MEMORANDUM

TO : ALL CONCERNED
FROM : THE DIRECTOR GENERAL
DATE : 03 SEPTEMBER 2021
SUBJECT : IMPLEMENTING RULES AND REGULATIONS REGARDING THE EXTENSION OF THE LEASE/RENTAL PAYMENT HOLIDAY FROM 01 JANUARY - 31 DECEMBER 2021 FOR ALL CONCESSIONAIRES UNDER THE CIVIL AVIATION AUTHORITY OF THE PHILIPPINES

In line with the objective of the National Government to provide assistance to all stakeholders affected by the Coronavirus Disease 2019 (COVID-19) pandemic, the Civil Aviation Authority of the Philippines (CAAP) hereby promulgates the following guidelines for the Extension of the Lease/Rental Payment Holiday from 01 January to 31 December 2021, or until further extended.

I. SCOPE AND PURPOSE

The Lease/Rental Payment Holiday covers all concessionaires operating under the CAAP.

This policy is implemented in order to help cushion the impact of COVID-19 outbreak, a human tragedy, which has a monumental blow on the global economy, especially in the aviation industry.

II. DURATION

The Holiday is effective from 01 January until 31 December 2021, or until further extended by the Authority.

III. REQUIREMENTS

Unlike the previous Lease/Rental Payment Holiday, the following requirements shall be submitted by the concessionaires in order to qualify for the assistance program.

1. Letter Request (Addressed to DG thru Airport Manager);
2. Waiver Form (Attached as Annex A);
3. Certificate of No Outstanding Balance as of 31 December 2019; and

All requirements must be complete upon endorsement to the Business Development Division (BDD), incomplete requirements shall not be entertained and acted upon.
IV. PROCESS

The following process shall be observed accordingly in the execution of the Lease/Rental Payment Holiday:

If Area Center issues Billings

1. Letter Request addressed to DG thru Airport Manager
2. Waiver Form (signed)

Airport Manager

Airport Concession-in-Charge (ACIC)
- To prepare Certificate of No Variation
  (Signed by Airport Manager)

Area Center (ACIC)

Area Center Accounting
- Certificate of No Outstanding Balance

Area/Airport Concession-in-Charge (ACIC)

Airport Accounting Unit
- Certificate of No Outstanding Balance

Airport Manager
- Endorsement and Signature

Area Center
Area Manager / ACIC
- Concur and Sign

Business Development Division
- CTC (3 copies) Form

Office of the Director General
- For DG’s approval disapproval

Business Development Division
- Concur Endorse Sign

Area Center
(For reference)

Airport

Airport Concession-in-Charge

Airport Accounting Unit

Original – Airport
CTC
1 – EDD
1 – AC
1 – Airport Accounting Unit
V. PROFIT-SHARING

To generate revenue for the Authority, a Profit-Sharing scheme is hereby implemented.

Seven percent (7%) of the concessionaire's Net Monthly Income shall be declared and collected by the CAAP, based on the concessionaire's submitted Accountant Audited Financial Statement for 2021, forwarded to the Airport Concession-in-Charge (ACIC) on the 2nd week of January 2022 for the issuance of billing of the respective airport/areas.

The scheme is only applicable to the concessionaires which operated/operating during the duration of this Holiday (01 January – 31 December 2021, or until further extended).

Non-declaration of operation shall be considered a violation under this rule, subject for non-renewal of the concessionaire's contract. ACIC shall monitor all concessionaires operating by submitting a Monthly Report to the BDD, within Five (5) days after the end of each month.

Moreover, a Quarterly submission of Financial Statement must be submitted by the concessionaires for records purposes.

VI. KEY POINTS

1. No Rental Fee shall be paid by the concessionaire;
2. Utilities still to be paid by the concessionaire unless included in the contract;
3. Profit Sharing (7% of the Net Monthly Income);
4. Quarterly Submission of Financial Statement (FS) for monitoring; and

VII. PAYMENTS MADE DURING THE EFFECTIVITY OF THE HOLIDAY

All payments/amounts made for the lease/rental fee shall be considered as an advance payment for the profit-sharing, any overpayment once the profit sharing is computed at year end shall be applied to the concessionaires' rentals in the succeeding year and/or refunded if the contract will not be renewed.

For information and strict compliance.

CAPTAIN JIM C. SYDIONGCO
Director General
ANNEX A

Date: ______________________

WAIVER REQUEST FORM

Name of Business: ________________________________

Airport/Location: ________________________________

CAAP Account No.: ________________________________

Latest Signed Contract: ________________________________

Date of Expiry: ________________________________

Monthly Rental Fee: ________________________________

Remarks: ________________________________

Attachments:  □ Letter of Intent
□ Certificate of No Violation as of 31 December 2019
□ Certificate of No Outstanding Balance as of 31 December 2019

Signature above printed name of Authorized Representative

Reviewed by:  

Endorsed by:

_____________________________  _______________________________
Airport Concession-in-Charge  Airport Manager

Concurred by:  

_____________________________  ATTY. EDELIZA M. IRUGUIN
Area Manager  OIC, Business Development Division

Approved/Disapproved by:

_____________________________
CAPTAIN JIM C. SYDIONGCO  
Director General