishes, contracts, or arranges for, such air transportation;

27 (n) *Government Requisition of Space* refers to a formal request by the
28 government or its agencies to an air carrier for the use of an aircraft, or any
29 part thereof, for regulatory, safety, security, and emergency purposes. Such
30 request shall be submitted by the requesting agency to the CAB which, in turn,
31 shall make a request to the air carrier concerned, detailing the number,
32 identities and affiliation of the persons requesting for space and the date, time
33 and destination of the flight;

1 (o) *No Show* refers to the failure of the passenger to appear at the check-in
2 counter within the check-in deadline or to show up at the boarding gate at the time
3 indicated on the boarding pass;

4 (p) *Non-scheduled Services* refer to an arrangement where an aircraft has
5 more flexibility in terms of time, schedules, routes, and choices of airports and
6 similar operational characteristics subject to the approval of the Civil Aviation
7 Authority of the Philippines (CAAP) each time;

8 (q) *Overbooking* refers to the practice by air carriers of selling
9 confirmed reserved seat beyond the actual seat capacity of the aircraft. This
10 shall include a situation wherein an air carrier downgrades an aircraft for
11 grounds other than safety or unforeseen operational reasons that results in the
12 bumping off of passengers;

13 (r) *Passenger* refers to a person actually travelling by air. A person who is
14 named in the flight ticket shall be considered a passenger for the purpose of this
15 Act;

16 (s) *Person with Disability* or *PWD* refers to those who have long-term
17 physical, mental, intellectual or sensory impairments, which, in interaction with
18 various barriers, may hinder their full and effective participation in society on an
19 equal basis with others;

20 t) *Philippine-based air carrier* refers to an air carrier holding a
21 Certificate of Public Convenience and Necessity (CPCN) or a Temporary
22 Operating Permit (TOP) issued by the CAB for scheduled or non-scheduled
23 services;

24 (u) *Sales Promotion* refers to the techniques intended for broad
25 consumer participation which contain promise of gain, such as prizes, in cash
26 or in kind, as reward for the purchase of a product, security, service or winning
27 in a contest, game, tournament, and other similar competitions which involve
28 determination of winner/s and which utilize mass media and widespread media
29 of information. It also means techniques purely intended to increase the sales,
30 patronage and goodwill of a product; and

31 (v) *Scheduled Services* refer to an arrangement wherein an air carrier follows
32 a fixed, regular, and published timetable and routes and which does not have
33 flexibility in terms of time, schedules, routes, and choices of airports and similar
34 operational characteristics.

SEC. 4. *Scope of Application.* - This Act shall apply to all aspects of contract of air carriage for flights or portions of a flight, within the territory of the Philippines or from the territory of the Philippines, operated by Philippine-based air carriers, flights or portions of a flight from the territory of the Philippines operated by foreign air carriers, as well as charter flights and the conduct of individual ticketing: *Provided*, That the compensation provisions of this Act shall not apply to air carriers flying into the territory of the Philippines if the laws of the country of origin provide similar or higher compensation.

SEC. 5. *Applicability of International Laws and Pertinent Conventions.* - In case of conflict between the provisions of this Act and the provisions of any treaty or convention where the Philippines is a signatory, the provisions of the latter shall prevail. Where the Philippines is not a signatory, the provisions of any treaty or convention shall have suppletory effect in the implementation of this Act insofar as the same are not contrary to the provisions herein contained.

CHAPTER II

CONTRACT OF CARRIAGE BY AIR

SEC. 6. *Contract of Air Carriage.* - By the contract of air carriage, an air carrier obliges itself to transport the passenger or one's baggage, if any, from one place to another, through airspace, without any damage or injury upon the latter's person, or loss, damage or unreasonable deterioration of his baggage, if any, and when the passenger obliges oneself to pay a just and reasonable air fare.

SEC. 7. *Perfection of the Contract of Carriage.* - The contract of air carriage is perfected from the moment the air carrier and the passenger gives their respective consent to the said agreement. There is consent when the air carrier issues a confirmation of airline ticket in favor of a passenger, who accepts and holds it in his/her possession, with the corresponding full payment of the fare by said passenger.

1 **SEC. 8. *Diligence Required of the Carrier.*** - Air carriers, due to the
2 nature of air transportation, it being imbued with public policy and interest, are
3 obliged to observe extraordinary diligence in the performance of their
4 obligations under the contract of air carriage. Air passengers are required to
5 observe ordinary diligence while the contract of air carriage is effective.

6
7 **SEC. 9. *Presumption of Negligence.*** - In case of damage or injury to
8 the person of the air passenger, or loss, damage, or unreasonable deterioration
9 of his/her baggage, if any, the air carrier shall be presumed negligent, unless it
10 proves that it exerted extraordinary diligence to avert the same. Diligence
11 observed in the selection and supervision of employees shall not be a defense
12 to rebut this presumption.

13 In the case of carriage of goods and baggage, the presumption of negligence
14 shall not apply if the loss, damage, or unreasonable deterioration is caused or
15 occasioned by any of the following:

- 16 (1) Flood, storm, earthquake, lightning, or other natural disaster or calamity;
17 (2) Act of the public enemy in war, whether international or civil;
18 (3) Act or omission of the shipper or owner of the baggage/goods;
19 (4) The character of the goods or defects in the packing or in the containers;
20 and
21 (5) Order or act of competent public authority.

22
23 **SEC. 10. *Cancellation.*** - An air carrier may cancel a flight for any of the
24 following:

- 25 (1) Infrastructure limitation as certified by the CAAP;
26 (2) Safety reasons due to a technical problem;
27 (3) Security reasons; or
28 (4) During the occurrence of a fortuitous event.

29 The passengers affected may avail such applicable remedies provided under
30 this Act.

31
32 **SEC. 11. *Overbooking.*** - Overbooking shall not be allowed for all air
33 carriers.

SEC. 12. Construction. - In case of doubt, the contract of air carriage shall be construed liberally in favor of the passenger and strictly against the air carrier.

CHAPTER III

RIGHTS AND OBLIGATIONS OF THE PASSENGERS

A. RIGHT TO FULL AND TRUTHFUL INFORMATION OF THE CONDITIONS OF THE CONTRACT OF CARRIAGE

SEC. 13. *Clear, Truthful, and Understandable Information.* -In addition to the information enumerated under Section 15 hereof, every passenger shall, before purchasing any ticket for a contract of carriage, have the right to the full access and fair and clear disclosure of information, in English and in Filipino, from an air carrier or general sales agent on the following terms and conditions of the contract of carriage:

- (a) Fare and other fees and ancillary charges (taxes, insurance, fuel surcharge, seat reservation, etc);
- (b) Travel restrictions;
- (c) Baggage allowance and limitations;
- (d) Check-in and boarding requirements and deadlines;
- (e) Air carrier's responsibilities and passenger's rights and compensation for delayed and cancelled flights, and for death and injuries and lost, delayed or damaged baggage;
- (f) Air carrier's liability limitations;
- (g) Procedures for claims against the carrier;
- (h) Services and amenities provided by the air carrier; and
- (i) Other crucial and necessary conditions of the contract of carriage.

SEC. 14. *Method of Disclosure.* - An air carrier shall cause the disclosure under the immediately preceding section to be printed on or attached to the passenger ticket, boarding pass, or incorporate such terms and conditions of carriage by reference.

Incorporation by reference means that the ticket or boarding pass shall clearly state that the complete terms and conditions of carriage are available for perusal or review in the air carrier's website, or in some other document

1 that may be sent to or delivered by post or electronic mail to a passenger upon
2 request.

3 The air carriers are required under this Act to post in their website, or other
4 online accounts, the information which the passenger has a right of full access and
5 disclosure.

6 In case of booking through a ticketing office or agent, the disclosures
7 shall be explained by the agent in a language that is easily understood by the
8 purchaser.

9 In case of online booking, the air carrier must establish a system
10 wherein a purchaser is fully apprised of the required disclosures under this
11 section twice prior to the final submission of an online offer to purchase. The
12 first disclosure shall include the full information to which the passenger has a
13 right of access and disclosure. The second disclosure before the final
14 submission of an online offer to purchase shall substantially include the
15 following message, in English and Filipino:

16 By confirming purchase of this ticket, you agree to the terms and conditions
17 which include:

- 18 (a) Refund policy;
- 19 (b) Rebooking policy;
- 20 (c) No-Show policy; and
- 21 (d) Other important information specific to the ticket purchased.

22
23 Sa pagpili ng tiket na ito, kayo ay sumasang-ayon sa mga kondisyon at
24 restriksyon kabilang na ang:

- 25 (a) Panuntunan sa pagsasauli ng ibinayad;
- 26 (b) Panuntunan sa pagpalit ng tiket;
- 27 (c) Panuntunan sa hindi pagdating sa tamang oras; at
- 28 (d) Iba pang importanteng impormasyon ukol sa ticket.

29
30 **SEC. 15. *Advertisements.*** - Advertisements of fares shall be clear, truthful,
31 and not misleading and shall capacitate the passenger to make an informed
32 purchase or availment of the airline ticket such that the passenger fully
33 understands the consequences of purchasing such ticket.

1 The advertisement of the promotional fares shall be made only after the same
2 has been approved by the CAB.

3 The following disclosures are required to be part of the airline
4 advertisement in print medium which shall occupy not less than thirty percent
5 (30%) of the advertising material:

6 (a) Conditions and restrictions attached to the fare type;

7 (b) Refund and rebooking policies;

8 (c) Government taxes and fuel surcharges;

9 (d) Other fees and charges;

10 (e) Contact details of the carrier which include phone numbers,
11 websites, emails, and online accounts;

12 (f) Other information that is necessary to apprise the passenger of the
13 conditions and full price of the ticket which may include incorporation by
14 reference of websites and other available information portal or office where the
15 passenger can read or ask the full terms and conditions of the fare and the air
16 passenger bill of rights; and

17 (g) In case of promotional fares, the number of seats offered on a per
18 sector basis, the CAB permit or approval number and the duration of the
19 promo.

20
21 **B. RIGHT TO FAIR AND REASONABLE FARE AND TO THE**
22 **FULL VALUE OF THE SERVICE PURCHASED**
23

24 ***SEC. 16. Right to Receive the Full Value of the Service Purchased.***

25 - A passenger shall have the right to fair and reasonable fare and to receive
26 the full value of the services that they purchased. An air carrier shall not deny nor
27 diminish any service that an air passenger has paid for. However, an air carrier
28 may upgrade its services in favor of a passenger free of charge, subject to the
29 consent of the passenger.

30 This right includes the convenience on the part of the passenger during
31 the flight.
32

1 **SEC. 17. *Right to Mandatory Fare Discount.*** - Qualified senior citizens,
2 PWDs, and students are entitled to a twenty percent (20%) discount on all regular
3 fares.

4 To avail of the discount, the persons concerned are required to show
5 competent proof that they are senior citizens, PWDs or students. Competent
6 proof includes government-issued identification cards or school identification
7 cards.

8 To avail of the discount, a student, at the time of the purchase of the
9 airline ticket, must be enrolled in preschool, elementary, secondary or
10 collegiate school or institution, whether academic, vocational or technical, duly
11 recognized by the government. For the purpose of this Act, it does not include
12 those taking up post-graduate courses like medicine, law and masteral and
13 doctoral degrees as well as short-term courses and seminars and classes like
14 dancing, singing and driving lessons.

15 Qualified senior citizens, PWDs and students are likewise exempt from the
16 payment of the value-added tax.

17 Where the air carrier offers promotional fares, the fare that is more
18 beneficial between the discounted fare and the promotional fare shall be given
19 to the passenger.

20 For purposes of taxation, the discounts herein imposed shall be allowed as
21 deduction on the gross income of the air carrier.

22
23 **SEC. 18. *Right to Refund.*** - Every passenger holding a refundable
24 airline ticket shall have the right to the refund of fares. This includes the refund of
25 other fees such as checked baggage fees and other optional service fees such as
26 insurance, and seat selector fee, if any.

27
28 **SEC. 19. *Right to Cancel a Flight.*** - If the passenger cancels the
29 confirmed flight more than twenty-four (24) hours before the ETD, the passenger
30 shall be reimbursed seventy-five percent (75%) of the cost of the ticket less
31 charges for ancillary services, and the remaining twenty-five percent (25%) shall
32 be retained as the cancellation fee. There shall be full reimbursement of such
33 charges for ancillary services not availed of including, but not limited to, baggage
34 fees and terminal fees.

1 If the passenger cancels the confirmed flight twenty-four (24) hours or
2 less before the ETD, or does not show up altogether, the ticket shall be
3 considered flown; there shall be full reimbursement of the charges for ancillary
4 services not availed of including, but not limited to, baggage fees and terminal
5 fees.

6
7 **SEC. 20. *Right to Rebook a Flight.*** - Every passenger who was fully
8 and truthfully informed that the ticket purchased is rebookable shall have the right
9 to rebook the flight in accordance with the terms and conditions set forth in the
10 rebooking policy.

11
12 **SEC. 21. *Right to be Processed for Check-in.*** - A passenger holding a
13 confirmed ticket, whether under a promotional or regular scheme, with
14 complete documentary requirements, and who has complied with the air
15 carrier's check-in procedures, shall be processed accordingly at the check-in
16 counter within the check-in deadline. For this purpose, the CAB shall,
17 consistent with global aviation practice, provide a uniform schedule of the
18 opening of check-in counters and check-in deadline for both local and
19 international flights giving the passenger enough time to be processed for
20 check-in.

21 The air carrier shall, therefore, and subject to infrastructure limitations,
22 clearly designate the boundaries of its assigned check-in areas or counters in a
23 manner convenient to the passengers.

24 The air carrier shall ensure that all its passengers for a particular flight,
25 including those who are in queue prior to the check-in deadline have already
26 checked-in before accepting passengers from previously delayed or cancelled
27 flights, and chance passengers, in that order, when there are still seats
28 available.

29
30 **SEC. 22. *Right to Board Aircraft for the Purpose of Flight.*** - Except
31 when the passenger is at fault, or due to legal or valid causes such as
32 immigration issues, safety, security, and health concerns when there is a legal
33 or other valid cause, a passenger who has checked-in for a particular flight has
34 the right to board the aircraft for the purpose of flight. A passenger shall be

1 considered at fault if such passenger is acting in violation of a law or the
2 contract of air carriage affecting the safety and security of another passenger or
3 crew during the voyage.

4
5 **C. RIGHT AGAINST ANY ACT OF DISCRIMINATION AND**
6 **VEXATION**

7
8 **SEC. 23. *Right to Equal Protection.*** - Every passenger is entitled to
9 all the rights set forth in this Act and in all aspects of the contract of carriage
10 regardless of race, sex, gender, education, income, social status, language,
11 physical characteristics, mental characteristics, sensory impairments, age,
12 religion, marital status, political belief, and other circumstances. No air carrier
13 shall deny a passenger from enjoying the rights set forth in this Act because of
14 criminal or summary convictions, or a previous grievance against the air
15 carrier.

16
17 **SEC. 24. *Right to be Respected.*** - Air passengers shall have the right to be
18 respected at all times by the air carrier. Airline employees and crews shall serve
19 passengers with utmost courtesy and respect.

20
21 **D. RIGHT TO SAFETY**

22
23 **SEC. 25. *Access to Emergency Measures, Medical Assistance, Safety***
24 ***Devices and Essential Services.*** - A passenger has a right to have access to
25 and to use emergency and safety devices, medical assistance, and proper
26 application of first aid procedures during emergency situations or when the
27 passenger's health requires it. Air carriers shall train flight personnel and
28 crews in handling and responding to emergency situations and shall provide at
29 least one (1) flight crew who is certified to be trained in the application of first
30 aid procedures. An air carrier shall always inform its passengers of emergency
31 measures in cases of evacuation before the start or during the first hour of the
32 flight.

33 A passenger has a right to disembark from an aircraft when in the
34 passenger's determination, continuing the journey or being onboard the aircraft

1 constitutes a risk to health. The air carrier shall consult with the passenger who
2 wishes to disembark and determine whether it is to the best interest of the
3 passenger to deplane.

4 A passenger shall have access to essential services such as adequate food and
5 potable water, clean and safe lavatory facilities, and cabin ventilation and
6 comfortable cabin temperatures.

7 8 **E. RIGHT TO REDRESS AND COMPENSATION**

9
10 **SEC. 26. *Right to Bring Action, Satisfaction or Relief of a Wrong or***
11 ***Injury.*** - Every passenger has a right, without fear of retribution, to take
12 action against the air carrier for any wrong or injury caused to the passenger by
13 reason of the contract of carriage under this Act and applicable treaties or
14 conventions.

15
16 **SEC. 27. *Right to Immediate Payment of Compensation.*** - A passenger
17 shall have the right to be compensated, promptly and expeditiously, in case of
18 flight delay or cancellation, death or injury upon his/her person, and loss or
19 deterioration to one's baggage and property, as the case may be.
20 Compensation under this Act does not preclude the passengers to seek redress
21 in a court for damage caused by any violation of the rights of the passenger as
22 provided for by this Act or any other laws or treaties concerning air
23 transportation.

24 An air carrier liable for any of the required compensations provided
25 under this Act shall make the same available to the affected passenger at the air
26 carrier's counters at the airport on the date when the occasion entitling the
27 passenger to compensation occurred, or at the main office or any branch of the
28 air carrier at the discretion of the passenger. The air carrier shall tender a check
29 or cash for the amount specified, or the document necessary for claiming the
30 compensation herein stated.

31 If not paid within the prescribed period, the compensation granted in this
32 chapter shall earn an interest computed at the current legal rate until full payment
33 reckoned from the time of the expiration of the said period, unless the non-
34 payment is prevented by a legal cause.

1 **SEC. 28. *Rights of a Passenger for Delayed Flights.*** -Every

2 passenger has the right to be compensated for flights not flown within a
3 reasonable time from ETD. The provisions of this section shall be the
4 minimum entitlement of a passenger in case of delay and shall not prohibit the
5 air carrier from granting more favorable conditions or recourses, as it may
6 deem appropriate.

7 (a) Terminal Delay

8 In case the flight is delayed for at least two (2) hours after the ETD,
9 whether or not such is attributable to the carrier, a passenger shall have the
10 right to:

11 (1) Be notified via public announcement of the reason for the delay and the
12 ETD as soon as this information is available;

13 (2) Be provided a minimum level of care immediately, on the spot at
14 terminals/stations while waiting for the beginning or the continuation of the
15 delayed journey;

16 (3) Be offered free of charge: (i) sufficient meals and refreshments in a
17 reasonable relation to the waiting time; (ii) free phone calls, text messaging,
18 fax, emails, or other means of communications; (iii) free internet access; and (iv)
19 First aid, if necessary. In applying this section, the operating air carrier
20 shall pay particular attention to the needs of persons with reduced mobility and
21 any person accompanying them, as well as to the needs of unaccompanied
22 children; and

23 (4) Declare that he/she is cancelling his/her reservation and ask for refund or
24 rebooking in accordance with Sections 18 and 20 hereof; or ask for endorsement
25 to another carrier.

26 In case the flight is delayed for at least three (3) hours after ETD for
27 causes attributable to the carrier, the flight shall be deemed cancelled and the
28 affected passenger shall be entitled to the remedies provided under Section
29 29(a).

30 (b) Tarmac Delay

31 Every passenger shall likewise have the right to adequate food and
32 beverage in cases of tarmac delay of at least two (2) hours after ETD, reckoned
33 from the closing of the aircraft doors or when the aircraft is still at the gate

1 with the doors still open but passengers are not allowed to deplane. In case the
2 delay exceeds three (3) hours, the passenger may request disembarkation.

3 (c) Arrival Delay

4 In case there is a delay in the aircraft's arrival at the airport of destination for
5 at least one (1) hour, the air carrier shall give the affected passengers free food and
6 beverages.

7 If the said delay is due to the air carrier's negligence, it shall be liable to pay
8 damages to the air passenger amounting to ten thousand pesos (P10,000.00)
9 or the actual damages suffered, whichever is higher.

10 In the case of a multi-sector journey where the air carrier is at fault, in
11 addition to the rights and entitlements stated under this section, a passenger
12 shall be entitled to an additional compensation at a rate which is equivalent to
13 at least the value of the sector cancelled by reason of the delay: *Provided,*
14 That, in case of connecting flights with other carrier, the passenger has allotted
15 sufficient connecting time of at least three (3) hours for international flights
16 and two (2) hours for domestic flights: *Provided, further,* That the passenger
17 shall not be entitled to the compensation of the value of the sector deemed
18 cancelled, if the passenger is endorsed to another carrier and the passenger is
19 able to complete his/her journey.

20
21 **SEC. 29. *Rights of a Passenger for Cancelled Flights or Flights***
22 ***Deemed Cancelled.*** - A passenger has a right to compensation in cases of flight
23 cancellation subject to the following rules:

24 (a) If a flight is cancelled due to a cause attributable to air carrier, a
25 passenger shall have the right to:

26 (1) Be notified beforehand or as soon as possible of the situation via public
27 announcement, written/published notice and flight status update service either
28 through text or electronic mail;

29 (2) Be provided a minimum level of care immediately, on the spot at
30 terminals/stations;

31 (3) Be offered free of charge:

32 (i) Sufficient meals and refreshments in a reasonable relation to the waiting
33 time;

1 (ii) Hotel accommodation near the airport in cases where a stay of one or
2 more nights becomes necessary, or where a stay additional to that intended by the
3 passenger becomes necessary; and

4 (iii) Transportation service between the airport and place of
5 accommodation. In addition, passengers shall be offered free phone calls, text
6 messaging, fax, emails, or other means of communications, free internet
7 access, and first aid, if necessary. In applying this provision, the air carrier
8 shall pay particular attention to the needs of persons with reduced mobility and
9 any person accompanying them, as well as to the needs of unaccompanied
10 children;

11 (4) Subject to the provisions of Sections 10 and 19 hereof, be
12 reimbursed within five (5) days, either by cash, by electronic bank transfer,
13 bank orders or bank cheques or with the signed agreement of the passenger, in
14 travel vouchers and/or other services of the full cost of the ticket at the price at
15 which it was bought, for the part or parts of the journey not made and for the
16 part or parts already made if the flight is no longer serving any purpose in
17 relation to the passenger's original travel plan, together with, when relevant, a
18 return flight to the first point of departure, at the earliest opportunity.

19 If payment is made through credit card, the reimbursement should be credited
20 back to the payor's credit card account within seven (7) days without
21 additional cost to the passenger.

22 (5) Be endorsed to another air carrier without paying any fare
23 difference, at the option of the passenger, and provided that space and other
24 circumstances permit such re-accommodation; or

25 (6) Rebook the ticket without any additional charge.

26 In the case of multi-sector journey, in addition to the rights and entitlements
27 stated under this section, a passenger shall be entitled to an additional
28 compensation at a rate which is equivalent to at least the value of the sector
29 cancelled by reason of the cancellation.

30 (b) In case the carrier cancels the flight because of force majeure,
31 safety, and/or security reasons as certified by the CAAP, a passenger shall have
32 the right to:

33 (1) Rebook the trip to another trip in the future, subject to the payment of the
34 fare difference, if any;

1 (2) Reimbursement of the value of the fare;

2 (3) Endorsement to another airline, at the option of the passenger.

3 This provision shall be the minimum entitlement of a passenger in case of
4 cancellation and shall not prohibit the air carrier from granting more favorable
5 conditions or recourses as it may deem appropriate.

6

7 **SEC. 30. *Rights of Passengers Denied Boarding.*** - A passenger who
8 has checked-in for a particular flight cannot be denied from boarding the aircraft
9 except for legal or other valid causes such as immigration issues, safety, security,
10 and health concerns.

11 In a case where a passenger is denied boarding because the number of
12 volunteers is not due to overbooking, government requisition of space,
13 downgrading of an aircraft or legal orders, the flight in respect to the affected
14 passenger shall be deemed cancelled and the compensation shall be governed by
15 the following rules:

16 (a) If the denial of boarding the aircraft is by reason of overbooking, aircraft
17 downgrading, the passenger concerned shall be compensated in accordance
18 with the provisions of Section 29(a) hereof;

19 (b) If the denial of boarding the aircraft is for some legal or justifiable
20 reason relating to the security or safety of other passengers or applicable
21 regulations as sanctioned by the CAAP or legal order of other authorities, the
22 passenger concerned shall be entitled to refund, rebooking or endorsement to
23 another carrier subject to payment of fare difference or any administrative
24 charges when applicable;

25 (c) If the denial of boarding the aircraft is due to government
26 requisition of space, the affected passenger shall be compensated and shall be
27 entitled to the remedies in the preceding paragraph with the cost chargeable
28 against the air carrier subject to reimbursement by the requesting agency if
29 allowed; and

30 (d) In the case where a passenger is denied boarding for acting in violation of
31 a law or the contract of air carriage affecting the safety and security of another
32 passenger or crew during the voyage, such passenger shall not be entitled to any
33 relief provided under this Act.

1 *Provided*, That no passenger shall be denied boarding for two (2) consecutive
2 times on the same day, except when public safety, order, health or moral requires:
3 *Provided, further*, That PWDs, persons with special needs, senior citizens,
4 pregnant women and unaccompanied children shall be given preference against
5 denied boarding.

6
7 **SEC. 31. *Filling-up of Empty Seats.*** - Vacant seats due to
8 cancellations by the passenger and no shows shall be offered by the air carrier,
9 first to the passengers of delayed or cancelled flights of the same air carrier or of
10 another carrier, through endorsement between the two (2) air carriers. If
11 there are still empty seats remaining, it shall then be offered to the chance
12 passengers.

13
14 **SEC. 32. *Loss, Damage, and Delay of Baggage.*** - Every passenger has
15 a right to compensation for any loss, damage, or delay of baggage attributable to
16 the fault of the air carrier. Compensation for loss of baggage shall be in the
17 following amounts:

18 (i) For international flights, twenty dollars (USD20) per kilo for
19 checked-in baggage and four hundred dollars (USD400) for hand-carried
20 baggage.

21 (ii) For domestic flights, the equivalent amount in pesos shall apply.

22 A passenger's baggage is presumed lost if, within a period of seven (7) days
23 counted from the time the passenger or consignee should have received the same,
24 the baggage is not delivered to said passenger or consignee.

25 Once the baggage is declared to be permanently lost in case of domestic
26 flights, the provisions set in the contract of carriage shall apply in the valuation
27 of lost belongings. In case of international flights, the limits set by the Warsaw
28 Convention or the Montreal Convention, whichever is applicable, shall apply.

29 In case a checked-in baggage has been off-loaded for operational, safety, or
30 security reasons, the air carrier shall inform the passenger at the soonest
31 practicable time and in such manner that the passenger shall readily know of the
32 off-loading that his/her baggage has been off-loaded and the reason thereof. If the
33 passenger's baggage has been off-loaded, the air carrier shall make the appropriate

1 report and give the passenger a copy thereof, even if it announced that the
2 baggage shall be on the next flight.

3 The air carrier shall carry the off-loaded baggage in the next flight with
4 available space, deliver the same to the passenger either personally or at
5 his/her residence and tender an amount of one thousand pesos (P1, 000.00) for
6 every two (2) days of late delivery, as compensation for the inconvenience.
7 The passenger shall also have a right to the refund of the checked baggage fees
8 if the baggage was not delivered to the passenger within twenty-four (24) hours
9 from the arrival of flight.

10 Air carriers are liable for provable consequential damages up to the amount
11 of their liability limit in connection with the loss and delay in the delivery of
12 baggage, in accordance with the limits set by the Warsaw Convention or the
13 Montreal Convention, whichever is applicable.

14 Damaged baggage shall be compensated at one hundred pesos (P100.00) per
15 kilogram if it is in a domestic flight unless the passenger has declared a higher
16 valuation of the baggage at check-in time. For international flights, item (i) under
17 this paragraph shall apply.

18
19 **SEC. 33. *Compensation for Death and Bodily Injuries.* -**

20 (a) In the case of international flights, the rules of the relevant
21 convention shall apply as to compensation for death or bodily injuries
22 sustained by a passenger in the contract of carriage.

23 (b) For domestic flights, the passenger shall be entitled to the compensation
24 subject to the provisions of the contract of carriage or the compensation as
25 provided in the provisions of the relevant convention, in its Philippine currency
26 equivalent, whichever is higher.

27
28 **SEC. 34. *Compensation for Violation of Airline Passenger Rights.***

29 – In case the air carrier violates the rights of air passengers, the former shall
30 pay the latter damages amounting to at least fifty thousand pesos (P50, 000.00),
31 exclusive of other damages or injury the air passenger has suffered.

CHAPTER IV
RIGHTS, DUTIES AND OBLIGATIONS OF THE AIR CARRIERS

SEC. 35. *Prevention of Harm to Passengers and Maintenance of Aircrafts.* - An air carrier shall prevent harm and hazard to passengers by ensuring that it follows all regulations on the airworthiness of the aircraft, complies with rules on hazardous materials, protects the passengers from unreasonable harm, and actively responds to harm caused by the aircraft structure, materials, and chemicals.

SEC. 36. *Designation of an "All-Flight" or "Per Route" Counters.*

- Air carriers may operate all-flight counters which will serve passengers without regard to destination. As far as practicable, the air carrier shall, in addition to all-flight counters, open a separate counter dedicated for a flight nearing check-in deadline to facilitate the checking-in of passengers at least an hour before the published ETD.

SEC. 37. *Special Accommodation of PWDs, Persons with Special Needs, Senior Citizens, Pregnant Women and Unaccompanied Children.* -

To ensure the full enjoyment of the rights enumerated under this Act, the provisions of the following laws and their implementing rules and regulations, whenever applicable, shall form part of this Act as far as the passengers in this section are concerned:

(a) Republic Act No. 7277 or the Magna Carta for Disabled Persons as amended by Republic Act No. 9442 and its implementing rules and regulations;

(b) Batas Pambansa Bilang 344 or the Accessibility Law;

(c) Republic Act No. 7432 as amended by Republic Act No. 9257 and Republic Act No. 9994 or the Expanded Senior Citizens Act of 2010 and its implementing rules and regulations.

The contract of air carriage shall clearly enumerate the necessary terms and conditions affecting the rights of PWDs, senior citizens, persons with special needs, pregnant women and unaccompanied children.

1 Air carriers and its agents, in coordination with the agencies charged
2 with protecting the rights and welfare of the abovementioned passengers, shall
3 implement a system allowing this group of persons enough and convenient
4 opportunity to comply with aviation requirements and their special needs,
5 facilities and assistance by reason of their individual circumstances throughout
6 the flight.

7 For this purpose, air carriers shall designate at least one (1) check-in
8 counter dedicated to persons with disabilities (PWDs), senior citizens, persons
9 with special needs, pregnant women, and unaccompanied children between seven
10 (7) and twelve (12) years old.

11
12 **SEC. 38. *Responsibility of the Air Carrier When the Number of***
13 ***Passengers is Beyond the Capacity of the Aircraft.*** - If a certain flight has more
14 ticketed passengers than the allowed capacity of the aircraft by reason of
15 overbooking, government requisition of space, as well as the downgrading of the
16 aircraft for safety or unforeseen operational reasons as certified by the CAAP, the
17 air carrier shall perform the following:

18 (a) Determine the number of passengers in excess of the actual seat
19 capacity of the aircraft;

20 (b) Announce that the flight is overbooked, and that it is looking for
21 volunteers willing to give up their seats in exchange for air carrier
22 compensation;

23 (c) Provide the interested passengers or volunteers a list of amenities and
24 offers from which they can choose, which shall always include priority
25 booking in the next available flight and/or cash incentive; and

26 (d) In cases the number of volunteers is not enough, the air carrier shall
27 increase the compensation package by a certain degree by adding more
28 amenities/services until the required number of volunteers is met.

29 No flight shall be delayed pursuant to the settlement of the air
30 carrier's obligation under this section.

31
32 **SEC. 39. *Duty of the Carrier in the Event of Flight Deviation.*** -Flight
33 deviation happens when there is a change in the airport of origin or
34 destination. If such is the case, an air carrier shall provide the necessary

1 transportation to ferry a passenger from the originally-designated airport of
2 departure to the actual airport of departure or from the airport of actual
3 destination to the airport of the originally-designated destination, as the case
4 may be.

5 If, by reason of the deviation, a certain right of a passenger has been
6 violated, the applicable provisions of this Act shall govern the availment and grant
7 of remedies and compensation.

8
9 **SEC. 40. *Provision of Assistance Desk.*** - Air carriers shall provide
10 Customer Service Representatives (CSR) who can address common problems
11 on the spot, which include arranging for meals, hotel rooms and
12 accommodation for stranded passengers, write checks for denied boarding
13 compensation, arrange luggage resolutions, and settle other routine claims or
14 complaints.

15 In addition, the CAB shall provide Complaints and Assistance Desks
16 manned by CAB or CAB-deputized personnel in all airports who shall assist
17 passengers, whose rights have been violated, including the filing of the
18 complaint.

19
20 **SEC. 41. *Remedies of the Passengers.*** - Every passenger whose
21 right provided in this Act is violated shall have the following remedies:

22 (a) Go to the CSR of the air carrier at their designated counter. Ask
23 for two (2) copies of the report form and write the nature of the complaint.

24 (b) Submit the forms to the CSR and get acknowledgment receipt. Give
25 one (1) copy to the CSR for processing.

26 (c) Give the other copy at the Complaints and Assistance Desk (CAD) of
27 CAB or CAB-deputized personnel at the airport and attach the report form
28 from the air carrier on the report form from the CAB.

29 (d) Get acknowledgment receipt of complaint from the CAB.

30 (e) Get resolution slip from the air carrier's CSR and attach it on the CAB
31 report form and submit it to the CAB-CAD.

32 (f) If case is not resolved, go to the CAB-CAD and report such
33 incident together with documents, and other evidence, to support the
34 claim.

1
2 **SEC. 42. *Operational Spare.*** - An air carrier shall, in adopting its flight
3 schedules, exert all efforts to manage the disposition of its aircraft in such a way
4 as to be able to reallocate aircraft to take the place of another aircraft in case the
5 latter cannot carry the passengers due to operational requirement, aircraft
6 maintenance, and other similar situations.

7
8 **SEC. 43. *Immediate Reporting of Off-loaded Checked Baggage.*** - In
9 case a checked baggage has been off-loaded for operational, safety, or security
10 reasons, the air carrier shall inform the concerned passenger, at the soonest
11 practicable time and in such manner that the passenger shall readily know of such
12 off-loading and the reason thereof. If the passenger's baggage has been off-
13 loaded, the air carrier shall make the appropriate report and give the passenger a
14 copy thereof, even if it announced that the baggage shall be on the next flight.

15
16 **CHAPTER V**
17 **OBLIGATION OF THE CAAP, CAB AND AIRPORT OPERATORS**
18

19 **SEC. 44. *Availability of Check-in Counters.*** - The CAAP, airport
20 authorities or airport operators, as the case may be, shall provide adequate
21 number of check-in counters for every air carrier operating in a particular
22 airport.

23 They shall ensure that the number of check-in counters of an air carrier
24 in a particular airport shall be proportionate to the volume of passengers who
25 are checking-in for a particular flight. In no case shall the queue exceed twenty
26 (20) persons per check-in counter.

27
28 **SEC. 45. *Assignment of Technical Personnel in Airports.*** - The
29 CAAP shall ensure that every commercial airport is manned by technical
30 personnel capable of verifying and certifying reports of technical or
31 infrastructure problems or other reasons leading to delays and cancellations.
32 The technical personnel concerned shall submit a periodic report of all delays
33 and cancellations and the corresponding reasons thereof to the CAAP Central
34 Office.

SEC. 46. *Complaints Desk.* - The CAB shall provide the necessary personnel to cater the unresolved complaints of passenger in every commercial airport. It shall be the duty of the assigned personnel to report all complaints to the CAB at the earliest time possible, taking into account the nature of the relief sought by the passenger.

CHAPTER VI

REMEDIES AND GRIEVANCE PROCEDURES

SEC. 47. Amicable Settlement. - A passenger and air carrier shall exhaust all efforts toward settling dispute amicably in accordance with the provisions set forth in this Act. If no amicable settlement is reached, the government, through the CAB, may take cognizance of the case.

CHAPTER VII

PENAL PROVISIONS

SEC. 48. *Penalties.* - Any violation of this Act shall be penalized in accordance with the pertinent provisions of Republic Act No. 776 or the Civil Aeronautics Act of the Philippines, Republic Act No. 7394 or the Consumer Act of the Philippines, Republic Act No. 9442, Batas Pambansa Bilang 344 and Republic Act No. 9994, as the case may be.

Failure on the part of the air carrier to comply with any of the obligations stated in this Act, upon the order of the CAB shall, after due hearing, be a ground for suspension of its franchise or license to operate.

Grave and repetitive violations after the lifting of the suspension of its franchise or license to operate shall be a ground for revocation of such franchise or license to operate.

SEC. 49. *Review of Penalties.* - The CAB, in coordination and consultation with the DOTC, Department of Trade and Industry (DTI) and CAAP shall, after three (3) years from the effectivity of this Act and every three (3) years thereafter, review the applicability and enforcement of all foregoing pecuniary

1 penalties and initiate actions for amending or upgrading the same as may be
2 necessary in accordance with law.

3 4 **CHAPTER VIII** 5 **FINAL PROVISIONS** 6

7 **SEC. 50. *Implementing Rules and Regulations (IRR).*** - Within sixty
8 (60) days from the effectivity of this Act, the CAB shall, in coordination with
9 the DOTC, DTI and CAAP, and after consultation with accredited passenger
10 organizations, air carriers and other directly affected stakeholders, promulgate
11 the necessary rules and regulations to effectively implement the provisions of
12 this Act.
13

14 **SEC. 51. *Congressional Oversight Committee.*** - A Congressional
15 Oversight Committee for Air Passenger Rights is hereby constituted in
16 accordance with the provisions of this Act. The Committee shall be composed
17 of the Chairman of the Senate Committee on Public Services and the Chairman
18 of the House Committee on Transportation and four (4) additional members
19 from each House to be designated by the Senate President and the Speaker of the
20 House of Representatives, respectively. The Committee shall, in aid of
21 legislation:

- 22 (a) Monitor and ensure the proper implementation of this Act;
23 (b) Review the collection performance of the Authority; and
24 (c) Review the proper implementation of the programs of the Authority
25 and the use of its collected fund.

26 In furtherance of these objectives, the Committee is empowered to require
27 the DOTC, DTI, CAAP and CAB, to submit all pertinent information, including
28 complaints filed by the passengers and the complaints resolved by the air carriers
29 and the CAB.

30 The Committee shall be in existence for a period of five (5) years, and
31 thereafter, its oversight functions shall be exercised by the Senate Committee
32 on Public Services and the House Committee on Transportation acting
33 separately.
34

1 **SEC. 52. *Appropriations.*** - The Secretary of Transportation and
2 Communications shall immediately include in the Department's program the
3 needed operational requirement in upholding the enumerated rights in this Act,
4 the initial funding of which shall be charged against the current appropriations
5 for the CAB. Thereafter, such sums as may be necessary for the continued
6 implementation of this Act shall be included in the annual General
7 Appropriations Act.

8
9 **SEC. 53. *Separability Clause.*** - If, for any reason, any provision of this
10 Act is declared unconstitutional or invalid, such parts or portions not affected
11 thereby shall remain in full force and effect.

12
13 **SEC. 54. *Repealing Clause.*** - All laws, executive orders, presidential
14 decrees, issuances, rules and regulations or parts thereof inconsistent with the
15 provisions of this Act are hereby repealed or modified accordingly.

16
17 **SEC. 55. *Effectivity.*** - This Act shall take effect fifteen (15) days after
18 its publication in the *Official Gazette* or in a newspaper of general circulation.

Approved,