



# CONCESSION MANUAL

*EDITION II*

**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**  
MIA ROAD, PASAY CITY, 1300  
METRO MANILA, PHILIPPINES

2025 CPO-BDD



## TABLE OF CONTENTS

### CHAPTER I OVERVIEW

- A Purpose
- B Mission Statement
- C Goals
- D Definitions

### CHAPTER II CAAP BUSINESS DEVELOPMENT

- A Business Development Department
- B Airport Concession-in-Charge (ACIC)
- C Area Center Managers and Airport Managers
- D Other CAAP Offices Involved
  - d.1. Aerodrome Development and Management Service (ADMS)
  - d.2 Accounting Division/Unit (Central Office/Area Center/Airport)
  - d.3 Billing Division/Unit (Central Office/Area Center/Airport)
  - d.4 CAAP Security and Intelligence Service (CSIS)
  - d.5 Air Traffic Service (ATS)
  - d.6 Air Navigation Service (ANS)
  - d.7 Flight Standards Inspectorate Service (FSIS)
  - d.8 Enforcement and Legal Service (ELS)
  - d.9 Office of the Director General (ODG)
  - d.10 CAAP Board of Directors
- E Types of Agreement
- F Local Business
- G Public Notice and Consultation
- H Ownership Limitations
- I Space Determination
- J Other Government Agencies

### CHAPTER III New Concession Application Requirements and Procedure

- A Process Flow
- B Initial Requirements
- C Requirements After Initial Approval
  - c.1 Applicable to All Categories
  - c.2 Additional Requirements for Each Category
    - c.2.1 For Government Agencies
    - c.2.2 For Banks
    - c.2.3 For Public Transportation
    - c.2.4 For Travel Agency
    - c.2.5 For Airlines and Aviation Related Companies
- D Requirements After Final Approval



## TABLE OF CONTENTS

E	Requirements Prior to Start of Operations
F	Guidelines for Selection of New Concession
f.1	Site Visit
f.2	Notice to the Public
f.3	Minimum Qualifications
f.4	Method for Awarding Concessions
f.5	Proposal Evaluation
f.6	Application Rejection
f.7	Evaluation Criteria
f.8	Evaluation Team
f.9	Interviews and Scoring
f.10	No Substitution of Brands After Award
G	Approval
H	Lease Term Matrix

### CHAPTER IV Concession Renewal Application Requirements and Procedure

A	Process Flow
B	Requirements for Existing Concessionaires
C	Renewals or Extensions of Existing Concessionaires
D	Treatment of Non-operational Concessionaires

### CHAPTER V Temporary Permit Application Requirements and Procedure

A	Temporary Permit Privilege
B	Process Flow
C	Business Proposal
D	Requirements After Approval
E	Requirements Prior to Ingress
F	Requirements Prior to Egress
G	Business Terms
g.1	Operational Guidelines
g.2	Utilities
g.3	Cleanliness and Solid Waste Management
g.4	Force Majeure
g.5	Risk Management
g.6	Safety and Security
g.7	Payment of Liabilities and Fees

### CHAPTER VI Progressive Concession Model

A	Use of Brands
---	---------------



## TABLE OF CONTENTS

B	Concession Performance Evaluation
C	Concession Merchandising Guidance
D	Competitive Environment
E	Concessionaire's Space Modification or Construction
F	Product Pricing Monitoring
G	Concession Agreement Term

### CHAPTER VII Concession Business Terms

A	Term
B	Minimum Required Capital Investment
C	Refurbishment Obligation
D	Utility Charges
	d.1 For Metered Connection
	d.2 For Sub metered Connection
	d.3 Back-up Electrical Power Charges (BEPC)
E	Monthly Fee
F	Advance and Security Deposit
G	Notarial Fees and Other Expenses
H	Proposal for Surety
I	Insurance
J	Agreement Administration
	j.1 Pricing Approval
	j.2 Customer Service Standard
	j.3 Liquidated Damages
	j.4 Assignment of Concession Agreement
	j.5 Termination of Concession Agreement
K	Cancellation of Concession Agreement

### CHAPTER VIII Rental and Other Charges

A	Monthly Rental
B	Billing
C	When to Pay
	c.1 Holding Period
D	Default Interest and Penalty Rate
E	Where/Who to Pay
	e.1 How Payment is Made
	e.2 Mode of Payment
F	Payment of Advance and Security Deposit
G	Increase in Fees/Charges; Lease





## TABLE OF CONTENTS

H	Termination
I	Pre-Termination Clause
J	Notice to Vacate

### CHAPTER IX Concession Inspection and Audit

A	Inspection
B	Audit
C	Secret Shopping
D	Notice of Violation

### CHAPTER X Miscellaneous Provisions

A	Repealing Clause
B	Amendments or Revisions
C	Effectivity

### ANNEXES

1	New Concession Application Process Flow
2	Concession Application Form (New)
3	Affidavit of No Pending Case
4	Affidavit of No Relationship
5	Concession Renewal Application Process Flow
6	Concession Application Form (Renewal)
7	Temporary Permit Application Process Flow
8	Temporary Permit Application Form
9	Construction General Notes for Concessionaires
10	Concession Operational Guidelines

### TABLES

3 – 1	Lease Term Matrix for Concessionaires
8 – 1	Billing Schedule Sample
10 – 1	Notice of Violation Schedule for Minor Violations
10 – 2	Notice of Violation Schedule for Major Violations

### FIGURES

2 – 1	Government Agencies Required in Airport Operations
3 – 1	Concession Application Process (New)
4 – 1	Concession Application Process (Renewal)
5 – 1	Concession Application Process (Temporary)



## CHAPTER I

### OVERVIEW

As a Government Owned and Controlled Corporation (GOCC), the Civil Aviation Authority of the Philippines (CAAP) has an obligation to build its concession program founded on the principles of fairness, integrity, accountability, and transparency in order to provide the air travelers with quality, reasonably priced goods and services in all CAAP owned and operated airports. The CAAP Concession Manual provides a framework for managing and developing the concession program. As used herein, concessions generally signify agreements for the operation and maintenance of non-aeronautical business activities within the airport, including but not limited to food and beverage, retail, and consumer service privileges within the passenger terminal buildings and other CAAP buildings, airline business operations, advertisements, transport, portorage, and communication services, and other business concessions that may be granted by the CAAP within its airport's premises.

#### A. Purpose

The purpose of this CAAP Concession Manual is to standardize the application process and to provide direction to the Business Development Division, Airport Management, offices and other parties involved in the process of contract administration through the governing policies and regulations established and customary to this Authority.

The CAAP management reserves the right to deviate from this Concession Manual on any concession matter, for any reason, subject to the necessary approvals. In the event of any inconsistency between the provisions in any concession contract and this Concession Manual, the provisions of the former shall prevail.

#### B. Mission Statement

To ensure that air travelers and the general public are offered quality products and services in line with international standards and to boost local economy and tourism.

To ensure seamless transactions between concessionaire stakeholders and the air travelers and general public.





To improve the passenger experience in CAAP operated airports through the presence of diversified quality products and services.

### **C. Goals**

The goals for the concession manual are as follows:

- a. Uniformity in application;
- b. Consistent and predictable governing guidelines;
- c. Provide value and exceptional customer experience centered on the general and flying public's needs;
- d. Maximize non-aeronautical revenue of CAAP operated airports;
- e. Keep the Manual up to date and dynamic by continuously introducing new concepts and services;
- f. Engineer contemporary and visually interesting concession design by incorporating high-quality local materials and design aesthetics to entice and energize customers;
- g. Attract the best local, regional, national, and international food and beverage, and retail concepts and tenants, and retain "best in class" concessions;
- h. Create and maintain a vibrant first-class concession program offering a range of quality food and beverage, retail and services in a branded environment, with particular emphasis on local, regional, national and global brands;
- i. To promote transparency in transactions;
- j. Provide guidance in processing concession-related documents and activities.





## D. DEFINITIONS

As used in this CAAP Concession Manual ("Manual"):

<b>"ACIC"</b>	refers to the designated Airport Concession-in-Charge in Area Centers and Airports.
<b>"ADMS"</b>	Refers to the Aerodrome Development and Management Service.
<b>"Agreement"</b>	A temporary permit, contract of lease, or memorandum of agreement that gives a concessionaire the right to operate a concession in a CAAP operated airport.
<b>"Airport Management"</b>	refers to the body overseeing the daily activities of CAAP operated airports and ensuring compliance to operational regulations and safety standards by all employees, concessionaires, air travelers and the general public.
<b>"Airport Engineering Unit"</b>	The body responsible for the engineering, design, and construction standards of CAAP operated airports. The unit is responsible for passenger terminal design and development, capacity planning, and compliance with ICAO safety requirements on all matters related to airport infrastructure.





**“ANS”**

refers to the Air Navigation Service.

**“Area Center”**

The body responsible for managing airports in accordance with established national and ICAO standards and recommended practices. Among its other functions, Area Centers handle development and utilization of airport assets including real property, concessions and other viable CAAP owned property.

**“ATS”**

refers to the Air Traffic Service

**“Authority”**

refers to the Civil Aviation Authority of the Philippines.

**“BDD”**

refers to the Business Development Division under the Corporate Planning Office handling business related activities of CAAP.

**“Business Name”**

The company name that represents the Concessionaire.

**“CAAP Operated Airport”**

An airport owned and operated by the CAAP.





**“Concession”**

For the purposes of this Manual, a right to operate a business, including but not limited to food and beverage, retail, and consumer service privileges within the passenger terminal buildings and other CAAP buildings, airline, general aviation, flying schools, advertisements, transportation, portage, and communication services, and such other business operations within the CAAP Premises.

**“Concessionaire”**

A person or business entity who enters into a concession agreement and operates within the CAAP Premises.

**“CPO”**

refers to the Corporate Planning Office under the Office of the Director General.

**“CPF”**

Refers to Concession Privilege Fees, which entitles a concessionaire to the privilege of conducting business or commercial activities in national airports subject to air transportation office rules and regulations and shall be paid separately for each type of business/commercial activity except airline business and government agencies.





<b>"CSIS"</b>	refers to the CAAP Security and Intelligence Service.
<b>"Director General"</b>	Refers to the Head of Agency.
<b>"DPSC"</b>	refers to Domestic Passenger Service Charge.
<b>"ELS"</b>	refers to the Enforcement and Legal Service.
<b>"Leased Premises"</b>	Total amount of leased area operated and managed by a Concessionaire as determined in its Agreement.
<b>"Passenger Terminal Building"</b>	The landside terminal building and concourse areas in a specified airport.
<b>"Term"</b>	The length of time, including any option years, during which a concessionaire has the right to operate a concession as provided in the concession contract.
<b>"Zoning Layout"</b>	Rentable and leasable space at a specified airport allocated to the Concession Program.





## CHAPTER II

### CAAP BUSINESS DEVELOPMENT

#### A. Business Development Division (BDD)

The Business Development Division (BDD) will function as the overall manager of concession-related activities of CAAP operated airports, buildings, hangars, training centers and other facilities. Under its direct contracting approach, the BDD will enter into individual concession agreements with concessionaires rather than selecting a master concessionaire or concession developer. To attain the Authority's goals, BDD will impose a performance management and development standard with every concession agreement it enters into. It will determine to whom the spaces shall be allocated, given based on the Zoning Layout and recommendation of the Airport Management. Likewise, concession space allocation (i.e., particular spaces for rent to concessions requiring technical assistance) shall be identified and coordinated with ADMS and Airport Engineering Unit.

Relatively, the tasks/activities of the BDD are as follows:

1. Conduct studies for proposed projects to determine their feasibility and ensure that any possible CAAP investments would be financially sound;
2. Conduct continuing studies and researches of possible revenue enhancing activities or projects;
3. Develop business schemes that provide additional income for the Authority;
4. Airport concession zoning;
5. Develop new policies, guidelines and enhancements of existing policies and guidelines based on actual operation and recommendation by Airport;
6. Concession Audit and Ocular inspection;
7. Quarterly Monitoring of concession related activities;
8. Evaluate and process simple and complex business proposals;
9. Prepare presentations and documents and present to the board of directors;
10. Processing and approval of New Agreement (Contract of Lease, Concession Agreement, Memorandum of Agreement/Understanding);
11. Processing of Temporary Permit;







12. Processing airport concession related documents (i.e., contract renewal);
13. Processing of concession requests;
14. Process and coordinate issuance of Notices (Notice of Violation);
15. Process and coordinate issuance of Notices (Notice to Vacate, Notice of Termination, Notice of Cancellation);
16. Process and coordinate issuance of Final Demand Letters; and
17. Monitoring of DPSC Payments.

## **B. Airport Concession-in-Charge (ACIC)**

An Airport Concession-in-Charge in each Area Center and Airport will be designated for the purpose of liaising, administration of policies, contract enforcement, and other pertinent functions and duties, such as but not limited to:

1. Prepare, draft and process Temporary Permit, Contract of Lease, Memorandum of Agreement; and other related documents (Amendments, etc.);
2. Evaluate and endorse the Airport Access Application of Concessionaires to CSIS;
3. Receive and evaluate concession requests and process accordingly, endorse to BDD if necessary;
4. Monthly on-site Inspection of concession operation (cleanliness, pricing, online payment et. al.);
5. Coordinate conduct of meter reading and endorse to billing unit for preparation of Billing Statement;
6. Prepare Bills (Rental of Concessionaires; Airline Check-in Counter Rental; Aviation Fuel Royalty; Parking Fee; and Aircraft Charges);
7. Distribution of Bills via Hand-carry and/or Electronic Mail;
8. Prepare and issue Order of Payment Slip (Airport);
9. Update and monitor concession (payments) records (ex. Payments, Billings, Concession Information, etc.);
10. Disseminate, administer and monitor the Authority and BDD directives and policies to concessionaires and other relevant offices;





11. Prepare reports and presentations for, and attend quarterly meetings with BDD;
12. Upon receipt of new and renewed contracts, disseminate and coordinate the same with relevant offices;
13. Conduct coordination meetings with concessionaires on CAAP and local airport policies and guidelines;
14. [Prior to issuance of Work Permit to concessionaire] Verify and endorse work permit application for construction at the airport, in accordance with the plans and specifications approved by the Authority;
15. Plan, evaluate and recommend concession spaces;
16. Maintain and update Concession Database;
17. Issue Airport-level Notices, Memorandum to Concessionaires;
18. Maintain and update consolidated Concession Database of airports under its jurisdiction;
19. Receive, evaluate and coordinate with Airport and Area Manager regarding concession applications prior to endorsement to BDD for final evaluation;
20. Prepare/Issue Certifications needed by Concessionaires (Certificate as Concessionaire, Certificate of No Violation, Certificate of No Outstanding Balance);
21. Prepare endorsements for Concession Renewal;
22. Prepare documents and information requested by Area Center and Central Office;
23. Verify and assess fees on requests of airport application/permits (e.g. Work Permit, Access Pass, Request/Coordination Forms, etc.);
24. File and maintain records of Contracts/Agreements, Memo, and other related documents for Area Center records;
25. Report concession-related concerns to BDD;
26. Coordinate and provide copy of contract/agreement and other issuances affecting billing statements to Billing Unit;
27. Issue Notice of Stoppage of Billing to Concessionaires;





28. Coordinate and endorse accounting-related requests (e.g. accounting clearance, billing, etc.) and concerns of concessionaires and satellite airports to Area Accountant;
29. Conduct coordination meetings with ACICs of satellite airports;
30. Review and finalize plans/proposals of revenue generating programs of the airports for endorsement to Area Manager and BDD;
31. Refine policies and procedures on concession for endorsement to Area Manager and BDD;
32. Disseminate Area-level memorandum to ACICs of satellite airports and its concessionaires;
33. Secure, maintain and update Airport/Aircraft Movement (Flights, Passengers, Cargo Movement) records and prepare reports of statistics;
34. Secure DPSC Payment Report from Revenue Unit and Load Sheet from Airlines; Endorse to Area Accounting for updating and monitoring of accounts.

The current ACIC shall retain this post until such time that a permanent position is approved in the reorganization and assigned in the Area Center and Airport.

### **C. Area Center Managers and Airport Managers**

The Area Center Manager (ACM) and Airport Manager (AM), in coordination with the BDD, will give guidance to ACIC regarding concession-airport administrative and technical matters. Accordingly, the ACMs and AMs will report to the Office of the Director General (ODG), through BDD, any problem or issue dealing with matters requiring management attention and guidance.

As frontline handlers, the ACM and AM, through the ACIC, will provide and coordinate with the Concessionaire the necessary assistance, as stipulated in the concession agreement. They will forward to BDD all reports and relevant feedback in reference to concerns and issues that reach their airports or areas for evaluation and resolution.





## **D. Other CAAP Offices Involved**

### **D.1. Aerodrome Development and Management Service (ADMS)**

The ADMS will handle and provide technical assistance in determining and securing provision for electrical, water, drainage and exhaust needed for concession operation. Provide technical assessment of applications concerning airport infrastructure and airport development as part of the consideration process of requests. Accordingly, ADMS, in collaboration with the BDD, shall set international standard designs, construction guidelines, and other parameters required involving concession related activities.

### **D.2. Accounting Division/Unit (Central Office/Area Center/Airport)**

The Accounting shall process and monitor payments of Concessionaires and provide Certification and Statement of Accounts, if necessary.

### **D.3. Billing Division/Unit (Central Office/Area Center/Airport)**

The Billing Division/Unit shall issue the Billing Statements to the Concessionaires accordingly.

### **D.4. CAAP Security and Intelligence Service (CSIS)**

The CSIS will provide assessment of safety and security aspects of the applications. Moreover, the Airport CSIS shall issue access pass and sticker pass to authorized Concession upon submission of CSIS requirements and ensure compliance of Concessionaires of CAAP safety and security rules and regulation.

### **D.5. Air Traffic Service (ATS)**

Depending upon the need and classification of applications, the ATS will provide assessment in accordance with established national and ICAO standards, recommended practices, and ATS policies, rules, regulations, procedures and standards. Moreover, the ATS shall determine whether the applications are in line with its operational and infrastructure developmental plans.





## **D.6. Air Navigation Service (ANS)**

The ANS shall conduct an assessment of the applications, when needed, and determine whether the same are aligned with operational and developmental requirements of air navigation facilities in conformance with ICAO Annexes, SARPs, and guidelines set by the Authority.

## **D.7. Flight Standards Inspectorate Service (FSIS)**

The FSIS will aid in the processing of applications of commercial air transport companies, general aviation operators, and flying school organizations by confirming the authenticity of the certificates and licenses submitted, and ensuring compliance to ICAO Standards and Recommended Practices, among others.

## **D.8. Enforcement and Legal Service (ELS)**

The ELS will handle legal related activities of Concession and provide legal guidance and action such as, but not limited to:

### **1. Issuance of Legal Pass for Board Materials**

ELS conducts a thorough examination of the documents forwarded and if it is deemed necessary to bring the matter before the CAAP Board, the Service issues a Legal Pass, recommending to the relevant office to present the matter to the Board. Should supporting documents be available within ELS, they will be appended to the Legal Pass. Alternatively, if such documents are not held by ELS, all required materials (including a signed briefer, draft Board Resolution, and PowerPoint Presentation) required for the presentation must be supplied by the presenting office and submitted to the Corporate Board Secretary.

### **2. Issuance of Final Demand Letter**

Upon receipt of a Memorandum from BDD requesting the issuance of Final Demand Letter, ELS promptly initiates the issuance process. This entails conducting a comprehensive review to ascertain that prior demand letters were dispatched to the concessionaire without yielding payment. ELS maintains close collaboration with





BDD to guarantee the inclusion of necessary details. It is pertinent to note that copies of the correspondence are forwarded to concerned offices such as BDD, Airport Concession-in-Charge, and Airport Manager to uphold transparency and ensure all relevant parties are informed.

### 3. Issuance of Notice to Vacate

Upon receipt of a Memorandum from BDD indicating that a concessionaire previously issued a Final Demand Letter has failed to fulfill its outstanding obligation within the stipulated timeframe, ELS proceeds to dispatch a Notice to Vacate to the respective concessionaire. Concurrently, copies of this communication are disseminated to relevant offices for their information and appropriate action.

4. Filing of legal claim for outstanding balance;
5. Issuance of Authority to Sign;
6. Review draft Contracts and MOA, If needed;
7. Provide legal comments and recommendation; and
8. Others.

### **D.9. Office of the Director General (ODG)**

The Director General will execute the final approval of the Agreement between CAAP and the successful concession applicant when the term of concession privilege granted does not exceed five (5) years.

### **D.10. CAAP Board of Directors**

The CAAP Board of Directors will approve or disapprove the Agreement between CAAP and the successful concession applicant when the term of concession privilege granted exceeds five (5) years.



## **E. TYPES OF AGREEMENT**

### **E.1. Memorandum of Agreement**

A legally binding agreement between the Authority and a Government Agency, whereby the former grants the latter the right, privilege, and obligation to occupy an allocated space within a CAAP operated airport.

### **E.2. Memorandum of Understanding**

A bilateral agreement between the Authority and another party such as, but not limited to, a person, corporation, or government agency, indicating a common line of action.

### **E.3. Concession Agreement**

An agreement whereby the Authority gives a right, privilege, and obligation within a specified term, to a Concessionaire to operate a specific business in a particular location within a CAAP operated airport.

### **E.4. Contract of Lease**

A contract by which the Authority, the lessor, binds himself to grant temporarily, for a period exceeding three (3) months, the enjoyment or use of an allocated space to a Concessionaire who undertakes to pay the compensation and fees therefor, and to comply with corresponding obligations and duties as stipulated therein.

### **E.5. Temporary Permit**

A permit issued by the Authority, the lessor, to grant temporarily, for a period not exceeding three (3) months, the enjoyment or use of an allocated space to a lessee who undertakes to pay the compensation and fees therefor, and to comply with corresponding obligations and duties as stipulated therein. The issuance of Temporary Permit shall strictly be for marketing purposes and government tourism promotions.





## **F. Local Business**

The Authority prioritizes local businesses to be part of the concession community giving equal opportunity to compete with well-established large companies. It is CAAP's interest to encourage local business participation in order to foster local economic growth while showcasing the area's business potential and thus securing the best possible tenants.

By incorporating the concepts and products of local entrepreneurs, the Authority can help each airport stand out and stimulate additional sales, all while creating a community that is comforting to locals and interesting to visiting passengers.

Local ownership includes local owners and franchise holders operating national branded concepts.

## **G. Public Notice and Consultation**

It is the Authority's policy to solicit strong public interest in every airport concession opportunity. The BDD is responsible for providing public notices through available modes of mass media including, but not limited to publication in the CAAP website and official social media accounts, on concession matters and concerns.

Meetings will be occasionally scheduled in order to:

1. Invite specialized types of business to attract other local businesses and brands;
2. Provide information on concession privileges and opportunity analysis for reference;
3. Create a forum to discuss the potential risk and issues concessionaires encounter; and
4. Provide guidance and technical assistance prior to proposal submission.

## **H. Ownership Limitations**

**H.1.** The following concession classifications may not own, control, manage or operate more than three (3) concession privileges in each Airport: Advertising & Display, Portage, Transportation, Food & Beverage, Convenience Retail, Specialty Retail, and Duty Free; provided, that for Principal Class II and Community Airports with limited concession space of ten (10) and below, no more than one (1) concession







privilege in each Airport may be operated by the enumerated concession classifications.

**H.2.** When applying or responding to any concession opportunity, it is the Concessionaire's consenting obligation to provide sufficient information and offer full disclosure as contained in their Affidavit of No Relationship as Concessionaire of material relationships such as: entities owned, controlled or managed by the same person or entity within the second degree of consanguinity or affinity to the same person or entity; who has entered into a concession agreement, lease or any other contractual arrangement to operate business within CAAP operated airports.

**H.3.** No Concession applicant, spouse, relative within the second civil degree of consanguinity or affinity, or its stockholders, directors or officers thereof, related to any CAAP personnel (regular, contract of service, consultants or job orders) and elected officials will be granted a concession lease contract.

**H.4.** Concession space is exclusive of (i) mechanical and electrical space (ii) public restrooms, common areas, stairwells, stairways, escalators, elevators, public lounges, public cueing space and (iii) storage or office space, unless essential to concession operation.

## **I. Space Determination**

The following guidelines will be used in determining concession space within CAAP operated airports and properties:

### **I.1. LEASED**

This category includes concession space leased to a Concessionaire pursuant to a Lease Agreement.

### **I.2. QUEUED (Not leased but designated)**

This category includes areas designated as concession space but not leased to a Concessionaire. Thus, available for lease pursuant to a Lease Agreement and designated for one (or more) types of concessions.





### I.3. VACANT

This category includes concession space not leased to a Concessionaire but may be considered for lease pursuant to a Lease Agreement or other contractual arrangement, and not already assigned to a subsisting Concessionaire in good standing.

## J. Other Government Agencies

In consideration of the aviation security in terms of passenger movement within the Passenger Terminal Building (PTB), particular government agencies are determined to be operational requirements of an airport to accommodate the needs of the passengers and the function of other agencies situated in different areas. (See Figure 2-1).

Figure 2-1. Government Agencies Required in Airport Operations



GOVERNMENT AGENCY	AGENCY OPERATION	PASSENGER TERMINAL BUILDING	
		DOMESTIC	INTERNATIONAL
Civil Aviation Authority of the Philippines	Malasakit Help Desk	1, 5	6, 10
	Security Booth	1, 5	6, 10
Philippine National Police	Firearms Deposit Booth	2	7
Office of the Transportation Security	Initial Security X-ray Machine	2	7
Bureau of Plant Industry	Booth	-	7, 10
Bureau of Animal Industry	Booth	-	7, 10
Bureau of Fisheries and Aquatic Resources	Booth	-	7, 10
Civil Aeronautics Board	Passenger Rights Complaint Desk	3	8
Philippine Overseas Employment Administration	OFW Assistance	-	8
Tourism Infrastructure and Enterprise Zone Authority	Travel Tax Booth	-	8
Office of the Transportation Security	Final Security X-ray Machine	4	9
Bureau of Immigration	Immigration Booth	-	9, 10
	Immigration Holding Room	-	9, 10
Bureau of Customs	Customs Booth	-	10
Bureau of Quarantine	Customs In-Bond Baggage Room	-	10
Provincial City Tourism/Department of Tourism	Tourism Help Desk	5	10

All government agencies required in airport operations of the Authority must enter into a Memorandum of Agreement (MOA) for the abovementioned spaces with the rent, for the first identified leased space, free of charge. Any additional area occupied shall be subject to corresponding rental fee. Garbage collection fees and electricity,





water and internet utilities shall however be shouldered by the occupying agency by either manual computation or installation of sub-meter.

Relatively, for spaces occupied by other agencies not considered as required in the airport operation, a Contract of Lease shall be entered into with the Authority. The allocation of spaces is subject to airport space availability, airport requirements, and CAAP management approval.





## CHAPTER III

### NEW CONCESSION APPLICATION REQUIREMENTS AND PROCEDURE

#### A. Process Flow

Figure 3-1 presents a conceptual diagram of the application process flow of new concessionaire applicants, giving emphasis on the key steps in the application process. (See Annex 1 for the detailed timeline of the application process).

It shall be noted that the process flow and checklist may be revised accordingly if the need arises, upon approval of the Director General and shall be Annexed to this Manual.

#### NEW CONCESSION APPLICATION PROCESS FLOW



#### B. Initial Requirements (Phase 1)

The receipt Letter of Intent alone shall be considered as a mere inquiry. Accordingly, it shall be noted that applications with incomplete requirements shall be automatically disapproved.

##### B.1. Letter of Intent

This includes information on the following: name of Business, type of business for concession; general products or service; Airport of interest; size of proposed concession; point of contact and contact details.





## **B.2. Application Form**

This form includes the information of the business, operational requirements, layout design, and checklist of initial requirements signed by the authorized representative of Concessionaire-applicant (See Annex 2).

## **B.3. Business Plan**

A standard business plan will be required for every new concession application.

This includes the following:

- I. Executive Summary;
- II. Company Profile;
- III. Market Analysis;
- IV. Management and Organization Structure;
- V. List of Products and/or Services with pricing;
  - i. Product or Service description
  - ii. Price List
  - iii. Street Pricing Survey
- VI. Projected Financial Statement for one (1) year with Capital Investment.<sup>1</sup>
- VII. Architectural Plan/Layout/ /Design of proposed concession.
- VIII. Height Limitation (If construction needed)
- IX. Project Schedule (plotted from issuance of Notice to Proceed to start of Concessionaire's business operations)

## **B.4. Affidavit of No Pending Case**

A notarized affidavit certifying that the concession applicant does not have a pending case with the Government. (See Annex 3).

---

<sup>1</sup> The financial statement should present the concession's objectives, forecast revenues and expenses, and predict liabilities to determine whether the business is viable.





### **B.5. Affidavit of No Relationship**

A notarized affidavit certifying that the concession applicant does not have a spouse or relative within the fourth civil degree of consanguinity or affinity, or its stockholders, directors or officers thereof, related to any CAAP personnel (regular, contract of service, consultants or job orders) or elected officials. (See Annex 4).

### **B.6. Monthly Lease Rate Offer**

A Concession Applicant may propose a monthly lease rate as part of its application. An offer resulting in an amount higher than that which is provided for in Department Order 98-1178, Department Order 2007-25 and Authority Order No. 155-08, and any subsequent issuances, shall take precedence in compliance with the Best Offer Rule.

**B.7.** Other requirements that are particular to the type of business applied may be requested. If needed, the BDD and ACIC will conduct an interview with the business representative as part of the evaluation for initial approval.

All the above-stated initial requirements shall be duly prepared and accomplished by Concessionaire-applicants and submitted within the period provided in the Notice to the Public, or within any other period specifically granted by the Authority as the case may be. The BDD upon careful assessment, taking note of the requirements and needs of the Authority, and verification of the truthfulness and completeness of applications shall give its initial approval of the application. Subsequently, the grant of initial approval shall qualify the applicant to the next phase of the concessionaire application process.

## **C. Requirements After Initial Approval (Phase 2)**

The completion of Level 1 approval shall prompt the issuance of notice of the same. Upon receipt of notice of initial approval, the concessionaire-applicant shall submit the following requirements as deemed applicable to the concessionaire-business it offers, to wit:





### **C.1. Applicable to all categories**

1. Department of Trade and Industry (DTI) Business Name Registration or Securities and Exchange Committee (SEC) Certificate of Registration;
2. Bureau of Internal Revenue (BIR) Certificate of Registration;
3. Affidavit of the Owner/Secretary's Certificate/Special Power of Attorney;
4. Articles of Incorporation and By-Laws;
5. Architectural Plan for new structures;
6. Height Clearance Permit (if construction is needed);
7. Certificate of Registration issued by the Cooperative Development Authority for Cooperatives;
8. Standard Operating Procedure for safety and security (if ingress/egress is thru separate access gate);
9. ID of Authorized Signatory – Copy of one (1) government issued ID of the Signatory of the concession applicant; and
10. Documentary Stamp Tax, for Contracts.

### **C.2. Additional Requirements For Each Category**

In addition to the requirements provided for in the preceding section, concessionaire-applicants shall submit other requirements pertinent to their specific business category.

#### **C.2.1 For Government Agencies**

1. Resolution;
2. Detailed description and list of activities for applied space;
3. List of office equipment to be used;
4. Organization Structure of the office that will occupy the space; and
5. Contract of Lease or Memorandum of Agreement between CAAP and other Government Agency





### **C.2.2 For Banks**

1. Detailed description of activities and services offered for applied space;
2. List and details of Equipment to be used (with pictures); and
3. Contact information of bank personnel responsible for the Automated Teller Machine (ATM).

### **C.2.3 For Public Transportation**

1. Land Transportation Office (LTO) Official Receipt/Certificate of Registration (OR/CR);
2. List of services and price/fare;
3. Department of Tourism (DOT) Accreditation;
4. Land Transportation Franchising Regulatory Board (LTFRB) Franchise;
5. Certificate of Public Convenience and Necessity (CPCN); and
6. Certificate from Local Government Unit for Tricycles and other modes of transportation.

### **C.2.4 For Travel Agency**

1. DOT Accreditation

### **C.2.6 For Airlines and Aviation Related Companies**

1. Air Operator's Certificate issued by the Authority;
2. Approved Training Organization Certificate (ATOC);
3. Certificate of Public Convenience and Necessity (CPCN);
4. Foreign Air Carrier's Permit (FACP) issued by the Civil Aeronautics Board (CAB); and
5. Letter of Authority issued by the CAB authorizing a person or entity to engage in forwarder, general sales agent, cargo sales agent and off-line carrier.





Failure to submit all the pertinent requirements at this second phase of the application within 10 calendar days, or any other period granted by the Authority as the case may be, shall render the initial approval null and void thereby automatically cancelling the application of concessionaire-applicant.

#### **D. Requirements After Final Approval (Phase 3)**

Prior to the issuance of Notice to Proceed, the approved concession must submit, within the period provided, the following requirements for Level 3:

1. Mayor's Business Permits;
2. Barangay Business Permit;
3. Sanitary Permit<sup>2</sup>; and
4. Franchise Certificate<sup>3</sup>.

#### **E. Requirements Prior to Start of Operation (Phase 4)**

Successful concessionaire-applicants shall submit to the airport/office concerned the following:

##### **E.1. Advance and Security Deposit.**

Concessionaire shall pay Advance and Security Deposit, as stipulated in the Order of Payment, to the Authority;

##### **E.2. Personnel Information Sheet.**

Concessionaire shall submit duly accomplished Personal Information Sheets for each concession employee;

---

<sup>2</sup> Required for food and health-related services.

<sup>3</sup> Required for transportation Services.





## **F. Guidelines for Selection of New Concession**

### **F.1. Site Visit**

Prior to the issuance of Notice to the Public, the BDD and the Area/Airport Concession-in-Charge in coordination with ADMS and/or Airport Engineering Unit, will conduct a site visit to establish the requirements, if needed.

### **F.2. Notice to the Public**

The BDD shall issue a Notice to the Public which includes the requirements, qualifications, schedule and other provisions, if needed.

Notice to the Public postings will be announced in the following:

1. CAAP website;
2. Official CAAP social media sites;
3. Airport announcement boards; and
4. Email to interested parties in the concession.

### **F. 3. Minimum Qualifications**

All prospective concessionaires in the CAAP operated airports and other premises must demonstrate and meet the minimum qualifications for concession. The following are the required minimum qualifications:

#### **1. Concrete Business Plan.**

The business plan must be complete and showcase plausible pricing of products and services offered; projected financial statement; and operational management that meet international standards.

#### **2. Financial Capability.**

The BDD will review the information submitted concerning the concessionaire applicant's financial capability (defined as the ability to finance the construction, operation and improvements necessary to operate the concession) and may contact prospects to obtain additional information needed to determine this.





### 3. Market Needs.

The BDD will consider the applications based on the availability of space and needs of the flying and general public.

Failure to meet each qualification will result in a rejected proposal without further evaluation.

## F.4. Methods for Awarding Concessions

### F.4.1 Competitive Proposals.

Notice to the Public will be used for concession privileges in order to allow the Authority to assess a variety of factors, in addition to guaranteed revenues, in the selection of concessionaires. Through this process, the evaluation of proposals will be based on type of product and/or service offering, volume of business to be generated, product and service standards, demonstrated capability and management, and other criteria which the Authority deems necessary for the specific product, service, or business.

The concession will then be awarded following the Authority's comparative evaluation of each proposal taking into account factors that may affect safety, security and operational interests of CAAP. Secondary factors may include economic viability, management track record and business experience, as well as planned business improvements that may have an impact on the Authority's operations and interests.

Privileges to be awarded by competitive proposals include:

- **Advertising and Display** (Management Contract)
- **Food and Beverage**

Food and beverage concessions generally include, but are not limited to:<sup>4</sup>

- **Casual dining restaurants** offering meals, snacks, and beverages typically with wait staff and table service;
- **Quick-serve kiosks** offering specialized meals, snacks and beverages through counter service;

---

<sup>4</sup> National Academies of Sciences, Engineering, and Medicine. Resource Manual for Airport In-Terminal Concessions. 10 (2011)





- **Specialty coffee units** offering premium coffee and espresso drinks, tea, other non-caffeinated drinks, pastries, and packaged meals.
- **Convenience Retail**  
Includes retail concepts such as gift shops, publications or newsstands, and convenience stores.<sup>5</sup>
  - **Gift shops** offer souvenirs, gifts, and general merchandise;
  - **Publications or newsstands** offer an assortment of newspapers, magazines, books, and general merchandise such as candies, mints, and travel necessities;
  - **Convenience stores** serve as a “one-stop shop” offering hot and/or cold beverages, snacks, light meals, personal care items, and other necessities.
- **Specialty Retail**  
Specialty retail includes a specialized line of merchandise, such as jewelry, personal care products, luggage, travel accessories, gadgets, regional arts and crafts, clothing, and other merchandise.<sup>6</sup>
- **Public Parking** (Management Contract)
- **Transportation**
- **Porterage**
- **Duty Free**
- **Cargo**
- **Hangar**
- **Lot/Land lease**
- **Right of way**

The Authority reserves the right to award one or more of the above-described privileges by bidding rather than competitive proposal.

#### F.4.2 Negotiation

Direct Negotiation will be used where products or services offered are unique or available only from a single supplier or otherwise covered by patents, copyrights, trademarks. In cases wherein only one concessionaire meets the eligibility requirements, the Authority may, at its discretion, negotiate the concession. Equally,

---

<sup>5</sup> *Id* at 12.

<sup>6</sup> *Id* at 13.





if BDD determines during an on-going negotiation that the product or services being negotiated are offered by more than one eligible supplier, then the privilege will be awarded through the proposal procedure or bidding, as appropriate.

#### **F.4.3 Bidding to Specifications**

Bidding to specifications will be used for those concessions where types of service, quality of service or products are alike or difficult to differentiate among several operators. In bidding to specifications, the concession will be awarded to the bidder that will provide, within applicable national and local laws, rules and regulations, the most holistically beneficial proposal to the Authority.

#### **F.5. Proposal Evaluation**

The Proposal Evaluation will be conducted by the BDD and Airport/Area Concession-in-Charge wherein all application documents, especially the business plan, will be presented and deliberated.

If there are any issues and/or concerns with the business plan, the Airport/Area Concession-in-Charge will coordinate with the concerned concession applicant for revision. A second Proposal Evaluation will be conducted on the revised business plan submitted by the applicant. .

Should there be an available space after the second Proposal Evaluation, the BDD will accept new applications to undergo the evaluation process.

The Authority shall issue a Letter of Initial Approval to selected applicant/s, who shall exhibit their acceptance within ten (10) calendar days.

#### **F.6. Application Rejection**

Applications may be rejected or disqualified for any of the following reasons:

1. Failure to meet Minimum Qualifications;
2. Failure to provide complete documentation;
3. Conflict of Interest (*as stated in H.3 of Ownership Limitations*);
4. Failure to comply with space limitation (*as stated in H.1 of Ownership Limitations*);
5. Connivance among applicants;
6. Default or termination of other Airport contracts;





7. Omissions or fraudulent statements;
8. Failure to comply with terms and conditions of existing concession agreements with the Authority;
9. Considered as a security risk;
10. Considered as a safety risk;
11. Improper conduct, performed within leased CAAP property, under any previous or existing agreement with the Authority:
  - 11.1 Gambling, in any form and/or manner, or gaming activity whereby sums of money are at stake,
  - 11.2 Drinking alcoholic beverages or taking prohibited drugs or substances,
  - 11.3 Causing disturbance, commotion, argument or conflict;
  - 11.4 Posting of any immoral, lewd, objectionable pictures, inscriptions, or objects, or
  - 11.5 Willful or malicious damage to CAAP facility or property resulting from horseplay and negligence;
12. Unpaid arrears, unresolved monetary over dues, or owed debts under any previous or existing agreement with the Authority;
13. Failure to disclose all trademark, copyright, licensing, franchise, and other contractual or property rights;
14. Any conduct of in violation of the Revised Penal Code, Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act), Presidential Decree No. 46 (Act Punishing the Receiving and Giving of Gifts for Public Officers and Employees), Republic Act No. 6713 (The Code of Conduct and Ethical Standards for Public Officials and Employees, and other laws or regulations hereinafter promulgated; or
15. Other causes as deemed relevant by the Authority.

## **F.7. Evaluation Criteria**

The Authority will evaluate the best tenant option based on the following criteria:

1. Products and Services;
2. Pricing;
3. Design and Layout;
4. Experience and qualification;





5. Operational and financial capability;
6. If previous or existing CAAP Concessionaire, payment and conduct history;
7. Lease offer, if applicable.

#### **F.8. Evaluation Team**

Applications will be evaluated and deliberated by the team composed by the BDD and ACIC. The BDD Chief will serve as the chair of the team. All recommendations and evaluation will be submitted to the Airport Manager and CPO Chief for the initial approval of the concessionaire.

#### **F.9. Interviews and Scoring**

The Authority reserves the right, when circumstances merit, to invite the applicants for interviews.

The interview will be an opportunity for the team to ask questions or seek clarification on submitted documents or proposals. Questions will be provided in advance prior to the interview. On the scheduled date, interviewees may not:

- Bring merchandise, gifts or flyers;
- Introduce additional information not in the original proposal; or
- Alter business terms or proposed concepts.

Any team member may revise its initial assessment after the interview. There will be no separate scoring of interviews and written proposals. Final assessment will be based only from the evaluation criteria listed in the Notice to the Public.

The Team's work is complete when a recommendation is made by the Chair. Successful proposals and applicants will be informed, through email.

#### **F.10. No Substitution of Brands After Award**

A concept or brand may not be changed or substituted following the **initial approval**. It is the applicant's responsibility to establish a relationship with the brand owner and have the legal authority to operate the brand or concept prior to submission of proposal.





## **G. Approval**

The approval of Agreements shall be granted by the following:

### **G.1. Airport Manager**

- a. Temporary Permit with terms not exceeding three (3) months; noted by the BDD Chief. It shall be noted that all Temporary Permits granted are non-renewable.

### **G.2. Department Manager, Corporate Planning Office**

- a. Renewals of Agreement with a term of one (1) year to five (5) years;

### **G.3. Director General**

- a. New Agreements with varied terms of one (1) year to five (5) years; and
- b. Memoranda of Agreement without or minimal effect on financial interests of CAAP nor to any of its operational conditions and developmental plans, irrespective of the term of contract.

### **G.4. CAAP Board of Directors**

- a. Agreement with terms exceeding five (5) years;
- b. Memoranda of Agreement which would greatly affect current and future financial interests of the Authority as well as its operational conditions and developmental plans, irrespective of the term of contract; and
- c. Contracts with an annual concession fee, inclusive of all other fees and charges, amounting to at least ten (10) million pesos shall be approved by the Board, irrespective of the period or term of lease.







## H. Lease Term

The privilege is granted for a specified period dependent upon the classification of permitted use in consideration of operational factors and financial investment involved in the concession.

The recommended lease term for concessions as exhibited in Table 3-1 may be used in the grant of the concession privilege. However, a shorter or longer period may be permitted subject to the Authority's discretion.

**Table 3-1. Lease Term Matrix for Concessionaires**

Concession Classification	Lease Term
Advertising & Display	1
Porterage	
Transportation	
Food & Beverage	2
Convenience Retail	
Specialty Retail	
Duty Free	3
Right of Way	
Lot/Land Lease	
Parking Lot Management	5
Hangar	
Airline	
Cargo	





## CHAPTER IV

### CONCESSION RENEWAL APPLICATION REQUIREMENTS AND PROCEDURE

#### A. Process Flow

Within ninety (90) days prior to expiration of contract or agreement, Concessionaires may file a Request for Renewal or Extension of the privilege granted by the Authority. Figure 4-1 exhibits the highlights of the application process for concession renewal. (See Annex 5 for detailed process flow.)



#### B. Requirements for Existing Concessionaires

1. Letter of Intent;
2. Renewal Application Form (See Annex 6);
3. Latest Mayor's Business Permit;
4. Latest BIR Certificate of Registration;
5. (New) Affidavit of No Pending Case (See Annex 3);
6. (New) Affidavit of No Relationship (See Annex 4);
7. Latest Sanitary Permit (If applicable);
8. Latest LTFRB Franchise (If applicable);
9. DOT Certificate (If applicable);
10. Government Issued ID of Authorized Representative/ Signatory;
11. Proof of Payment of Notary fee;
12. Other requirements that are particular to the type of business applied may be requested; and
13. Documentary Stamp Tax, for Contracts.





Notably, Renewal Application Forms shall include clearance certifications from Accounting and CSIS.

Relatively, Concessionaires with outstanding balances amounting to at least three (3) months and below shall first obtain an approval from Area/Airport Management, and come into an agreement with the latter as to the scheme of payment for the aforementioned obligation. Thereafter, the Concessionaire shall submit and attach to the Renewal Application Form a Promissory Note manifesting the agreement.

Conversely, Concessionaires with outstanding balances amounting to three (3) months and above shall first obtain the approval of the Director General, through the BDD. A Promissory Note stating the payment scheme agreed upon with the ODG, through BDD, shall also be submitted by the concerned Concessionaire.

### **C. Renewals or Extensions of Existing Concessionaires.**

As a rule, there will be no automatic extension or renewal to any concession or service agreement. Negotiation with an existing concession or operator for renewal or extension of term will commence with a Request for Renewal/Extension of Concession by the Concessionaire to the Authority within ninety (90) calendar days before the expiration of the existing agreement.

Subject to the foregoing, there is no restriction regarding successive contracts with the same concessionaire or service provider following a competitive bid and proposal process. Similarly, renewal of contracts shall be subject for approval by the Director General.

### **D. Treatment of Non-operational Concessionaires.**

The Contracts and Agreements with Concessionaires which have ceased operations, including non-payment of financial obligations, for more than three (3) consecutive months and/or those which have failed to obtain an approval for renewal shall be deemed terminated.





Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

Should the said Concessionaires wish to continue operations, they shall undergo the same requirements and process applied to new applicants under Chapter III and clearance from Airport Management.





## CHAPTER V

### TEMPORARY PERMIT APPLICATION REQUIREMENTS AND PROCEDURE

#### A. Temporary Permit Privilege

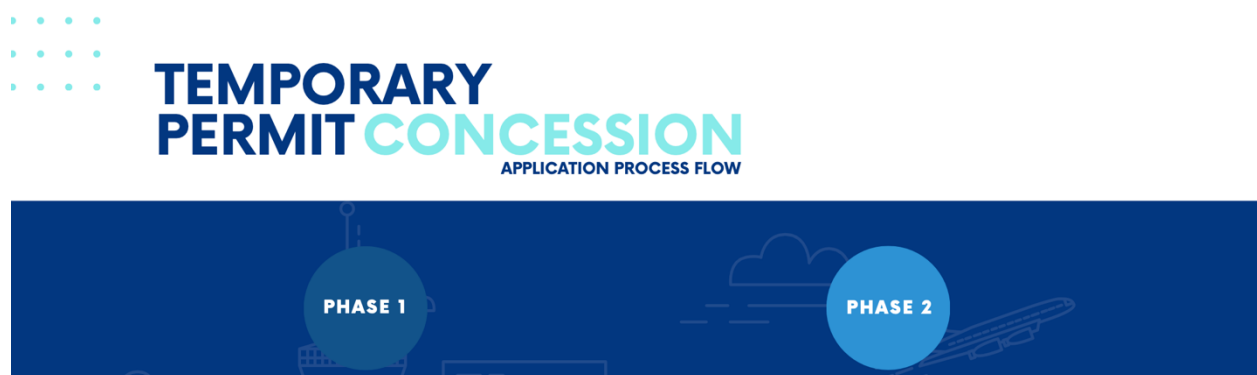
The privilege to conduct commercial marketing activities within any CAAP operated airports, facilities, offices, or properties may be granted through issuance of Temporary Permit.

The grant of temporary permit shall be on a first come, first serve basis subject to space availability and suitability to the requirements provided by the Authority. The grounds for issuance of temporary permit shall be exclusively for marketing or advertising purposes and government tourism promotions.

The privilege under a temporary permit shall not exceed the period of three (3) months, without option for renewal. Concessionaires interested in operating beyond three months shall either wait for another Temporary Concession event opening or apply for a Contract of Lease under the New Concession Application Process, subject to the needs or requirement of the Authority, availability of concession location, and posting of a Notice to the Public (See Chapter 3).

#### B. Process Flow

Figure 5-1 presents a conceptual diagram of the application process flow of temporary permit applicants, giving emphasis on the key steps in the application process.





### C. Business Proposal

Temporary permit applicants focused on marketing activities shall submit a **Letter of Intent** along with a duly accomplished **Temporary Concession Application form** (See Annex 7) and Business proposal:

- Business Name
  - i. Product or Service
  - ii. Purpose for Temporary Permit Application: Marketing or Government Tourism Promotion
- Booth, Kiosk or Counter Description
  - i. Dimensions
- Design sample
- Sample of Marketing and/or Promotional Materials

### D. Requirements After Approval

1. Payment of Temporary Permit Fee and Security Deposit, as stipulated in the Order of Payment, to the Authority;
2. One (1) government-issued ID of the authorized representative.;
3. Duly accomplished Personal Information Sheets for each employee/staff of the concession

### E. Requirements Prior to Ingress

1. Gate Pass

### F. Requirements Prior to Egress

1. Gate Pass
2. Clearance Memo: No Violation/Penalty Fee Due and No Outstanding Balance



## **G. Business Terms**

### **G.1. Operational Guidelines**

Concessionaires shall undertake the responsibility of familiarizing themselves with the operational guidelines under Annex 10 of this Manual and to ensure compliance therewith by its staff. Any violation/s committed by its employees, agents, or representatives shall subject the Concessionaire to penalties and/or charges.

### **G.2. Utilities**

Promotional plans requiring the use of electricity, water or telecommunication shall be charged accordingly. The corresponding fees shall be considered in the lease rate imposed upon Concessionaires granted Temporary Permit Privilege.

### **G.3. Cleanliness and Solid Waste Management**

Concessionaires shall be charged for garbage collection fees during the exercise of their privilege.

- a. Concessionaires shall always maintain the cleanliness of their leased area and its surroundings. Any form of littering within any of the areas of CAAP properties shall be prohibited.
- b. Concessionaires must keep hallways and areas beyond leased premises free from any obstruction at all times.
- c. No Concessionaire shall display or store any excess material or equipment beyond its leased premises.
- d. No Concessionaire shall leave any trash, material or equipment after egress.

### **G.4. Force Majeure**

The period granted under the temporary permit may be postponed, shortened, or extended due to any unforeseeable or unavoidable cause whatsoever beyond the control of the Authority. The Authority shall not be liable for any loss or damage incurred by Concessionaire due to the postponement, discontinuance or cancellation of the privilege brought about by the above-mentioned causes.



### **G.5. Risk Management**

The Concessionaires shall undertake the responsibility of providing sufficient insurance protection against all risk deriving from their use of the privilege granted.

### **G.6. Safety and Security**

The Authority shall provide security and general surveillance within CAAP operated airports and properties but will not be liable for personal injury or death, or property loss or damage caused by theft, fire, negligence and any other acts that may arise during the temporary privilege granted.

### **G.7. Payment of Liabilities and Fees**

In the payment of all fees, and liabilities under this chapter and such annexes as may be attached by the Authority, it shall be understood that when the last day of the period provided falls on a weekend or holiday, it is understood that the last day shall fall on the next working day.

The payments shall be made to the respective Area/Airport Collection Section, citing the name of Concession and the period covered by such payment. Such payment shall be evidenced by an official receipt duly signed by the CAAP Collection/Treasury agent, in triplicate original copies.







## CHAPTER VI

### PROGRESSIVE CONCESSION MODEL

Concession Programs directly and indirectly determine passenger satisfaction with their airport experience. Passengers of today have evolved and expect a more sophisticated overall travel experience which involves diverse quality shopping, dining, and consumer service experience at reasonable prices from well-designed and efficient shops. This program aims to adapt to the dynamic traveling lifestyle of today, which would require the constant change in the use of space and concession agreements.

#### A. Use of brands

CAAP airports need a variety, if not a full range, of food and retail services. Although the vision of this program is to highlight the Filipino culture and tradition, this shall not discourage the incorporation of regional, local and international concepts and products.

Local brands have always proven to be popular and marketable at airports. They aid in creating a unique “sense of region” that reflects unique attributes of the city or region for the general and flying public. Through this program, the Authority is able to offer the passengers a glimpse of the local community and the culture, while experiencing its best product offerings.<sup>7</sup> The regional designs of Island Souvenirs, Bongbong’s delicacies at Bacolod-Silay and Zubu Chon at Mactan International are examples of successful local shops that help identify and differentiate these airports from another.

The Authority believes that a mix of local brands provide the overall balance and better service that appeals to a wide range of passengers.

#### B. Concession Performance Evaluation

Operational guidelines as provided under Annex 10 and any other rules and regulations annexed to the Manual, shall specify the general performance standards the concessionaires are expected to comply with. The performance standards

---

<sup>7</sup> *Id* at 16-17.





include, but are not limited to, general operations, concessionaire store operations, safety measures and procedures, management and employee performance and customer relations.

The most salient source information and feedback of the concession program is offered directly from our customers. BDD shall establish a feedback mechanism through direct or 3<sup>rd</sup> party surveys and analysis.

Audit and evaluation activities that may be utilized include:

- Customer comments;
- Passenger surveys;
- Performance monitoring by BDD;
- “Secret Shopper” audits;
- Internal benchmarking vs Performance data (own and other airports); or
- Annual program performance report of all of the above.

### **C. Concession Merchandising Guidance**

Part of the objectives of the Manual is to prepare and progressively enhance Merchandising Guidance to reflect the growing needs of passengers and developments in the airport. Airport Commercial Zoning Plan developed by the BDD, in partnership with ADMS, Airport Management, and Airport Engineering Office, will serve as the cornerstone for Concession Merchandising.

### **D. Competitive Environment**

Passengers and stakeholders benefit from healthy competition among concessionaires. The availability of a wide range of options and brands for different products and services ensure that customers have the best experience catered to their needs, and help keep prices at a reasonable range.

### **E. Concessionaire’s Space Modification or Construction**

Any modification or construction on concessionaire’s space involving full demolition of the existing tenant’s space should be based on plans pre-evaluated and approved by ADMS to ensure the CAAP building’s structural integrity is not compromised. Concessionaires shall be required to build new construction in conformity with the Airport’s Tenant Design Guidelines and subject to the review and approval of the



Airport as overseen by ADMS. Concessionaire premises shall be compliant with the Construction General Notes issued by ADMS (see Annex 9).

## **F. Product Pricing Monitoring**

Concession agreements provide for Street Price Policy wherein Concessionaires shall impose prices beyond “Street Price” + 10%. The following shall be recognized and considered in the definition of the term “Street Price:”<sup>8</sup>

- F.1. If the Concessionaire has similar business/es in locations outside, but within the same city or province, of the CAAP operated airport within which it intends to/is operating, Street Price shall refer to the price regularly charged by the Concession for the same products or services in that city or province;
- F.2. If the Concessionaire has no similar business/es, referred to in the preceding paragraph, Street Price shall refer to the average price regularly charged by similar vendors for the same products or services in the city or province where the CAAP operated airport concerned is located;
- F.3. If the two preceding paragraphs do not apply, Street Price shall refer to the average price regularly charged for the same product or service in any other area nearest to the city or province of the concerned CAAP operated airport.
- F.4. It shall be noted that any variation in the product or service offered such as, but not limited to, quality, size, and volume shall constitute as basis for price differences. Similarly, all price changes exceeding 10% shall be supported by proof of basis, and be subject to approval by BDD.

## **G. Concession Agreement Term**

The term of the concession agreement shall be determined by mutual agreement of the Authority and the concessionaire, in consonance with applicable national and local government rules and regulations.

---

<sup>8</sup> Port Authority of New York and New Jersey Aviation Department, *Concessionaire Street Pricing Standards and Procedures Manual*. 1-2 (Vol 2. 2022).



## CHAPTER VII

### CONCESSION BUSINESS TERMS

This section describes the basic business terms which will be incorporated in requests for proposals and the standard form of concession agreement. It is the aim of the Authority that business terms be balanced to ensure a well-structured concession contract that considers a wide landscape that benefits all stakeholders.<sup>9</sup>

Key safeguards that reflect this goal include the competitive and transparent proposal process, the exhaustive evaluation of proposals or bids, and the emphasis on maintaining efficiency, reasonable pricing, good investments, and excellent customer service, all while providing the concessionaire the opportunity to create a successful business that generates good returns on their investments.

#### A. Term

Agreements may be for a fixed term of one (1) year to five (5) years; five (5) to ten (10) years or more than 10-years taking into consideration the airport's safety, security and operational concerns, the comfort and convenience of the general public as well as available data on cost, investment and other economic factors.

Renewal of Contracts or Agreements with term not exceeding five (5) years are subject to the approval of the Office of the Director General. Relatively, Renewal of Contracts or Agreements with term exceeding five (5) years shall fall within the scope of the CAAP Board of Directors.

#### B. Minimum Required Capital Investment

The Authority through ADMS will establish in the Notice to the Public a minimum capital investment requirement (based on value per square meter of floor space the value of which is to be determined by the Area Center Manager or his authorized representative relying on fair market value/available value of lease space in the same vicinity or commercial space in a similarly situated and/or conditioned structure while also reflecting the cost of improvements. Said improvements as mutually agreed prior to construction must take into account the Airport's operational, safety,

---

<sup>9</sup> Dorian Reece, Toby Robinson & Kartik Sood, *IATA Guidance Booklet: Balanced Concessions for the Airport Industry*(2018).





security, structural and aesthetical interests while being in consonance with the concessionaire's design standards and operational requirements. The actual cost to construct improvements including assembly, disassembly costs as well as cost to return the concession space's condition to its state prior to turnover to the concessionaire will be solely the responsibility of the successful concessionaire. Actual costs may exceed the minimum investment requirement. The proposed capital investment amount requirement will be set by the Authority in the concession agreement.

### **C. Refurbishment/Renovation Obligation**

Concession agreements that have been awarded for a continuous period beyond four (4) years will require refurbishment. The Refurbishment obligation could include, but is not limited to, replacement of flooring, counters, seating and other surfaces, and excludes ongoing, routine maintenance expenses required of all concessionaires. Subject to recommendations by Airport Management and Airport Engineering Unit, and assessment conducted by the Authority, the obligation of Concessionaire may amount to a renovation of leased premises.

It shall be noted that both refurbishment and renovation plans shall meet international standards set by IATA, and the Authority. The proposals are expected to have the Refurbishment/Renovation costs incorporated into its original business plan.

It should be emphasized that prior to commencement of construction, approvals from the BDD, Airport Engineering Unit, and CSIS shall first be obtained by the concerned Concessionaire.

### **D. Utility Charges<sup>10</sup>**

Concessionaires are under obligation to procure and install at its own cost separate meters<sup>11</sup> or sub meters<sup>12</sup> for electricity, water, and telecommunication for its leased premises.

---

<sup>10</sup> *Mactan-Cebu International Airport Authority Admin. Order No. 3. VI, § 1.1-1.2 (2020).*

<sup>11</sup> For concessionaires situated outside the Passenger Terminal Building and Cargo Terminal Building such as, but not limited to, hangar buildings, parking area, developed or undeveloped land.

<sup>12</sup> For concessionaires situated within the Passenger Terminal Building, Cargo Terminal Building, and other pre-existing structures or buildings currently used for airport operations.





Should the electric and/or water services of the Concessionaire be connected by sub meter to the Authority's electric and/or water lines, Concessionaire shall be charged the actual sub meter reading which shall be subject to Utility Maintenance Service Charge.

#### **D.1. For Metered Connection**

The electric, water, and telecommunication utilities shall be directly billed to the concerned Concessionaire and paid by the latter directly to the utility providers.

#### **D.2. For Sub metered connection**

The monthly utility bill shall be based on actual (kW-hR) sub meter reading plus the corresponding Utility Maintenance Service Charge (UMSC) for each utility, as provided in the CAAP Airport and Concession Fees and Charges.

Note: For sub meter connections, computation of the kW-hR rates per month imposed on the consumer will be based on the current rates billed to the Authority.

#### **D.3. Back-up Electrical Power Charges (BEPC)<sup>13</sup>**

##### **Given:**

DP = Diesel Price (based on the procurement price of diesel inventory)

CDG = Consumption of the Diesel Generator per hour

AR = Appliance Rating

RHr = Running Hours (based on actual utilization hours)

UMSC = Based on published Fees and Charges

##### **Required:<sup>14</sup>**

BEPC = Cost to run the DG per hour Computation (based on the Formula)

$BEPC = (DP \times CDG \times AR \times RHr) + UMSC$

**It shall be noted that the following shall be stipulated in the billing statement:**

---

<sup>13</sup> /d.

<sup>14</sup> This is to note that the BEPC formulas are subject to change at any time.





- a. Failure to pay electric bill for two (2) consecutive months shall be subject to disconnection, five (5) days upon the receipt of disconnection notice; and
- b. All consumable electrical materials involved during maintenance shall be shouldered by the consumer.

#### **E. Monthly Fee**

Monthly fees will be based on the previously approved best policy offer. This allows a prospective applicant to make an offer for a concession space, only when the space is VACANT. An offer may be submitted one (1) month prior to the expiration of the contracted space leased. In this case, the current Concessionaire is given priority on the proposed space, following established and updated strategies of the Business Development Division.

#### **F. Advance and Security Deposit**

A two (2) months advance monthly fee, and two (2) months security deposit will be charged and collected from the approved Concession applicant upon release of the Lease Contract and/or actual use or operation of the leased premises.

The Advance shall be paid by and implemented on the first two (2) months of operation of a new concessionaire applicant. Meanwhile, the Security Deposit is refundable after termination or non-renewal of the lease, unless subject to compensation.

The Concessionaire shall submit to the BDD a copy of the Official Receipt issued upon payment of Upon payment of the Advance and Security Deposit.

#### **G. Notarial Fees and Other Expenses**

Notarial fees, documentary stamps and all other expenses relative to the execution of the Agreement shall be for the account of the Concessionaire. Payment of fees may be made directly to the specific person or office concerned or through the Authority, at the latter's discretion.





## H. Proposal for Surety

The Authority may require the posting of a surety as is reflective of applicable national and local laws, rules and guidelines, as well as industry standards and practices.

## I. Insurance

A Comprehensive General Liability insurance is required for all new approved concession applicants. Insurance requirements are established to address safety and security concerns of the Airport, passengers, airport employees and guests, and other tenants of the Airport. Concessionaire/tenant must present proof of coverage through a CGL insurance policy covering location of applied concession. Policy must be issued no later than the effectivity of the contract. Concessionaires are responsible to keep insurance policy updated according to the terms of its current contract.

## J. Agreement Administration

### J.1. Pricing Approvals

Concession agreements stipulate a “Street Pricing Policy” that imposes a pricing ceiling of “SRP plus 10%” on goods and services sold. Pricing changes require the Authority's approval. To simplify the review of pricing changes and request, the following approach will be adopted:

#### 1. ***New Concessions.***

Pricing committed by the concessionaire in its proposal will normally be in effect for half-year before price increases may be considered.

#### 2. ***Pricing Approval.***

Retail pricing is based upon sampling of product items. Restaurant pricing requires proposed menu items and price. A survey will be made of agreed street locations to determine if the “SRP plus 10%” standard has been met. If a concept is a national brand (e.g. Island Souvenirs, Jollibee, Bookstore, Globe Telecoms), corporate pricing may be substituted for the local survey.







## **J.2. Customer Service Standards**

All Concessions must meet minimum customer service standards that are outlined in the concession agreement and Airport Rules and Regulations. BDD staff and Airport personnel will monitor compliance with these standards and take appropriate action when these standards are not met.

## **J.3. Liquidated Damages**

Non-performance/ non-operation of business not due to fortuitous events by airport tenants including concessionaires will warrant a levy of liquidated damage based on rental, cost for general maintenance of the area and other costs attributable to such non-operation.

## **J.4. Assignment of Concession Agreement**

The Authority has the sole discretion to approve or deny the assignment of a concession agreement taking into account safety, security and operational considerations, as well as by forwarding public interest whereby assignment of concession rights will be the best option available.

## **J.5. Termination of Concession Agreement**

Concession Agreement may be terminated if there is a substantial breach of obligations under the lease by any of the parties. The Concessionaire may terminate the lease prior to its stated expiration date. The Authority may automatically terminate a concession agreement with the following conditions upon issuance of Notice, to wit:

1. Conflict of Interest (*as stated in #3 of Ownership Limitations*);
2. Subleasing of leased area without notice to and approval of the CAAP;
3. Improper conduct, performed within leased CAAP property, under any previous or existing agreement with the Authority:
  - 3.1 Gambling, in any form and/or manner, or gaming activity whereby sums of money are at stake,
  - 3.2 Drinking alcoholic beverages or taking prohibited drugs or substances,
  - 3.3 Causing disturbance, commotion, argument or conflict;





- 3.4 Posting of any immoral, lewd, objectionable pictures, inscriptions, or objects, or
- 3.5 Willful or malicious damage to CAAP facility or property resulting from horseplay and negligence;
4. Any conduct in violation of the Revised Penal Code, Republic Act No. 3019 (Anti-Graft and Corrupt Practices Act), Presidential Decree No. 46 (Act Punishing the Receiving and Giving of Gifts for Public Officers and Employees), Republic Act No. 6713 (The Code of Conduct and Ethical Standards for Public Officials and Employees, and other laws or regulations hereinafter promulgated;
5. Inability to operate the concept or brand as proposed;
6. Omissions or fraudulent statements;
7. Falsification of documents;
8. Failure to comply with terms and conditions of existing concession agreements with the Authority;
9. Unpaid arrears, unresolved monetary over dues, or owed debts under any previous or existing agreement with the Authority;
10. Failure to disclose all trademark, copyright, licensing, franchise, and other contractual or property rights;
11. Death of Owner in Sole Proprietorship Business;
12. Abandonment by Concessionaire of the assigned premises or the conduct of its business for a period of not less than thirty (30) days without written notice to and approval of the Authority; or
13. Other causes as deemed relevant by the Authority.

## **K. Cancellation of Concession Agreement**

Concession Agreement may be cancelled if not actualized due to any of the following reasons:

1. Non-operation certified by the Airport Management;
2. Non issuance of Notice to Proceed;
3. Failure to pay the Advance and Security Deposit within the period provided; or
4. Other causes as deemed relevant by the Authority.





## CHAPTER VIII

### RENTAL AND OTHER CHARGES

The Concessionaire shall pay monthly fees as indicated in the signed Agreement.

#### A. Monthly Rental

The Concessionaire shall pay the monthly rental fee, without need of prior demand, at the beginning of each calendar month.

#### B. Billing

Billing of Rental Fees for the month shall be issued within the fourth week of the preceding month. Billing of Utility Fees incurred by the concessionaire within the Utility Billing Period of the concerned Airport/Location shall be issued within ten (10) calendar days upon receipt of the corresponding Utility Bill references by CAAP. The Billing Statements shall be issued either thru email and/or hard copy.

The Billing Statements issued by the billing and collections division

**Table 8-1. Billing Schedule Sample**

Item Billed	Billing Period	Date of Issuance	Due Date
Fees and Charges (i.e. Rental, Concession Fee)	April 1-30, 2024	March 25, 2024	April 10, 2024
Utilities (Electricity, Water, Internet)	April 14-May 13, 2024	May 23, 2024	June 7, 2024

#### C. When to Pay

The Rental Fees prescribed herein shall be due and payable at the start of each billing period. The cutoff date for payment of Monthly Rental Fee shall be every tenth (10<sup>th</sup>) calendar day of the corresponding month.

The Utility Bills incurred by the concessionaire prescribed herein shall be due and payable within fifteen (15) calendar days upon receipt of the Utility Bill unless provided otherwise. If the due date falls on a weekend or holiday, it is understood that the due date shall fall on the next working day.





Concessionaires billed on the bases of gross receipts shall be required to submit to the Authority, a sworn statement of their gross receipts from operations for the period required and to maintain a separate book of account for the purposes which shall be subject to the periodic inspection of the Authority.

Failure to submit the required statements shall be sufficient ground for termination of the contract, without prejudice to the collection of whatever amount is due the government including interest and penalties. It is expressly agreed and understood that the payment of the fees, charges and utilities herein stipulated shall be made by the Concessionaire without delay.

### **C.1 Holding Period**

CAAP reserves the right to hold any and all items in the leased area, including but not limited to the following: merchandise inventory, office/store supplies equipment & appliances and shall be lien in securing payment of obligations pending final directives from CAAP's higher authorities.

Holding Period shall be for a period of one (1) year from the date of notice of Stoppage of Billing from the Area/Airport Manager.

In case of nonpayment, all held items shall be:

- a. Forfeited in favor of the Authority; and/or
- b. Sold in auction in favor of the Authority.

### **D. Default Interest and Penalty Rate**

Failure of Concessionaire to pay rental fees, utilities, and other charges within the period provided shall result in payment of interest. The interest due on unpaid rent shall be 2% compounded monthly from date of default until the principal amount shall be fully paid, but in no case shall the total penalty exceed the amount of 12% per annum. Notwithstanding the imposition and payment of interest, the defaulting concessionaire may be subject to penalty charges.

The dues provided for in the preceding paragraph shall be exclusive of VAT, if applicable. The Concessionaire shall pay the VAT together with the interest and penalties on or before date specified in notice or statement of account.





## **E. Where/Who to Pay.**

Payments shall be made to the Area/Airport Collection Section indicated in the Contract of Lease or Agreement, citing the name of the Concession, the period or month covered by such payment, and should be recorded or evidenced by an official receipt duly signed by the CAAP Collection/Treasury agent, in triplicate original copies.

### **E.1. How Payment is Made.**

Payment shall be made in Philippine currency.

### **E.2. Mode of Payment.**

The payments may either be paid in Cash, Manager's Check or Post-Dated-Checks only. Payment made in Manager's Check shall not produce the effect of payment until the amount thereof is actually received/realized. Whereas, receipt of Post-Dated-Check payment shall be acknowledged by an Invoice Receipt and can only be issued an Official Receipt upon encashment.

Upon payment, the LESSEE shall submit, via email, a copy of the official receipt duly signed by the CAAP Collection/Treasury agent along with the name of Concessionaire and period or month covered by such payment to the Collection Section of the concerned Airport and the Airport Concession-in-Charge **within 5 calendar days from date payment was made**. Failure to comply within the period provided may subject the LESSEE to penalty and/or other charges.

## **F. Payment of Advance and Security Deposit.**

Upon approval of the Agreement or prior to actual use of leased premises, the Concessionaire shall pay to the Authority advance rental and security deposit as indicated therein to the CAAP Airport as security for the performance of Concessionaire's obligations under this Agreement (the "Advance" and "Security Deposit").

## **G. Increase in Fees/Charges; Lease.**

If during the effectivity of this Agreement the area of the Leased Premises is increased or decreased, the rental shall be adjusted accordingly after fifteen (15)





days from receipt of written notice from the Authority or publication of revised fees and charges, whichever is earlier. Any amendment of applicable fees and charges by the Authority which will result in an escalation on the rentals or impose new or additional fees and charges upon the Concessionaire shall be deemed automatically incorporated herein, and shall amend this Agreement insofar as the rentals and other fees and charges are concerned, upon notice of such increase in fees and charges.

In the event of increase of the fees as provided herein, Concessionaire shall, upon receipt of notice of increase in fees and charges, pay to the Authority the incremental increase in the monthly rental rate to maintain the Advance Rental and Security Deposit at the amount equivalent to two (2) month's rent.

#### **H. Termination.**

Failure on the part of the Concessionaire to pay twenty (20) days from the due date thereof shall be considered sufficient ground for stoppage of use of the leased premises.

Accordingly, failure of the Concessionaire to fulfill its monetary obligations for ninety (90) days from the due date thereof shall result in automatic termination of the Agreement without need for further notice and court action.

Notice of Termination, for new and renewed Concessionaires, shall be issued by the Office of the Director General.

#### **I. Pre-Termination Clause.**

Should the Concessionaire intend to pre-terminate the Agreement, a two (2) month advance notice shall be given to CAAP-Area/Airport Manager, who in turn, shall inform CPO through BDD, for final approval and assessment of the Concessionaire's outstanding obligation to the Authority.

#### **J. Notice to Vacate**

The Authority shall issue a Notice to Vacate to Concessionaires for any act, conduct, or omission by the latter or its employees which warrant termination of contract or agreement. The Notice to Vacate shall be issued and served by the Authority simultaneously with the Notice of Termination.





Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

The Concessionaire shall immediately cease occupancy, and return the leased premises at its original state, on its own account, within sixty (60) calendar days upon receipt of notice, unless a different period has been granted.





## CHAPTER IX

### CONCESSION INSPECTION AND AUDIT

#### A. Inspection

The Airport Concession-in-Charge will be conducting an inspection of the concession at any time and as often as it considers necessary to ensure that concessionaires operate in accordance with the provisions of the respective Agreements as well as existing rules on safety including applicable provisions on International Civil Aviation Organization Standards and Recommended Practices (ICAO) (SARPs). Likewise, the Authority or his representative shall have the right to enter the Leased Premises and to take such action therein as may be required for the protection of persons/property and the airport operation. The Authority and its representatives, in the performance of its functions and duties, shall not be subject to any liability for whatever loss, injury, or damage the Concessionaire may suffer.

The inspection shall include compliance to safety standards, identification or progress update on repairs or maintenance, and other purposes which may be deemed necessary for the operation, safety and security of the airport.

#### B. Audit

The BDD will be conducting an audit of the concession at any time through inspection of actual operation, products/services, pricing, store layout/design books, ledgers and accounts, and records of each concessionaire as they relate to the operation of the concession. This is to ensure compliance with approved pricing schemes, and other financial commitments.

#### C. Secret Shopping

The BDD, from time to time, may conduct “secret shopping” to document and evaluate all aspects of customer experience including, but not limited to, attitude of employees, maintenance and cleanliness of facilities, waiting time for service, and cash or payment handling.







#### D. Notice of Violation

A Notice of Violation shall be issued for each breach of stipulations agreed upon, or for any conduct in contravention of the Operational Guidelines (Annex 10) provided. As presented in Table 10-1, the first notice of violation will be issued by the Airport Manager for any minor violation committed by a concessionaire, who shall respond, within the period provided, with a written Action Report indicating the action plan implemented to correct the noted violation.

Failure of the concessionaire to respond and rectify the violation within fifteen (15) calendar days shall prompt the BDD to issue the subsequent notice of violation. Should the violation remain unaddressed after the lapse of the period provided under the second notice, the violation committed shall be reclassified to a major violation due to intentional breach and willful non-compliance by the concessionaire.

Accordingly, the Airport Manager shall proceed with the issuance of the first notice of major violation as exhibited in Table 10-2. Violation of any of the rules and guidelines may be subject to penalties.

To note, conducts classified as minor violations include, but are not limited to, nonobservance of CAAP Operational Guidelines, and transgressions involving minimal impact on CAAP property or financial interests.

**Table 10-1. Notice of Violation Schedule for Minor Violations**

Notice No.	Issuing Office	Period within which Concessionaire shall respond and correct violation (counted from receipt of Notice)
1	Airport Manager	15 calendar days
2	Business Development Division	15 calendar days

Concessionaires exceeding three (3) minor violations in a single contracting period shall be subject to additional penalties and/or termination of the contract or agreement.

Major violations are those which involve breach of contract or agreement, endangering security interests of CAAP operations, and those which greatly affect property and financial interests of the Authority. A major violation by a





concessionaire shall remain on record regardless of succeeding renewed contracts or agreements. A commission of a second major violation shall result in automatic termination of contract or agreement, without prejudice to any of the Authority's rights and privileges granted to it by law.

The first notice of major violation shall be issued by the Airport Manager to the concessionaire, which shall give the latter a period of fifteen (15) calendar days within which to respond with a written Action Report exhibiting the course of action taken to correct the violation. If the violation remains unrectified after the lapse of the period provided, the BDD shall issue a subsequent notice of violation. The concessionaire shall have a period of fifteen (15) calendar days to comply with the directive.

Consequently, failure of the concessionaire to respond and comply with the two notices issued shall give rise to the final notice of violation issued by the Enforcement and Legal Service demanding the former to conform within fifteen (15) calendar days, otherwise willful breach and non-compliance shall be ground for termination of contract or agreement.

**Table 10-2. Notice of Violation Schedule for Major Violations**

Notice No.	Issuing Office	Period within which Concessionaire shall respond (counted from receipt of Notice)
1	Airport Manager	15 calendar days
2	Business Development Division	15 calendar days
3	Enforcement and Legal Service	15 calendar days

Repeated violation of the rules and guidelines will be duly noted on the concessionaire's records and may constitute grounds for non-renewal of contract or agreement.





## CHAPTER X

### MISCELLANEOUS PROVISIONS

#### A. REPEALING CLAUSE

All CAAP rules, regulations, and issuances or parts thereof which are in conflict herewith are hereby repealed, superseded or modified accordingly.

#### B. AMENDMENTS OR REVISIONS

The BDD shall, at least annually, review this Concession Manual in line with the prevailing international standards and practices on airport concession management, CAAP policies, and other pertinent rules and regulations.

Any amendment to or revision annexed to the Concession Manual shall constitute as an integral part thereof upon approval by the Director General.

#### C. EFFECTIVITY

This Manual shall take effect five (5) days after publication in the CAAP Official Website.





Prepared By:

[Originally Signed]

**ATTY. CRIS ANGELI V. TACUBOY-EXCONDE**

Special Research Project Officer

Submitted By:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge, Business Development Division

Concurred By:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III, Corporate Planning Office

Recommending Approval:

[Originally Signed]

**ATTY. DANJUN G. LUCAS**

**Deputy Director General for Administration**

Approved for implementation:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L. TAMAYO**

**Director General**



ANNEX

1

# CONCESSION MANUAL

*Edition II*

2025 CPO-BDD





## PROCESS FLOW

### Name of Transaction: **Processing of New Concession Applications (Phase One)**

Office/Division:	Business Development Division (BDD)			
Classification:	Highly Complex			
Type of Transaction:	G2B, G2C, G2G			
Who may avail:	Any Requesting Party			
Checklist of Requirements		Where to Secure		
Initial Requirements		Client, whenever applicable		
1. Application Form				
2. Letter of Intent				
3. Business Plan <ul style="list-style-type: none"><li>a. Executive Summary</li><li>b. Company Profile</li><li>c. Market Analysis</li><li>d. Management and Organization Structure</li><li>e. List of Products and Services (with pricing)<ul style="list-style-type: none"><li>i. Product or Service description</li><li>ii. Price List</li><li>iii. Street Pricing Survey</li></ul></li><li>f. Projected Financial Statement for one (1) calendar year with Capital Investment</li><li>g. Architectural Plan/Layout/Design of proposed concession<ul style="list-style-type: none"><li>i. Height Limitation (If construction needed)</li><li>ii. Project Schedule (from issuance of Notice to Proceed to start of operation)</li></ul></li></ul>				
4. Affidavit of No Pending Case				
5. Affidavit of No Relationship				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
1. Submit complete Initial Requirements through CAAP's Official Website  <i>NOTE: Applications with incomplete requirements are automatically disapproved.</i>	1. Acknowledge receipt of the Concession Application thru email, download and print documents and endorse to Division Chief.	None	1 hour	BDD Admin Staff
	2. Conduct initial review of	None	30 minutes	Division Chief



	application and endorse to handling BDD Analyst.			
	3. Assess application and endorse to Airport thru email.	<b>None</b>	30 minutes	BDD Analyst
	4. Acknowledge receipt, download and print documents.	<b>None</b>	1 Hour	Airport Concession-in-Charge (ACIC)
	5. Conduct assessment of space requirement and availability based on concession zoning and future airport development plans; coordinate with other relevant office if necessary.	<b>None</b>	2 Hours	ACIC
	6. Prepare comments/recommendation.	<b>None</b>	1 Day	ACIC
	7. Endorse comments/recommendation on the Concession Application to the Airport Manager for review and concurrence.	<b>None</b>	30 minutes	ACIC
	8. Assess comment/recommendation and endorse to Area Center.	<b>None</b>		Airport Manager
	9. Forward Concession Application Documents to the Area Center through: a. electronic mail.	<b>None</b>	1 Hour	ACIC
	b. hard copy (via courier)	<b>None</b>	5 Days	
	10. Acknowledge receipt of the endorsed	<b>None</b>	15 Minutes	ACIC

	Concession Application and forward to the Area Manager.			
	11. Assess comment/recommendation and recommend initial Approval/Disapproval of the Concession Application to BDD.	<b>None</b>		Area Manager
	12. Forward Concession Application Documents to the Business Development Division (BDD) through: a. electronic mail	<b>None</b>	1 Hour	Airport/ ACIC
	b. hard copy (via courier)	<b>None</b>	5 Days	
	13. Acknowledge receipt and analyze comments/recommendation of the endorsed Concession Application.	<b>None</b>	1 Hour	BDD Analyst
	14. Refer the Application to other CAAP Services, Divisions, or Offices for evaluation and review.	<b>None</b>	30 Minutes	
	15. Other CAAP Service, Division or Office reviews and evaluations the application, if needed.	<b>None</b>		Other CAAP Service, Division or Office
	16. Refer the Application to Enforcement and Legal Service (ELS), if needed.	<b>None</b>	30 Minutes	BDD Analyst
	17. ELS reviews the application, if needed, refers the matter to	<b>None</b>		ELS/ OGCC



	the Office of the Government Corporate Counsel (OGCC), if needed.			
	18. ELS receives Opinion or Review from the OGCC and prepares Memorandum Brief or Legal Pass to the BDD.	<b>None</b>		ELS
	19. Acknowledge receipt and analyze comments and recommendations in reference to the Concession Application.	<b>None</b>	1 Hour	BDD Analyst
	20. Conduct final assessment of the Concession Application then discuss and deliberate with assigned BDD Analyst.	<b>None</b>	1 Day	Division Chief
	21. Return to assigned BDD Analyst for further action/s a. If with comments, for further coordination with the ACIC or other relevant office b. If without comments, for drafting of response letter to Client.	<b>None</b>	5 Minutes	
	22. Draft and endorse response letter for signature of the Division Chief.	<b>None</b>	1 Hour	BDD Analyst
	23. Review response letter and affix signature.	<b>None</b>	15 Minutes	Division Chief

	24. Release response letter to Client and concerned Airport through a. electronic mail	<b>None</b>	30 Minutes	BDD Admin Staff
	b. hard copy (via courier)	<b>None</b>	5 Days	
2. If initially approved, proceed to Phase Two.				
<b>Total:</b>		<b>None</b>	<b>3 Days, 4 Hours and 35 Minutes (excluding shipping time)</b>	
			<b>18 Days, 4 Hours and 35 Minutes (including shipping time)</b>	

Prepared by:

[Originally Signed]

**ATTY. CRIS ANGELI V. TACUBOY-EXCONDE**

Special Project Research Officer

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III,  
Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L.**

**TAMAYO**  
Director General

## PROCESS FLOW

**Name of Transaction: Processing of New Concession Applications (Phase Two)**

<b>Office/Division:</b>	Business Development Division (BDD)	
<b>Classification:</b>	Highly Complex	
<b>Type of Transaction:</b>	G2B, G2C, G2G	
<b>Who may avail:</b>	Any Requesting Party	
<b>Checklist of Requirements</b>		<b>Where to Secure</b>
<b><i>Requirements after Initial Approval</i></b>		Client, whenever applicable
1. DTI Business Name (BN) Registration Certificate		
2. SEC Certificate of Registration		
3. BIR Certificate of Registration		
4. Affidavit of the Owner/Secretary's Certificate/Board Resolution/Special Power of Attorney		
5. Articles of Incorporation and By-Laws		
6. Height Clearance Permit (If construction is needed)		
7. Comprehensive General Liability Insurance		
8. Standard Operating Procedure (If ingress/egress is thru separate access gate)		
<b><i>For Government Agencies</i></b>		Client, whenever applicable
1. Detailed list and description of Activities		
2. Organizational structure of office that will occupy the space		
3. List of equipment to be used		
<b><i>For Transportation and Travel Agencies</i></b>		Client, whenever applicable
1. LTO Official Receipt (OR) and Certificate of Registration (CR)		
2. Certificate of Public Convenience and Necessity		
3. LTFRB Franchise		
4. Department of Tourism Accreditation		
5. Certificate from the Local Government Unit (for Tricycles and other mode of transportation)		
<b><i>For Banks and Other Machineries</i></b>		Client, whenever applicable
1. Electrical Consumption		
2. Schedule of System and Sanitary Maintenance and Replenishment		

<b><i>For Airlines and Aviation Related Companies</i></b>				
1. Air Operator's Certificate		Client, whenever applicable		
2. Approved Training Organization Certificate				
3. Certificate of Public Convenience and Necessity				
4. Foreign Air Carrier's Permit (CAB)				
5. Letter of Authority (CAB)				
<b><i>Signing of Agreement</i></b>				
1. Photocopy of one (1) Government Issued ID of Authorized signatory		Client, whenever applicable		
2. Documentary Stamp Tax				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
1. Submit complete additional requirements through electronic mail/hard copy.	1. Receive and encode additional Concession Application Documents received then endorse to the assigned BDD Analyst.	None	15 Minutes	BDD Admin Staff
	2. Draft Agreement.	None	1 Day	BDD Analyst
2. Claim Agreement from Airport concerned or BDD Office.	3. Release Agreement to Client through: a. electronic mail (to the Airport Concerned) b. print hard copy (pick-up by Client).	None	2 Hours	BDD Analyst
	c. mailing via courier (to Client).	None	5 Days	BDD Admin Staff
3. Return signed Agreement with Documentary Stamp Tax to BDD.	4. Receive and encode Agreement then endorse to assigned BDD Analyst.	None	15 Minutes	BDD Admin Staff
	5. Check completeness of signature and prepare briefer and endorse to the Division Chief.	None		BDD Analyst

	6. Review Agreement and sign briefer then forward to BDD Admin Staff for release to Corporate Planning Office (CPO).	<b>None</b>	30 Minutes	Division Chief
	7. Encode outgoing document to database then forward to the Office of the Corporate Communication Staff (CCS).	<b>None</b>	15 Minutes	BDD Admin Staff
	8. Encode received document then endorse to the CPO.	<b>None</b>		CCS Staff
	<p>9. Receive endorsed Agreement and conduct final assessment of the Agreement</p> <p><u>With term not exceeding five (5) years:</u></p> <p>a. If no comments, endorse Agreement to the Office of the Director General for Approval/ Disapproval;</p> <p>b. If with comments, return to CCS for routing to BDD.</p> <p><u>With term exceeding five (5) years:</u></p> <p>a. If no comments, endorse Agreement to the Board of Directors for Approval/ Disapproval;</p> <p>b. If with comments, return for routing to BDD.</p>	<b>None</b>		Department Manager

	10. Final Approval/ Disapproval of the Agreement.	<b>None</b>		Director General / Board of Directors
	11. Endorse Approved/ Disapproved Agreement to the BDD to CCS.	<b>None</b>		ODG Staff
	12. Route Agreement to BDD.	<b>None</b>		CCS Staff
	13. Encode signed Agreement and endorse to assigned BDD Staff.	<b>None</b>	15 Minutes	BDD Admin Staff
4. Proceed to Phase Three.		<b>None</b>		
<b>Total:</b>		<b>None</b>	<b>1 Day, 3 Hours and 30 Minutes (excluding shipping time)</b>	
			<b>6 Days 3 Hours and 30 Minutes (including shipping time)</b>	

Prepared by:

[Originally Signed]

**ATTY. CRIS ANGELI V. TACUBOY-EXCONDE**

Special Project Research Officer

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III,  
Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L. TAMAYO**

Director General

## PROCESS FLOW

**Name of Transaction: Processing of New Concession Applications (Phase Three)**

Office/Division:	Business Development Division (BDD)			
Classification:	Highly Complex			
Type of Transaction:	G2B, G2C, G2G			
Who may avail:	Any Requesting Party			
Checklist of Requirements		Where to Secure		
Notarization of Agreement				
1. Proof of Payment (Notary Fee)		Client		
Final Requirements (If Applicable)				
1. Mayor's Business Permit		Client		
2. Barangay Permit				
3. Sanitary Permit (food and health related businesses)				
4. Franchise Certificate (transportation services)				
5. Tenant Restricted Area Security Program		CAAP CSIS		
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
1. Notarize Agreement (within Pasay City only).	1. If by Client: a. Release signed Agreement to Client for Notary  b. Proceed to Client Step #3	None	10 Minutes	BDD Admin Staff
	2. If by BDD: a. Release signed Agreement to 3rd party	None	1 Day	BDD Analyst
2. Return Notarized Agreement to the BDD.	3. Receive notarized Agreement and endorse to assigned BDD Analyst	None	10 Minutes	BDD Admin Staff
3. Receive copy of Agreement.	4. Encode and prepare three (3)	None	2 Hours	BDD Admin Staff

	photocopies of the Agreement; Endorse to Central Records and Archives Division (CRAD) for production of Certified True Copy			
	5. Process CTC request	<b>None</b>		CRAD
	6. Release CTC of Agreement to:  a. Internal Audit  b. Accounting Division  c. Commission on Audit	<b>None</b>	30 Minutes	BDD Admin Staff
	d. Client (via courier)  e. Area Center and Airport (via courier)	<b>None</b>	5 Days	
4. Submit Final Requirements	7. Receive and encode Agreement then endorse to assigned BDD Analyst	<b>None</b>	15 Minutes	BDD Admin Staff
	8. Draft Notice to Proceed (NTP) and endorse to Division Chief	<b>None</b>	30 Minutes	BDD Analyst
	9. Review and sign NTP then endorse to assigned BDD	<b>None</b>	10 Minutes	Division Chief



	Analyst for releasing			
	10. Release NTP to Client and Airport concerned through: a. electronic mail	<b>None</b>	30 Minutes	BDD Analyst
	b. courier	<b>None</b>	5 Days	BDD Admin Staff
5. Proceed to Phase Four		<b>None</b>		
<b>Total:</b>		<b>None</b>	<b>1 Day, 4 Hours and 45 Minutes (excluding shipping time)</b>	
			<b>11 Days, 4 Hours and 45 Minutes (including shipping time)</b>	

Prepared by:

[Originally Signed]

**ATTY. CRIS ANGELI V. TACUBOY-EXCONDE**

Special Project Research Officer

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III,  
Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L. TAMAYO**

Director General

## PROCESS FLOW

**Name of Transaction: Processing of New Concession Applications (Phase Four)**

Office/Division:	Business Development Division (BDD)			
Classification:	Simple			
Type of Transaction:	G2B, G2C, G2G			
Who may avail:	Any Requesting Party			
Checklist of Requirements		Where to Secure		
1. Notarized Agreement		Client		
2. Notice to Proceed (NTP)				
3. Advance Payment and Security Deposit				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
1. Proceed to Airport and present signed Agreement and Notice to Proceed (NTP).	1. Prepare and print Request for Order of Payment.	None	20 Minutes	ACIC
	2. Release Request for Order of Payment to Client.	None		
2. Proceed to Accounting Division and present Request for Order of Payment.	3. Receive Request for Order of Payment and prepare Order of Payment Slip (OPS).	None	20 Minutes	Airport Accounting Staff
4. Proceed to Collection, present OPS and funds for payment.	4. Receive OPS and process payment.	None	15 Minutes	Collection Officer
	5. Issue Official Receipt (OR).	None		
6. Proceed to Airport Concession-in-Charge, present OR with one (1) copy of valid ID or Authorization.	6. Check			

	7. Prepare airport permits for installation/ construction.	<b>None</b>		
<b>Total:</b>		<b>None</b>	<b>1 Hour and 5 Minutes</b>	

Prepared by:

[Originally Signed]

**ATTY. CRIS ANGELI V. TACUBOY-EXCONDE**

Special Project Research Officer

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III,  
Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L. TAMAYO**

Director General

ANNEX

2

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD



Republic of the Philippines  
Civil Aviation Authority of the Philippines

CONCESSION APPLICATION FORM (NEW)

Date: \_\_\_\_\_

Application No.: \_\_\_\_\_  
(To be provided by BDD)

AIRPORT CONCERNED: \_\_\_\_\_

BUSINESS NAME: \_\_\_\_\_

TYPE OF BUSINESS: \_\_\_\_\_

OWNER/AUTHORIZED REPRESENTATIVE: \_\_\_\_\_

OFFICIAL MAILING ADDRESS: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_ CONTACT NO./S: \_\_\_\_\_

APPLICATION CHECKLIST:

Requirements to be handled by the applicant, and for checking of the ACIC/BDD Staff.

INITIAL REQUIREMENTS:

- ☐ 1. Letter of Intent
- ☐ 2. Business Plan
  - ☐ a. Executive Summary
  - ☐ b. Company Profile
  - ☐ c. Market Analysis
  - ☐ d. Management and Organization Structure
  - ☐ e. List of Products or Service (with pricing)
    - i. Product or Service Description
    - ii. Price List
    - iii. Street Pricing Survey
  - ☐ f. Projected Financial Statement for one (1) calendar year with Capital Investment
  - ☐ g. Architectural Plan/Layout/Design of proposed concession
    - i. Height Limitation (if construction needed)
    - ii. Project Schedule
- ☐ 3. DOT Certificate (If applicable)
- ☐ 4. LTRFB Franchise (If applicable)
- ☐ 5. Affidavit of No Pending Case
- ☐ 6. Affidavit of No Relationship
- ☐ 7. Valid Government Issued ID of Authorized Representative/Signatory
- ☐ 8. Secretary's Certificate (If applicable)

Note:

- a. Applications with incomplete requirements will not be accepted.
- b. All documentary requirements should be certified true copies if the original copy of the documents cannot be submitted.
- c. Accreditation issued may be invalidated at anytime for justifiable and legal reasons.

Submitted by:

\_\_\_\_\_  
Signature above Full Name/Position

Acknowledged by:

\_\_\_\_\_  
Signature above Full Name/Date

1. Initial Review

- o Endorse to Airport (Attach Endorsement Form)  
Date Endorsed: \_\_\_\_\_  
Date Received: \_\_\_\_\_
- o Endorse to other Services  
Service/Date Endorsed: \_\_\_\_\_  
Date Returned: \_\_\_\_\_  
Service/Date Endorsed: \_\_\_\_\_  
Date Returned: \_\_\_\_\_
- o Others: \_\_\_\_\_

\_\_\_\_\_  
BDD Staff

2. Recommendation

- o Initially Approved (Additional Requirements)  
Date Approved: \_\_\_\_\_
- o Disapproved (For issuance of Disapproval Letter)  
Date Disapproved: \_\_\_\_\_  
Date Issued: \_\_\_\_\_
- o Put on Hold/Date: \_\_\_\_\_

Remarks: \_\_\_\_\_

\_\_\_\_\_  
OIC, BDD



**CONCESSION APPLICATION FORM (NEW)**

**3. Additional Requirements** *(Please refer to Process Flow)*

- Complete *(For drafting of Agreement)*  
Date Complied: \_\_\_\_\_
- Incomplete *(Request additional document)*:  
Date Requested: \_\_\_\_\_  
Requested document/s: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
BDD Staff

**4. Drafting of Agreement**

- Contract of Lease
- Concession Agreement

\_\_\_\_\_  
BDD Staff/Date

**5. Draft Agreement Received by:**

- Soft copy via e-mail
- Hard copy

\_\_\_\_\_  
Authorized Representative/Date

**6. Signed Agreement with Documentary Stamp Tax Received by:**

\_\_\_\_\_  
BDD Staff/Date

**7. Division Chief**

Remarks: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
OIC, BDD

**8. Corporate Planning Office/Office of the Director General**

Date Endorsed to CPO: \_\_\_\_\_  
Date Returned from CPO: \_\_\_\_\_  
Date Endorsed to ODG: \_\_\_\_\_  
Date Returned from ODG: \_\_\_\_\_

**9. Notary**

- By Concessionaire  
Date Released: \_\_\_\_\_  
Date Returned: \_\_\_\_\_
- 3<sup>rd</sup> Party Notary Public  
Date Released: \_\_\_\_\_  
Date Returned: \_\_\_\_\_

**10. Mailing**

- Concessionaire  
Date Mailed: \_\_\_\_\_  
Date Received: \_\_\_\_\_
- Area Center/Airport  
Date Mailed: \_\_\_\_\_  
Date Received: \_\_\_\_\_
- Commission on Audit  
Date Mailed: \_\_\_\_\_  
Date Received: \_\_\_\_\_
- Accounting Division  
Date Mailed: \_\_\_\_\_  
Date Received: \_\_\_\_\_

Remarks: \_\_\_\_\_  
\_\_\_\_\_

ANNEX

3

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

Republic of the Philippines )  
City of \_\_\_\_\_) S.S.

**AFFIDAVIT OF NO PENDING CASE**

I, \_\_\_\_\_, Filipino, of legal age, single/married, and a resident of \_\_\_\_\_, after being sworn to in accordance with law, depose and state that:

1. I am the owner/president/general manager/authorized representative of \_\_\_\_\_, a business entity applying for grant of concession privilege with the Civil Aviation Authority of the Philippines ("CAAP");
2. I am executing this affidavit of no pending case as a requirement posed by the CAAP pursuant to the Revised CAAP Concession Manual;
3. I have not been charged with any act or omission punishable by law, rule or regulation before any court, prosecutor's office or agency and that no case of whatever nature and in whatever jurisdiction was filed or is pending against me;
4. I have not been convicted of any offense or crime involving moral turpitude;
5. I am executing this affidavit to attest to the truth of all the foregoing declarations and for the purpose of completing my application as Concessionaire of CAAP.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ in \_\_\_\_\_, Philippines.

\_\_\_\_\_  
**Affiant**

SUBSCRIBED AND SWORN to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ affiant exhibiting to me a competent proof of identity \_\_\_\_\_, issued at \_\_\_\_\_ on \_\_\_\_\_.

**NOTARY PUBLIC**

Doc No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_



ANNEX

4

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD





Republic of the Philippines

**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

Republic of the Philippines )  
City of \_\_\_\_\_) S.S.

### **AFFIDAVIT OF NO RELATIONSHIP**

I, \_\_\_\_\_, Filipino, of legal age, single/married, and  
a resident of \_\_\_\_\_, after  
being sworn to in accordance with law, depose and state that:

1. I am the owner/president/general manager/authorized representative of \_\_\_\_\_, a business entity applying for a grant of concession privilege with the Civil Aviation Authority of the Philippines ("CAAP");
2. I am executing this affidavit of no relation as a requirement posed by the CAAP pursuant to the Revised CAAP Concession Manual;
3. I am not, nor my spouse, relative/s, directors, officers or stockholder/s, in any way related within the second civil degree of consanguinity or affinity to any CAAP personnel (regular, contract of service, consultants or job orders);
4. I am executing this affidavit to attest to the truth of all the foregoing declarations and for the purpose of completing my application as Concessionaire of CAAP.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_,  
20\_\_ in \_\_\_\_\_, Philippines.

\_\_\_\_\_  
**Affiant**

SUBSCRIBED AND SWORN to before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ affiant  
exhibiting to me a competent proof of identity \_\_\_\_\_, issued at  
\_\_\_\_\_ on \_\_\_\_\_.

**NOTARY PUBLIC**

Doc No. \_\_\_\_\_  
Page No. \_\_\_\_\_  
Book No. \_\_\_\_\_  
Series of \_\_\_\_\_



ANNEX

5

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD





## PROCESS FLOW

### Name of Transaction: **Processing of Contract of Lease Renewal Applications** (Phase One)

Office/Division:	Business Development Division (BDD)			
Classification:	Highly Complex			
Type of Transaction:	G2B, G2C, G2G			
Who may avail:	CAAP Existing Concessionaire			
Checklist of Requirements		Where to Secure		
Initial Requirements				
1. Application Form		CAAP WEBSITE, Airport Concession-in Charge (ACIC) and BDD office		
2. Letter of Intent for renewal		Client, whenever applicable		
3. Affidavit of No Pending Case				
4. Affidavit of No Relationship				
5. Latest Mayor's Business Permit/ DTI Certificate				
5. Latest BIR Certificate of Registration				
6. LTFRB Franchise (transportation service)				
7. DOT Certificate (If applicable)				
8. Latest Sanitary Permit (food and health-related business)				
9. Valid Government Issued ID of Authorized Representative/ Signature				
10. Special Power of Attorney/Secretary's Certificate				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
1. Prepare Concession Renewal Application Documents for Submission of Hard Copy to Airport or CAAP Main Office Respectively within ninety (90) Calendar days before expiration of the agreement	1. Receive, encode and check completeness of concession Renewal Application documents.  a. if Renewal Application Documents is complete proceed with step 2 b. if Renewal application Documents is incomplete return to concessionaire	None	30 minutes	BDD Admin Staff / Airport Concession-in-charge (ACIC)
	2. Endorse Application Form to Accounting Unit for Accounting Clearance	None	15 minutes	BDD Admin Staff / ACIC
	3. Review account balance if with or without	None		Main Office/ Airport





Republic of the Philippines

# CIVIL AVIATION AUTHORITY OF THE PHILIPPINES

	outstanding balance and affix signature on Application Form			Accounting Staff
	4. Endorse Application Form to CAAP Security and Intelligence Service (CSIS) for clearance	<b>None</b>		Main Office/ Airport Accounting Staff
	5. Review Account if with or without record and affix signature on application form	<b>None</b>		Main Office/ Airport CSIS
	6. Endorse Application Form to ACIC/BDD	<b>None</b>		Main Office/ Airport CSIS
	7. Receive Application Form review account if with or without violation and affix signature	<b>None</b>	5 minutes	BDD Admin Staff / ACIC
	8. Endorse to BDD Chief/ Airport Manager for overall account review	<b>None</b>	5 minutes	BDD Admin Staff / ACIC
	9. Review Account: a. If recommended. Endorse for Drafting of Agreement b. If not recommended endorse for issuance of letter of Non-renewal.	<b>None</b>	15 minutes	BDD Chief / Airport Manager
	10. For recommended applications, prepare and print agreement	<b>None</b>	4 hours	BDD Admin Staff / ACIC
2. Receive, review and sign Agreement	11. Release Agreement to Authorized Representative of Concessionaire	<b>None</b>	15 minutes	BDD Admin Staff / ACIC
3. Return signed Agreement with documentary Stamp Tax to issuing office (Airport/Main office)	12. Receive and check completeness of signature on agreement and attachment of Documentary Stamp. a. Airport to proceed to step 13 b. Main Office: Proceed to Phase two	<b>None</b>	30 minutes	Airport Concession- in-Charge



Republic of the Philippines  
CIVIL AVIATION AUTHORITY OF THE PHILIPPINES

	13. Endorse to Airport Manager for review and signature on Agreement as Witness	None	30 minutes	ACIC
	14. Affix signature as witness	None		Airport Manager
	15. Prepare endorsement to Area Center Manager thru Area Center ACIC and send thru mail	None	5 Days	
	16. Receive endorsement and agreement, endorse to Area Center Manager	None	30 minutes	Area Center ACIC
	17. Review and Affix Signature on the Concession Application form	None		Area Manager
	18. Prepare Documents for mailing to BDD and send via mail (Courier)	None	5 Days	Area Center ACIC
4. Proceed to Phase Two		None		
<b>Total:</b>		<b>None</b>	6 hours and 55 Minutes (Excluding Shipping time)	
			10 days, 6 hours and 55 minutes (including Shipping time)	

Prepared by:

[Originally Signed]

**ERNESTO GABRIEL U. SALAS**

Business Development Analyst A  
Business Development Division

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III  
Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L.**

**TAMAYO**  
Director General



## PROCESS FLOW

### Name of Transaction: **Processing of Contract of Lease for Renewal** (Phase Two)

Office/Division:	Business Development Division (BDD)			
Classification:	Highly Complex			
Type of Transaction:	G2B, G2C, G2G			
Who may avail:	CAAP Existing Concessionaire			
Checklist of Requirements		Where to Secure		
1. Agreement		BDD/Area Center/ Airport		
2. Concession Renewal Application Documents				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
	1.Receive and encode Agreement and Concession Renewal Application Documents	None	30 minutes	BDD Admin Staff / ACIC
	2.Review Completeness of Signature and relevant documents submitted	None	2 hours	BDD Admin Staff / BDD Analyst
	3. Prepare endorsement of the agreement to Division chief for review	None		
	4. Review and sign endorsement of agreement then forward to BDD admin Staff for release to Corporate Planning Office (CPO)	None	1 hour	Division chief
	5.Encode outgoing document to database then forward to CPO.	None	15 Minutes	BDD Admin Staff
	4.Received, encode, and conduct Final Assessment of the Agreement. a. if no comments, Endorse to Department Manager	None		CPO Staff



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

	III, CPO for signature of Agreement b. If with comments, return to BDD.			
	6. Endorse agreement to the Department Manager III, CPO For signature	<b>None</b>		CPO Staff
	7. Affix Signature by the authority of the Director General	<b>None</b>		Department Manager, CPO
	8. Endorsed signed Agreements to BDD thru CPO staff.	<b>None</b>		Department Manager, CPO
	9. Receive and encode signed agreement received.	<b>None</b>	15 minutes	BDD Admin Staff
1. Proceed to Phase Three.		<b>None</b>		
<b>Total:</b>		<b>None</b>	<b>4 hours</b>	

Prepared by:

[Originally Signed]

**ERNESTO GABRIEL U. SALAS**

Business Development Analyst A  
 Business Development Division

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
 Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III  
 Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L. TAMAYO**

Director General





## PROCESS FLOW

**Name of Transaction: Processing of New Concession Applications**  
**(Phase Three)**

<b>Office/Division:</b>	Business Development Division (BDD)			
<b>Classification:</b>	Highly Complex			
<b>Type of Transaction:</b>	G2B, G2C, G2G			
<b>Who may avail:</b>	CAAP Existing Concessionaire			
<b>Checklist of Requirements</b>		<b>Where to Secure</b>		
<i>Notarization of Agreement</i>				
1. Proof of Payment (Notary Fee)		Client		
2. Signed Agreement		BDD		
<b>Client Steps</b>	<b>Agency Action</b>	<b>Fees to be Paid</b>	<b>Processing Time</b>	<b>Person Responsible</b>
1. Notarize Agreement (within Pasay City only).	1. If by Client: a. Release signed Agreement to Client for Notary  b. Proceed to Client Step #3	<b>None</b>	10 Minutes	BDD Admin Staff
	2. If by BDD: a. Release signed Agreement to 3rd party	<b>None</b>	1 Day	BDD Analyst
2. Return Notarized Agreement to the BDD.	3. Receive and Scan Notarized Agreement	<b>None</b>	20 Minutes	BDD Admin Staff
	4. Encode and prepare (three) photocopies of the Agreement; Endorse to central Records and Archived	<b>None</b>	30 minutes	BDD Admin Staff



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

	Division) for Production of the Certified True Copy			
	5. Process Certified True Copy (CTC) of the Agreement	<b>None</b>		CRAD
	6. Release CTC of Agreement to:  a. Internal Audit b. Accounting Division c. Commission on Audit	<b>None</b>	1 Hour	BDD Admin Staff
3. Received Copy of Notarized Agreement	8. Release Notarized Agreement to Airport and client via Courier	<b>None</b>	5 Days	BDD Admin Staff
	9. Prepare and print Request for Order of Payment	<b>None</b>	20 Minutes	ACIC
	10. Release for Order of Payment to Client	<b>None</b>		
4. Proceed to Accounting Division and present Request for Order of Payment.	11. Receive Request for Order of Payment and prepare Order of Payment Slip (OPS).	<b>None</b>	20 Minutes	Airport Accounting Staff
5. Proceed to Collection, present OPS and funds for payment.	12. Receive OPS and process payment.	<b>Adjustment in Contract Fee</b> <i>(Advance Rental Fee and Security Deposit)</i>	15 Minutes	Collection Officer
	13. Issue Official Receipt (OR).	<b>None</b>		



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

6. Proceed to Airport Concession-in-Charge, present OR with one (1) copy of valid ID or Authorization.	14. Check and photocopy OR.	<b>None</b>	10 Minutes	ACIC
	15. Prepare airport permits for operation/ renovation/ installation/ construction.			
<b>Total:</b>		<b>None</b>	<b>1 Day, 3 Hours and 5 Minutes (excluding shipping time)</b>	
			<b>6 Days, 3 Hours and 5 Minutes (including shipping time)</b>	

Prepared by:

[Originally Signed]

**ERNESTO GABRIEL U. SALAS**

Business Development Analyst A  
 Business Development Division

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
 Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III  
 Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L. TAMAYO**

Director General

ANNEX

6

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD





Republic of the Philippines  
Civil Aviation Authority of the Philippines

CONCESSION APPLICATION FORM (RENEWAL)

Date: \_\_\_\_\_

AIRPORT: \_\_\_\_\_

BUSINESS NAME: \_\_\_\_\_

TYPE OF CONCESSION: \_\_\_\_\_

OFFICIAL ADDRESS: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_ CONTACT NO./S: \_\_\_\_\_

**To be filled by CAAP Personnel:**

ACCOUNT NUMBER: \_\_\_\_\_

LEASE TERM FROM: \_\_\_\_\_

TO: \_\_\_\_\_

**RENEWAL CHECKLIST:**

*Requirements to be handled by the concessionaire, and for checking of the ACIC/BDD Staff.*

- ☐ 1. Letter of Intent
- ☐ 2. Latest Affidavit of No Pending Case
- ☐ 3. Latest Affidavit of No Relationship
- ☐ 4. Latest Mayor's Business Permit/ DTI Certificate
- ☐ 5. Latest BIR Certificate of Registration
- ☐ 6. LTFRB Franchise (If applicable)
- ☐ 7. DOT Certificate (If applicable)
- ☐ 8. Latest Sanitary Permit (If applicable)
- ☐ 9. Valid Government Issued ID of Authorized Representative/Signatory
- ☐ 10. Special Power of Attorney (If applicable)
- ☐ 11. Secretary's Certificate (If applicable)
- ☐ 12. Proof of Payment (Notary Fee)
- ☐ 13. Others: \_\_\_\_\_

**Note:**

- a. Applications with incomplete requirements will not be accepted.
- b. All documentary requirements should be certified true copies if the original copy of the documents cannot be submitted.
- c. Accreditation issued may be invalidated at anytime for justifiable and legal reasons.

**Submitted by:**

\_\_\_\_\_  
Signature above Full Name/Position

**1. Accounting/Finance**

- o No Outstanding Balance  
As of: \_\_\_\_\_
- o With Outstanding Balance: \_\_\_\_\_  
As of: \_\_\_\_\_  
Remarks: \_\_\_\_\_

\_\_\_\_\_  
Office Head, Accounting/Finance/Date

**Received by:**

\_\_\_\_\_  
Signature above Full Name/Date

**2. CAAP Security and Intelligence Service**

- o Cleared
- o Not Cleared  
Violation: \_\_\_\_\_  
Remarks: \_\_\_\_\_

\_\_\_\_\_  
Office Head, CSIS/Date



**CONCESSION APPLICATION FORM (NEW)**

<b>3. Concession/Business Development Division</b> <ul style="list-style-type: none"><li>No Violation</li><li>With Violation Violation: _____ Remarks: _____</li></ul> _____ ACIC/BDD Staff/Date	<b>4. Airport Manager/BDD Division Chief Recommendation</b> <ul style="list-style-type: none"><li>Recommended for Renewal (<i>For drafting of Agreement</i>)</li><li>Not Recommended for Renewal Remarks: _____</li></ul> _____ Airport Manager/OIC, BDD/Date
<b>5. Draft Agreement Received by:</b>  _____ Authorized Representative/Date	<b>6. Signed Agreement with Documentary Stamp Tax Received by:</b>  _____ ACIC/BDD Staff/Date
<b>For Agreement from Airport/Area Center</b>	<b>For All Agreements</b>
<b>7. Endorsement to:</b> <ul style="list-style-type: none"><li>Airport Date Endorsed to Area Center: _____</li><li>Area Center Date Endorsed to BDD: _____</li></ul> _____ Area Manager/Date	<b>8. Business Development Division</b> <ul style="list-style-type: none"><li>Complete Date Complied: _____</li><li>Incomplete (<i>Request additional document</i>): Date Requested: _____ Requested document/s: _____</li><li>With Revisions (Issue Letter of Revision) Date Issued: _____ Date Returned: _____</li></ul> _____ BDD Staff/Date
<b>9. Division Chief</b> <ul style="list-style-type: none"><li>With Revisions (Back to Step 8)</li><li>Without Revisions (Proceed to Step 10)</li><li>Others: _____ _____</li></ul> _____ OIC, BDD/Date	<b>10. Corporate Planning Office/Office of the Director General</b> Date Endorsed to CPO: _____ Date Returned from CPO: _____ Date Endorsed to ODG: _____ Date Returned from ODG: _____
<b>11. Notary</b> <ul style="list-style-type: none"><li>By Concessionaire Date Released: _____ Date Received: _____</li><li>3<sup>rd</sup> Party Notary Public Date Released: _____ Date Received: _____</li></ul>	<b>12. Mailing</b> <ul style="list-style-type: none"><li>Concessionaire Date Mailed: _____ Date Received: _____</li><li>Area Center/Airport Date Mailed: _____ Date Received: _____</li><li>Commission on Audit Date Mailed: _____ Date Received: _____</li><li>Accounting Division Date Mailed: _____ Date Received: _____</li></ul>
<b>Remarks:</b> _____ _____	

ANNEX

7

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD



## PROCESS FLOW

**Name of Transaction: Processing of Temporary Permit Privilege**

Office/Division:	Business Development Division (BDD)			
Classification:	Highly Complex			
Type of Transaction:	G2B, G2C, G2G			
Who may avail:	Any Requesting Party			
Checklist of Requirements		Where to Secure		
Initial Requirements				
1. Application Form		CAAP Website, Airport Concession-in Charge (ACIC) and BDD office		
2. Letter of Intent		Client, whenever applicable		
3. Business Proposal <ul style="list-style-type: none"><li>Business Name<ul style="list-style-type: none"><li>Product or Service</li><li>Purpose for Temporary Permit Application: MARKETING or GOVERNMENT TOURISM PROMOTION ONLY.</li></ul></li><li>Booth, Kiosk, or Counter Description</li><li>Design sample</li><li>Sample of marketing and/or Promotional Materials</li></ul>				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
1. Prepare Temporary Permit Application Documents for Submission of Hard Copy to Airport or CAAP Main Office	1. Received, encode and check completeness of submitted document. a. if Documents is complete proceed with step 2 b. if Documents is incomplete return to concessionaire	None	30 minutes	BDD Admin Staff / Airport Concession-in-charge (ACIC)
	2. Prepare application report/remarks and endorse to Airport Manager/ Division Chief.	None	30 minutes	BDD Admin Staff / ACIC
	3. Endorse to BDD Chief/ Airport Manager for overall review of Concession Application.	None	5 Minutes	BDD Admin Staff / ACIC







Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

	4. Review Concession Application a. If recommended. Endorse for Drafting of Approval letter 5. If not recommended endorse for issuance of Denial or Disapproval Letter	<b>None</b>	1 day	BDD Chief / Airport Manager
	6. Draft Approval/ Disapproval Letter	<b>None</b>	10 minutes	BDD Admin Staff / ACIC
	7. Endorse Draft Approval/ Disapproval Letter For signature	<b>None</b>	5 minutes	BDD Admin Staff / ACIC
	8. Sign Approval/ Disapproval letter then for releasing of BDD Staff/ ACIC a. For Approved Concession Applicant endorsed for drafting of agreement	<b>None</b>	1 day	BDD Chief / Airport Manager
	9. Endorse Approval/ Disapproval to Applicant through email/ courier	<b>None</b>	5 mins/5 days	BDD Admin Staff / ACIC
	10. For approved Concession applications, prepare and print agreement	<b>None</b>	4 hours	BDD Admin Staff / ACIC
2. Receive, review and sign Agreement	11. Release Agreement to Authorized Representative of Concessionaire	<b>None</b>	15 minutes	BDD Admin Staff / ACIC
3. Return signed Agreement	12. Receive and check completeness of signature on agreement. a. Airport to proceed to step 13 b. Main Office: Proceed to Phase two	<b>None</b>	30 minutes	Airport Concession-in-Charge
	13. Endorse to Airport Manager for review and signature of Agreement	<b>None</b>	30 minutes	ACIC



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

	14. Sign Agreement and endorse to BDD through ACIC	<b>None</b>		Airport Manager
	15. Prepare Documents for mailing to BDD and send via mail (Courier)	<b>None</b>	5 Days	Area Center ACIC
5. Proceed to Phase Two		<b>None</b>		
<b>Total:</b>		<b>None</b>	<b>2 Days, 6 Hours and 40 Minutes (Excluding Shipping time)</b>	
			<b>12 Days, 6 Hours and 40 Minutes (including Shipping time)</b>	

Prepared by:

[Originally Signed]

**ERNESTO GABRIEL U. SALAS**

Business Development Analyst A  
 Business Development Division

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
 Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III  
 Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L.**

**TAMAYO**  
 Director General



### PROCESS FLOW

**Name of Transaction: Processing of Temporary Permit Privilege  
(Phase Two)**

<b>Office/Division:</b>	Business Development Division (BDD)			
<b>Classification:</b>	Highly Complex			
<b>Type of Transaction:</b>	G2B, G2C, G2G			
<b>Who may avail:</b>	CAAP Existing Concessionaire			
Checklist of Requirements		Where to Secure		
1. Agreement	BDD/Area Center/ Airport	Client, whenever applicable		
2. Concession Application Form and Documents				
3. Valid Government Issued ID of Authorized Representative/ Signature				
4. Special Power of Attorney (If Applicable)				
5. Other Necessary Document				
Client Steps	Agency Action	Fees to be Paid	Processing Time	Person Responsible
	1.Receive and encode Agreement and Concession Application Documents	<b>None</b>	15 minutes	BDD Admin Staff / ACIC
	2.Review Completeness of Signature and relevant documents submitted	<b>None</b>	30 minutes	BDD Admin Staff
	3. Prepare endorsement of the agreement to Division chief for concurrence/signature	<b>None</b>	15 minutes	BDD Analyst
	4. Sign agreement then forward to BDD admin Staff for release to Airport and Concessionaire	<b>None</b>		Division chief
	5. Scan and Encode Agreement.	<b>None</b>	15 minutes	BDD Admin Staff



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

	6. Release agreement to Airport/Concession via CRAD	<b>None</b>	5 Days	BDD Admin Staff
	7. Draft Notice to Proceed (NTP) and endorse to Division Chief	<b>None</b>	30 Minutes	BDD Analyst
	8. Review and sign NTP then endorse to assigned BDD Analyst for releasing	<b>None</b>	10 Minutes	Division Chief
	9. Release NTP to Client and Airport concerned through: a. electronic mail	<b>None</b>	30 Minutes	BDD Analyst
	b. courier	<b>None</b>	5 Days	BDD Admin Staff
1. Proceed to Airport and present signed Agreement and Notice to Proceed (NTP).	10. Prepare and print Request for Order of Payment.	<b>None</b>	20 Minutes	ACIC
	11. Release Request for Order of Payment to Client.	<b>None</b>		
	12. Prepare and print Request for Order of Payment	<b>None</b>	20 Minutes	ACIC
	13. Release for Order of Payment to Client	<b>None</b>		
2. Proceed to Accounting Division and present Request for Order of Payment.	14. Receive Request for Order of Payment and prepare Order of Payment Slip (OPS).	<b>None</b>	20 Minutes	Airport Accounting Staff



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY OF THE PHILIPPINES**

3. Proceed to Collection, present OPS and funds for payment.	15. Receive OPS and process payment.	<b>Contract Fee</b>	15 Minutes	Collection Officer
	16. Issue Official Receipt (OR).	<b>None</b>		
4. Proceed to Airport Concession-in-Charge, present OR with one (1) copy of valid ID or Authorization.	17. Check and photocopy OR.	<b>None</b>	10 Minutes	ACIC
	18. Prepare airport permits for operation/ renovation/ installation/ construction.			
<b>Total:</b>		<b>None</b>	<b>3 Hours and 30 Minutes (excluding shipping time)</b>	
			<b>10 Days, 3 Hours and 30 Minutes (including shipping time)</b>	

Prepared by:

[Originally Signed]

**ERNESTO GABRIEL U. SALAS**

Business Development Analyst A  
 Business Development Division

Noted by:

[Originally Signed]

**ATTY. CELYN J. CEMINE-MAPULA**

Officer-in-Charge,  
 Business Development Division

Concurred by:

[Originally Signed]

**ATTY. EDELIZA M. IRUGUIN**

Department Manager III  
 Corporate Planning Office

Approved by:

[Originally Signed]

**CAPTAIN MANUEL ANTONIO L.**

**TAMAYO**  
 Director General

ANNEX

8

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD





**Republic of the Philippines  
Civil Aviation Authority of the Philippines**

**TEMPORARY PERMIT APPLICATION FORM**

*Submission of Letter of Intent and duly accomplished application form constitutes a request for temporary permit privilege application. If approved, a temporary permit will be issued for temporary lease of premises under CAAP Concession Manual Chapter V.*

*Incomplete applications will not be reviewed and will require resubmission of a complete application.*

Date: \_\_\_\_\_ Application No.: \_\_\_\_\_  
(To be provided by BDD)

AIRPORT CONCERNED: \_\_\_\_\_

BUSINESS NAME: \_\_\_\_\_

TYPE OF BUSINESS: \_\_\_\_\_

OWNER/AUTHORIZED REPRESENTATIVE: \_\_\_\_\_

OFFICIAL MAILING ADDRESS: \_\_\_\_\_

EMAIL ADDRESS: \_\_\_\_\_ CONTACT NO./S: \_\_\_\_\_

**APPLICATION CHECKLIST:**

*Requirements to be handled by the applicant, and for checking of the ACIC/BDD Staff.*

**REQUIREMENTS:**

- ☐ 1. Application Form
- ☐ 2. Letter of Intent
- ☐ 3. Proposed Dates of Operation [Start and End Date]
- ☐ 4. Proposed Hours of Operation [Opening and Closing Time]
- ☐ 5. Proposed location within Airport Concerned
- ☐ 6. Dimensions of leased premises (if applicable)
- ☐ 7. Layout and detailed description of stand/booth/kiosk/counter
- ☐ 8. Utility Needs

## KEY CONCESSION RULES AND BEST PRACTICES

1. A Temporary Permit Approval is required and must be displayed in view of the general and traveling public for all Commercial Activity on CAAP property at all times.
2. Official Receipt issued upon payment of prescribed fees shall be displayed on site at all times.

## SIGNATURE AND AGREEMENT

1. I, as authorized representative of the above stated Concession Company/Organization, certify that the information contained in this Temporary Permit Application Form is true and correct to the best of my knowledge;
2. I have personally read and understood all information stated herein;
3. I declare my agreement and willingness to comply with the CAAP Concession Manual, and all regulations and policies provided by the CAAP.
4. The Concessionaire stated herein acknowledges that each CAAP operated airport or property is subject to operational and safety guidelines currently imposed or as may be adopted by the CAAP in conformity with international standards, rules, regulations, and requirements.
5. If the application is granted, the Concessionaire shall comply with, and shall require its employees, agents, representatives, to comply with all CAAP operational and safety rules and regulations, and local city and provincial policies, as applicable.

<b>Submitted by:</b>          _____ Signature above Full Name/Position	<b>Acknowledged by:</b>          _____ Signature above Full Name/Date
<b>1. Initial Review</b> <ul style="list-style-type: none"><li>○ Endorse to BDD Chief (<i>Central Office</i>) Date Endorsed: _____ Date Received: _____</li><li>○ Endorse to Airport Manager (<i>Airport</i>) Date Endorsed: _____ Date Received: _____</li><li>○ Others: _____</li></ul> Remarks: _____ _____  _____ ACIC / BDD / Date	<b>2. Recommendation</b> <ul style="list-style-type: none"><li>○ Initially Approved (<i>For issuance of Approval Letter</i>) Date Issued: _____</li><li>○ Disapproved (<i>For issuance of Disapproval Letter</i>) Date Issued: _____</li></ul>   _____ Division Chief / Airport Manager / Date
<b>3. Drafting of Temporary Permit</b>          _____ ACIC / BDD / Date	<b>4. Draft Temporary Permit Received by:</b>          _____ Authorized Representative / Date





ANNEX

9

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD



Republic of the Philippines  
**CIVIL AVIATION AUTHORITY  
OF THE PHILIPPINES**



*Subject:* **CONSTRUCTION GENERAL NOTES FOR CONCESSIONAIRES**  
*Location:* **VARIOUS AIRPORTS**

**I. Architectural**

1. Verify actual site condition prior to start of construction; refer to issued tenant cut-up plans to double check on site major deviations (if any) on the actual locations and headroom clearances of all utility provisions.
2. Tenant to verify/follow all national & local building codes, requirements and restrictions (including BP 344)
3. Verify and follow provisions as prescribed on the issued merchant guidelines relative to requirement and restrictions.
4. Verify and re-check actual extent of lease line; no projections beyond lease line are allowed.
5. Plans with CAAP General Construction Notes shall always be present on site for construction monitoring and as a basis for construction.
6. Only new, first class materials, equipment, fixtures, including trade fixtures and furnishings shall be used in the premises.
7. All materials for interior finish (wall system, ceiling system, furniture flooring inclusive of adhesive, coatings, sealers, grout, etc.) Shall be using low-voc components; all materials shall be non-combustible and non-asbestos type of materials.
8. All wood finishes/materials should be kiln dried, mill quality finish, and should receive a fire retardant treatment. All finishes shall have class 1 flame spread rating or have a fire retardant treatment and certification must be submitted to the building administrator.
9. Ceiling construction should be non-combustible. No wood shall be used above the ceiling.
10. All ceiling framing, hangers and support should be metal or rods which is painted with epoxy primer if materials did not receive any factory coating. Wood and G.I. wires are not allowed as ceiling hangers and framing.
11. All lighting materials must be non-combustible. All ballast & transformers of lighting fixtures shall be provided with metal platform/backing materials; use of LED is advisable.
12. All glass must be 12mm thick (minimum) clear tempered glass and certification must be submitted to the building administrator.

13. Verify and follow restriction to storefront and signages (relative to location and size) as provided on the issued merchant's guidelines; proposed storefront/signage other than provided on these guidelines should be subjected to CAAP approval.
14. Service doors, should be fire-rated metal door with 2 hours minimum rating.
15. All plans with comments must always be present on site prior to construction for monitoring and as a basis of construction.
16. Always refer to merchant guidelines.
17. Consult CAAP representative for verification.

## **II. Electrical**

1. Coordinate properly with the building administrator and other trades prior to the start of installation.
2. The tenant shall verify all existing stub-outs and conditions on site prior to the start of installation.
3. The maximum normal electrical load for each merchant shall be limited to 80% of the allocated load per merchant space. Any request for load upgrade shall be subject to CAAP approval. Submit a formal request letter to the management.
4. All electrical wiring shall be done in Intermediate Metallic Conduit (IMC) for better protection.
5. Use of flexible metallic conduit shall be limited to one (1) meter maximum.
6. Use of mica tubing shall be limited to six inches (6") on light fixtures and outlet termination.
7. Electrical service voltage shall be 400 Volts, three-phase Line to Line, 4 wires + ground and 230 Volts, single-phase Line to Neutral, 2 wires + ground, or 230 Volts, three-phase Line to Line, 3 wires + ground (verify CAAP airport engr)
8. Each tenant shall provide an Electrical Sub-Meter.
9. Single phase loads shall be properly distributed and balanced on the three-phase system.
10. All main and branch feeder/wire shall be properly color coded: phase a - red, phase b - yellow, phase c - blue, ground - green, control wire#1 - blue, control wire #2 – white (verify CAAP Airport Engr.)



11. Main circuit breaker shall be industrial type, bolt-on with internal common trip mechanism and a minimum of 18 kAIC unless noted otherwise. Branch circuit breakers shall be industrial type, bolt-on with internal common trip mechanism and with a minimum of 10 kAIC unless noted otherwise.
12. Size of the circuit breaker - total load shall not exceed eighty percent (80%) of the circuit breaker rating.
13. Use GFCI outlet at toilet and kitchen area; floor outlet with brass cover shall be used.
14. Ampacity rating of the feeder and branch circuit conductors shall be bigger than the circuit breaker ampere rating.
15. Minimum size of wire shall be 3.5mm<sup>2</sup> THHN/THWN-2 Copper wire and UL listed.
16. Branch circuits shall be provided with separate equipment ground wires.
17. Branch circuit design will be based upon a maximum of 1,500 volt amperes per 20 ampere (verify CAAP Airport Engr). All branch circuit breakers shall be bolt-on, industrial type.
18. After completion of electrical work, the tenant must conduct the following test  
a. Insulation Test, b. Operational/functional test, c. Load test and other tests required by the building administration.
19. After completion of electrical work, the tenant must submit the required as-built plan signed and sealed by a Professional Electrical Engineer.

### **III. Mechanical**

1. Coordinate properly with the building administrator and other trades prior to the start of installation.
2. The contractor shall verify all existing stub-outs and conditions on site prior to the start of installation.
3. If installation of air-conditioning unit is needed, propose inverter type. Soft drawn copper tubes and rubber insulations wall thickness shall be minimum 0.028" and 0.75" respectively. Copper tubing shall be wrapped with polyethylene tape. Also, ceiling-concealed copper tubing shall be supported by clevis/loop hanger with threaded hanger rod.
4. If the tenant's nature of business involves cooking, install range hood or ceiling mounted exhaust fan with necessary ducting and stainless steel vent cap. Use pvc pipe or aluminum flexible duct hose for ducting.
5. Ceiling mounted exhaust fan shall be connected to the nearest lighting circuit.

#### **IV. Plumbing**

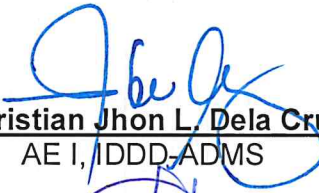
1. Coordinate properly with the building administrator and other trades prior to the start of installation.
2. The contractor shall verify all existing stub-outs and conditions on site prior to the start of installation.
3. All plumbing installation shall be complying with the national plumbing code of the Philippines.
4. All potable water lines shall be Polypropylene Copolymer (PPRC) PN-20. (series 2.5 MPa)
5. All waterline tapping shall be provided with isolating gate valve (rising stem), 125 psi.
6. Maximum pipe size to be used shall be the pipe stub-out.
7. Provide steel pipe sleeves on pipes penetrating concrete walls and floors sealed with fire-rated sealant.
8. No interconnection tapping shall be allowed for sewer and waste/drainage lines.
9. All pipes shall be provided with proper hangers and supports.
10. All soil stacks and lateral/branch sanitary lines shall be pvc pipe series 1000.
11. All kitchen waste lines shall be pvc pipe series 1000.
12. All vent lines shall be pvc series 600.
13. All fcu drain line shall be pvc class 600 with elastomeric thermal insulation and shall go to the nearest drain.
14. All valves and fittings for cold water line shall be hydraulically pressure tested to a minimum of 150 psi rating for two (2) hours without reduction in pressure and drainage/sewer lines shall be tested (gravity and flow) for any leaks.
15. No alteration in any pipe riser or in the pipe chase is allowed.
16. The merchant shall provide a water meter at his expense, to properly monitor water consumption. This water meter shall be located within the premises in an area easily accessible to the person assigned to take water consumption readings.
17. Maximum plumbing fixture load to a water line for each merchant shall be limited to tank type water closet lavatory and urinal fixture. (subject to CAAP approval).


18. All kitchen sink in restaurant and fast-food stalls shall be provided with garbage disposal units.

19. All dishwashing sink, including sinks for pots and pans shall be provided with grease interceptor. (15 gpm/4 chamber)

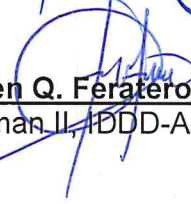
Prepared By:

  
Rogelio U. Antolin Jr.  
AE II, IDDD-ADMS


  
Christian Jhon L. Dela Cruz  
AE I, IDDD-ADMS

  
Jhose P. Cabaddu Jr.  
AE I, IDDD-ADMS

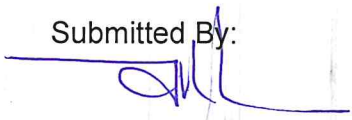
  
John Cris M. Cataquiz  
AE I, IDDD-ADMS

  
Glen Q. Feratero  
Draftsman II, IDDD-ADMS

Checked By:

  
Raul R. Grucena  
Division Chief III, IDDD-ADMS

Submitted By:

  
Arnel F. Borlado  
Department Manager III, AED-ADMS

Approved By:

  
LT COL VALENTINO A DIONELA PAF (RET)  
Assistant Director General II, ADMS

ANNEX

10

**CONCESSION MANUAL**

*Edition II*

2025 CPO-BDD





## **ANNEX 10**

### **CONCESSION OPERATIONAL GUIDELINES**

#### **I. GENERAL OPERATIONS**

##### **A. Office Hours**

- A.1.** The official office hours of the Authority are from 8:00 AM until 5:00 PM, Mondays to Fridays except Saturdays, Sundays and Holidays.

##### **B. Business Hours for Concessionaires**

- B.1.** The operational days and hours of Concessionaires shall be the same with that of their respective airports.
- B.2.** Airport Management will communicate the Business Hours, and any changes thereafter, through a memo.
- B.3.** A Written Approval from the Airport Management shall be secured by the Concessionaire at least three (3) working days prior to the change (early/late opening, early/late closing, or non-operation) in their operating hours.
- a. Additional fees such as, but not limited to, security charges, utilities, and other charges and fees, will be charged to the Concessionaire in cases of extension of business operations beyond the airport hours. The corresponding fees shall be included in the monthly billing statement.

##### **C. Use of Concessionaire Space**

- C.1.** Concessionaires shall submit required permits and licenses, within the period provided, prior to occupancy or start of operations.
- C.2.** Concessionaires shall exercise all measures to operate strictly within their respective leased premises.
- C.3.** No other business shall be conducted in the concession area other than the granted privilege.

##### **D. Common Area Use**

- D.1.** Common areas (hallways, fire exits, alleys, restrooms, and all spaces outside the leased premises) must be clear, accessible, and free from any obstruction.
- D.2.** Concessionaires and their employees shall avoid loitering, particularly in airport security restricted areas. Littering shall also be avoided to maintain cleanliness of the concession area.

## **II. CONCESSIONAIRE OPERATIONS**

### **A. Concession Operations and Display**

#### **A.1. Concessionaire Space, Equipment and Merchandise**

- a. All concession areas, including all equipment, should be cleaned, pleasing and in good structural and operation condition. Concessionaires shall provide their own trolleys for deliveries. The cleanliness and usability of tables and chairs provided by the concessionaires (including clearing of plates and leftovers) will be the responsibility of the concessionaire. If this is undertaken by CAAP personnel/service providers, cost for such undertaking will be charged to the concessionaire.
- b. All products, materials and manpower related to the operation of the concession must be contained within its interior walls or within its assigned area at all times.
- c. The Authority is not responsible for any damage or loss of the Concessionaire's merchandise or equipment. It is the individual Concessionaire's responsibility to provide insurance on all merchandise and equipment. The Authority shall be relieved from any liability arising from loss, damage or destruction of property.
- d. The Authority reserves the right to disapprove the use of fixtures or equipment which are evidently worn out, not in good structural and operating condition, or suffering from poor quality which might compromise safety of the public and in the conduct of airport operations.
- e. Concessionaires must maintain cleanliness of the leased area and its immediate surroundings and adjacent common areas to provide the free and safe flow of foot traffic.

#### **A.2. Concessionaire Management**

- a. A person of authority must always be available to make decisions to any problem that may occur. If such a person is not available, CAAP will make a decision in the best interest of the public safety, security and/or airport operations.
- b. Concessionaires shall be responsible for orienting their employees on the provisions of this Manual, Operation Guidelines, and any Memo issued by Airport Management or the Authority.

#### **A.3. Administrative Guidelines for Concessionaires and their Employees**

- a. All employees working in each concession should be professionally attired (i.e. tailored-fit uniforms, and closed footwear) in a manner that will not cause

unnecessary attention or cause discomfort to the generally accepted norms and sensitivities. Wearing of slippers shall be strictly prohibited.

- b. Concessionaires shall require their employees to practice good personal hygiene, and to use proper safety protective equipment in the conduct of their duties.
- c. Concession personnel are prohibited from engaging in other activities or services aside from their official duties and responsibilities in furtherance of their concession operations.

## **B. Advertising, Promotions, Solicitations**

### **A.1. General Advertisement Guidelines**

- a. Advertisement may be in the form of signboards, displays, billboards, posters, streamers, flyers, and the like indoor and outdoor, lighted or unlighted. Advertisement may also be through LCD/led TV.
- b. No political advertisements shall be allowed.
- c. The advertisement must be printed in Acrylic, Tarpaulin, Panaflex, or sticker with appropriate text height and thickness proportion to its size. The appearance, design and detailed drawings and signage shall be evaluated by the Engineering Unit of the Area Centers.
- d. Any repair work done on the damaged CAAP structure caused by the installation of the ads is at the expense of the concessionaire.
- e. Rental of space occupied is exclusive of electrical consumption.
- f. Location either at the wall or floor space (with stand) must be in coordination with CAAP regulations and compliant to engineering requirements.
- g. For LCD/LED monitors, concessionaires shall agree to broadcast on its channels, free of charge, special broadcast requests by the Authority like public advisory, notices, airport policies or tourism- related views.
- h. The marks, symbols, contents and wordings of the ads must be checked by the Authority before posting.
- i. Signage which contains sin products, embarrassing or humiliating words and provocative pose is strictly not allowed to be posted within the airport premises.
- j. No person or persons shall solicit money; distribute free samples and flyers, place signage to promote business in aisles, walkways or midways without prior written approval from the Authority.
- k. Concessionaires shall secure prior approval from Airport Management before posting any advertisement or promotions. Placing of advertisements or promotions shall only be within leased premises, or any other designated location as approved by Airport Management.

### **A.2. Column Advertisements**

- a. Only stickers with sintra board must be used. Its height must be no more than 1.20 meters high and its width must not exceed the width of the column.

### **A.3. Wall Advertisements**

- a. Poster box on aluminum built –up frame with fiberglass/acrylic front cover must be used. Its dimension must be 1.20 meters high x 0.80 meter wide.
- b. Acrylic plastic signs must also be used. Its dimension must be 1.20 meters high x 0.80 meter wide.
- c. Tarpaulin/ cloth banners on ¼" thick plywood backing on 1" x 1" wood fixer can also be used. Its dimension must be 0.60 meter high x 1.20 meters wide (minimum) and 1.20 meters high x 2.40 meters wide (maximum).

### **A.4. Overhead Advertisements**

- a. Lighted Panaflex signs on metal sheet assembly with hook and chain must be used. Its dimension must be 0.40 meter high x 1.20 meters wide.
- b. Acrylic plastic signs must also be used. Its dimension must be 0.30 meter high x 0.60 meter wide (minimum) and 0.30 meter high x 1.20 meters wide (maximum).

## **C. Security Hazard Report**

Concessionaires shall report immediately to CAAP any observed Foreign Object Debris (FOD), stray animals, unauthorized person/s or anything unusual within restricted areas especially when it may pose a potential hazard to safety, security and general airport operations.

## **D. Sanitary Management**

In complying with the performance standards of the Authority, each Concessionaire shall contribute in upholding the sanitation practices in CAAP operated airports.

### **D.1. Sanitation.**

- a. Concessionaires and their employees shall maintain, at all times, the cleanliness of their leased premises.
- b. Littering in common areas, and in all areas beyond its leased premises is highly prohibited.
- c. A Concessionaire shall be subject to penalties for any violations committed by its employees or associates.

## **D.2. Waste Management and Disposal<sup>1</sup>**

- a. In accordance with Republic Act 9003 (Ecological Solid Waste Management Act of 2000), Concessionaires, as the source, shall primarily conduct segregation of wastes. Failure to comply with segregation guidelines shall result in non-collection of Concessionaire's waste.
- b. Minimum standards and requirements for segregation and storage pending collection as provided for under the Act and other guidelines imposed by the Authority shall be observed.
  - i. Segregated waste shall be stored in properly marked (i.e. compostable, non-recyclable, recyclable, special waste or hazardous waste, etc.) waste containers.

## **D.3. Grease Traps**

- a. Concessionaires shall install, at their expense, an oil and grease trap for every sink installed within their leased premises.<sup>2</sup> Specifications for grease traps installed shall comply with regulations provided by law and respective provincial or city ordinances, as applicable.
- b. Each oil and grease trap shall be cleaned daily after business operations. The grease trap waste collected shall be placed in two-layer trash bags, sealed and segregated as hazardous waste<sup>3</sup>.
- c. A general cleaning and maintenance of the large oil and grease traps shall be performed every two (2) months by reputable collectors for proper disposal, at the Concessionaire's expense.
- d. BDD or Airport Management may conduct routine inspections to ensure compliance. Failure to comply with installation, maintenance and proper disposal of grease trap waste shall be subject to penalty.
- e. If any issue shall arise due to non-compliance herewith resulting in, but not limited to, clogged drains, overflowing of waste, and emission of foul smell shall subject the responsible Concessionaire to penalty. The Concessionaire shall also be liable for the repair of all damages caused at its sole expense.

---

<sup>1</sup> *An Act Providing for an Ecological Solid Waste Management Program, Creating the Necessary Institutional Mechanisms and Incentives, Declaring Certain Acts Prohibited and Providing Penalties, Appropriating Funds Therefor, and For Other Purposes, Rep. Act No. 9003, (January 26, 2001).*

<sup>2</sup> *Department of Public Works and Highways Admin. Order No. 36. (1982).*

<sup>3</sup> *Department of Environment and Natural Resources Admin. Order No. 29. VII (1992).*

## **E. Safety Measures and Procedure**

### **E.1. Emergency Power Provision and Charges**

- a. Concessionaires shall be provided shared access to emergency power during power outages or blackouts depending on the respective airport's condition and operational needs. The emergency power provision shall have a corresponding fee depending on current diesel price, consumption of diesel generator, and running hours plus twelve and a half percent (12.5%) maintenance and service fees.
- b. For overall safety and smooth airport operations during a power outage, Airport Management may direct Concessionaires to limit electrical consumption in order to manage the load of generators.

### **E.2. Natural Calamities/Force Majeure**

- a. Concessionaires shall undertake disaster preparedness precautions in order to mitigate the impact of natural hazards and calamities on the lives and properties within the leased premises,
- b. Concessionaires shall immediately report to the Airport Management any noted occurrence of damage, leaks, and safety concerns.
- c. The Authority shall not be liable for any loss or damage incurred by Concessionaire due to the postponement, discontinuance or cancellation of the privilege brought about by the above-mentioned causes.

### **E.3. Fire Safety and Protection**

- a. Concessionaires shall ensure that all electrical equipment, not otherwise required to be plugged and turned on at all times, shall be switched off and unplugged at the close of business hours in order to avoid any incidence of fire.
- b. All equipment observed to have suffered any damage or defect shall be immediately turned off, unplugged, and replaced by the Concessionaire.

### **E.4. Force Majeure Rental Holiday**

A partial or full rental holiday may be granted, for a limited period, to concerned Concessionaires by the Office of the Director General, through the BDD, in consideration of multiple factors, to wit:

- a. An occurrence of any of the following:

- i. Disaster, as defined under Republic Act No. 10121, otherwise known as the Philippine Disaster Risk Reduction and Management Act of 2010<sup>4</sup>; or
  - i. State of Calamity, as defined under RA No. 10121<sup>5</sup>; or
  - ii. Flood, storm, earthquake, or other natural disaster or calamity; or
  - iii. Fire
- b. Certificate issued by the airport management of the status of the airport concerned;
- c. Photos, and other relevant proofs of evidence taken by airport management, annexed to and simultaneously submitted with the above-mentioned Certificate; and
- d. No contributory fault or negligence resulting to its non-operational status may be attributed to the concessionaire.

**E.5.** A written request shall be submitted to the Airport Management for assessment and approval of any additional equipment requiring increase in electrical and utility loads. The additional equipment shall only be installed upon approval of said request. Any improvement or additional works needed to accommodate the request and comply with safety standards shall be at the concessionaire's expense.

---

<sup>4</sup> Disaster – a serious disruption of the functioning of a community or a society involving widespread human, material, economic or environmental losses and impacts, which exceeds the ability of the affected community or society to cope using its own resources. Disasters are often described as a result of the combination of: the exposure to a hazard; the conditions of vulnerability that are present; and insufficient capacity or measures to reduce or cope with the potential negative consequences, Disaster impacts may include loss of life, injury, disease and other negative effects on human, physical, mental and social well-being, together with damage to property, destruction of assets, loss of services, Social and economic disruption and environmental degradation.

<sup>5</sup> State of Calamity - a condition involving mass casualty and/or major damages to property, disruption of means of livelihoods, roads and normal way of life of people in the affected areas as a result of the occurrence of natural or human-induced hazard.

### **III. GUIDELINES FOR SPECIFIC CONCESSIONAIRE SERVICE**

In addition to the above-stated General and Concession Operation Guidelines, strict compliance with the succeeding regulations is expected from the concessionaires conducting business under the specified service.

#### **A. Airline Services**

- A.1.** Concessionaires shall avoid littering of trash, grease, oil, lubricants or anything that may damage airport equipment or otherwise endanger the life of airport personnel and the public.
- A.2.** Concessionaires shall not use, step, sleep, sit, play and stand on any airport equipment such as conveyor, weighing scale and other sophisticated airport equipment. Damage to CAAP facilities and equipment shall be reported to the Authority immediately. Airline personnel must exercise utmost care on the use of the same. If a concessionaire is unable to repair damages, the Authority will repair it and the cost will be charged to the concessionaire.
- A.3.** Airline equipment shall be parked and secured at the designated parking areas when not in use.
- A.4.** Concessionaires and its employees are prohibited from engaging in activities like gambling, sleeping, smoking within a restricted area.
- A.5.** Posting of signage(s) or any information material must be within their concession area, or as otherwise permitted by the Authority.
- A.6.** Airline personnel shall extend necessary assistance to passengers with disability/ senior citizen/ pregnant women in the use of escalators, elevators or stairs.
- A.7.** All coverings and skirting must be of good quality and in good condition. All concession trailer carts must have professionally designed and illuminated marquees. All stored stock and equipment must be out of public view or fenced. It is the responsibility of the concessionaire to provide all such fencing.

#### **B. Porterage Services**

- B.1.** Porters shall wear the prescribed uniform and ID at all times.
- B.2.** Porters shall adhere to policies and guidelines as required by the Authority and Airport Management, and to the stipulations on the Agreement.
- B.3.** Porters shall extend necessary assistance to the passengers with disability/senior citizen/pregnant women in the use of escalators, elevators or stairs.

#### **C. Food and Other Foodstuff Services**

- C.1.** All sewerage disposal systems shall lead to the Sewerage Treatment Plant (STP). If an airport does not have an STP the following shall be observed:
  - No drain hoses will be allowed to be placed in storm drains located on CAAP property;



- There will be sewers in close proximity to food stands;
- Only gray water hoses are permitted in the sewers;
- Disposing of food, trash, grease or anything other than gray water in the sewers is strictly prohibited.

NOTE: Cooking grease must be dumped in the sewerage designated barrels only located around concessionaires' area.

- C.2.** Cooking is strictly prohibited inside the pre-departure area.
- C.3.** Food concessionaires must observe proper hygiene and sanitation standards in the handling, storage and preparation of food items and in the maintenance of cleanliness within their premises.
- C.4.** All items and prices must be clearly displayed on their menu.

## **D. Transport Services**

### **D.1. General Guidelines for Private, Government/VIP Vehicles, Tricycle/Single Motorcycle, Cargo Forwarder Vehicles and Ground Service Equipment**

- a. Only legitimate transport service providers accredited by relevant government agencies shall be authorized to operate and offer services within the airport premises.
- b. All vehicles entering the airport premises shall park only in areas designated for their particular service, in accordance with prescribed fees and charges.
- c. Requests for allocation of parking space for big events such as convention, summit, anniversary celebration, festival or the like shall be coordinated to the airport management through written communication at least five (5) days prior to the event to ensure smooth facilitation of the guest and visitors.
- d. Paid parking concessionaires shall assist the Authority in the eradication of illegal transport service. Upon observation of its existence, the concessionaire should immediately report to the Authority through its Civil Security and Intelligence Traffic Personnel.
- e. To regulate vehicle conducting business at the Airport, stickers, markings, permits or the likes shall be imposed by the Authority. These materials if issued shall bear, but not limited to, the area of operations and period covered.
- f. Transport operators shall see to it that all drivers are properly screened and have preferably undergone training at the Department of Tourism and have been issued a certificate of completion in the form of ID by said Department and countersigned by LTFRB.

- g. Transport operators shall see to it that their transport vehicles are clean, comfortable, bearing proper marking required by LTFRB and roadworthy. Unsightly, dilapidated and/or apparently ill-maintained transport vehicles will not be allowed to queue at CAAP-designated parking and loading lanes.
- h. Transport operators shall provide a complete first aid kit for each vehicle.

## **D.2. Vehicle Passes/Stickers**

- a. Transport Concessionaires may apply for vehicle passes for authorized entry to the airport, which shall be granted upon full payment of applicable fees, and subject to submission and evaluation of the following requirements:
  - i. Certificate of Registration (CR) and current LTO Official Receipt (OR) bearing the name of the operator, and Proof of Ownership like; Deed of Sale;
  - ii. Official Receipt for the purchase of the vehicle;
  - iii. Copy of the vehicle LTFRB Franchise;
  - iv. Certification from the Department of Tourism with the corresponding list of vehicles registered with DOT;
  - v. Accreditation from the Department of Tourism (DOT);
  - vi. SEC/DTI Registration
  - vii. Business Permit

## **D.3. Vehicle and Driver Requirements**

- a. All units must bear prevailing public utility plates;
- b. All units must be equipped with an Early Warning Device system;
- c. The year when the model is released is based on the date the vehicle is manufactured as reflected in the body and chassis number; without such date the unit will not be considered;
- d. Original documents must be presented for authentication purposes;
- e. Only metered taxi/van/bus/tricycles/jeep drivers with valid driver's license and wearing prescribed uniform with company ID, issued by LTO and LTFRB shall be allowed to enter the airport premises to pick up and convey passengers to their destination;
- f. Aircraft Movement Areas (AMA) Drivers & Operators must have valid driver's and AMA licenses, and wear prescribed safety gear while operating within the AMA.

#### **D.4. Driver Conduct**

- a. Taxi drivers while waiting for the passengers are not allowed to sit on the sidewalks especially fronting the terminal building. Instead, they should wait at their respective units and wait for the turnover of passengers by their respective transport counter representative or dispatchers.
- b. All drivers while inside the airport premises shall obey its traffic rules and regulations and maintain cleanliness and order in the airport compound.
- c. All drivers shall strictly observe the "NO SMOKING" signs and other directional signage(s) installed in specific areas of the airport.
- d. Driver/s who will be violating the rules, regulations and policies of the Authority shall be dealt with accordingly by the airport management.

#### **E. Other Airport Transport Modes**

- E.1.** Multi-cabs or jeeps, being the common means of transportation, shall be allowed at any time during the operations to provide uninterrupted means of transportation to the public. It should be noted that the loading and unloading of passengers shall be strictly carried out at areas designated for such purpose.
- E.2.** Private vehicles shall load, unload passengers and park at the designated government parking area. Vehicles without valid pass or sticker issued by the Authority shall not be allowed to park therein.
- E.3.** VIP vehicles shall park at the designated VIP parking area. The VIP parking area shall remain closed at all times. It shall be opened only upon proper coordination with the Authority at least one (1) day prior to the intended use.
- E.4.** Tricycles/single motorcycles shall be allowed to load, unload and park only at designated areas.
- E.5.** Cargo and Delivery trucks shall be allowed entry at the cargo area during airport operations, unless otherwise provided with a specified time. Cargo and delivery trucks arriving early shall not be allowed to enter the airport premises, and are expected to park and wait outside until their specified schedule.
- E.6.** Concessionaire's Service Vehicle shall load/unload/park at CAAP designated areas.

#### **F. Ground Handling Service**

- F.1.** Prior to processing of applications for space at the airport, a copy of the Agreement/ Accreditation between airlines and ground handling services shall be submitted to the Authority.
- F.2.** All employees shall wear a reflectorized vest when entering into the aircraft movement area (AMA).
- F.3.** All Ground Handling Vehicles without beacon and two-way radio communication are prohibited to enter into the AMA.
- F.4.** Drivers shall undergo training on Runway Safety Program to be conducted by Area Center Safety Officers before issuance of AMA license.

**G. Banking, Communications, Travel and Tours, Massage Services, Internet**

- G.1.** Posting of signage(s) or any information materials must be within their concession area, unless otherwise permitted by the Authority.
- G.2.** For communication lines, an evaluation by the Engineering Unit of the Area Center shall be required prior to issuance of work permit and installation. All communication line installations shall be concurred by the Authority for recording and appropriate charges. No work permit to install shall be issued to communication Companies unless the concessionaire's application is concurred by Authority.

**H. Hangar, Fuel Depot and Parking Area**

- H.1.** Concessionaires shall adhere to the safety procedure implemented by the Authority in addition to the Height Clearance Permit and building code requirement or any national or local laws, rules and regulation inherent to this type of business operations.
- H.2.** Fuel depot concessionaire shall have at least the following: One (1) firefighting/emergency cabinet measuring four (4) feet x six (6) feet x two (2) feet, containing fire preventive equipment, such as:
- Two foam type fire extinguisher
  - Two fireman suit
  - Two sets fireman boots
  - Two set fireman gloves
  - Two fireman's helmet
  - Two fireman's goggles
  - Two fireman's axe

**I. Government Agencies**

- I.1.** Government offices whose services are essential to the operation of the airport, as determined by the Authority upon recommendation by respective Airport Manager of the airports, subject to the approval of the CAAP Board, shall be exempt only from payments of rentals.
- I.2.** Should these offices subsequently occupy additional spaces or areas, they shall pay the appropriate charges based on the applicable rental fee. Passenger processing area like the Customs, Immigration and Quarantine (CIQ) counters shall be considered as government working areas and shall be exempted from any monetary charges.
- I.3.** A Memorandum of Agreement between the Authority and Government Agency should be established prior to occupancy. In case of any damage to electrical lines, telephone, cable and water pipelines, such government agencies shall shoulder the expenses for the repair.

- I.4. Utility consumption and garbage collection services should be levied to the concerned agency.
- I.5. Government agency personnel shall wear the prescribed uniform and ID at all times, and comply with airport policies as required by the Authority.

Other Government agencies, which are not essential to airport operations but performing functions within the Airport, shall pay to the Authority rentals and other fees including, but not limited to, electric, water and telephone bills, due for the use of office space and working area which they are occupying or may hereinafter occupy.

## **J. General Aviation**

### **J.1. Management**

- a. All who wish to use and operate within facilities of the CAAP operated airports shall enter into a contract with the Authority;
- b. General Aviation (GenAv) management shall have the duty to educate all its employees regarding the guidelines and procedures provided by the Authority and Airport Management/s of the respective airports wherein they will conduct their operations;
- c. The management shall also ensure full compliance by all of its employees of the guidelines and procedures referred to in the preceding paragraph.

### **J.2. Operational Requirements**

- a. Prior to the start of its operations, GenAv Management shall submit an air carrier operating certification and a complete list of all its aircrafts along with each aircraft's corresponding certificates and licenses, and other documents which the Authority requires;
- b. In case of any changes, GenAv shall inform the Authority by submitting an updated list within five (5) working days from occurrence thereof;
- c. GenAv Management shall ensure the airworthiness of all its aircrafts so as not to disrupt operations at CAAP operated airports and to ensure safety of all therein;
- d. GenAv Management shall regularly perform inspections and maintenance on all its aircrafts and submit to the CAAP airworthiness certificates for each aircraft;
- e. GenAv Management shall submit a list of all its employees with their corresponding licenses. In case of any changes, GenAv shall inform the Authority by submitting an updated list within five (5) working days from occurrence thereof;

- f. All employees of GenAv shall operate and perform their functions only in areas as permitted by the Authority. Proper decorum is expected in conducting their dealings within CAAP operated airports;
- g. A Notice of Violation shall be issued to GenAv Management for infringement of any rules, regulations, or guidelines by any of its employees or associates.

### **J.3. Security Protocols**

- a. GenAv Management shall adhere to security and safety protocols in place at CAAP operated airports;
- b. While conducting operations within CAAP operated airports, all GenAv employees shall have on his person, at all times, a valid Security ID to be issued by and subject to CSIS requirements.

## **K. Flying Schools**

### **K.1. Management**

- a. Flying school concessionaires (Management) shall enter into a contract with the Authority in order to use and operate within facilities of the latter's airports.
- b. The Management shall have the duty to educate all its employees and students regarding the guidelines and procedures provided by the Authority and Airport Management/s of the respective airports wherein they will conduct their operations.
- c. The Management shall also ensure full compliance by all of its employees and students of the guidelines and procedures referred to in the preceding paragraph.

### **K.2. Operational Requirements**

- a. Prior to the start of its operations, the Management shall submit a complete list of all its aircrafts along with each aircraft's corresponding certificates and licenses, and other documents which the Authority requires. In case of any changes, management shall inform the Authority by submitting an updated list within five (5) working days from occurrence thereof.
- b. The Management shall ensure the airworthiness of all its aircrafts so as not to disrupt operations at CAAP operated airports and to ensure safety of all therein.
- c. The Management shall regularly perform inspections and maintenance on all its aircrafts.
- d. The Management shall submit a list of all its employees with their corresponding licenses. In case of any changes, the Management shall

inform the Authority by submitting an updated list within five (5) working days from occurrence thereof.

- e. At the start of every term, the Management shall provide a list of all currently enrolled students to the Authority. Prior to conduct of flight, students shall have passed all required examinations and have been issued the corresponding licenses, which shall also be reflected on the list provided.
- f. All employees and students of the flying schools shall operate and perform their functions only in areas as permitted by the Authority. Proper decorum is expected in conducting their dealings within CAAP operated airports.
- g. A Notice of Violation shall be issued to the Management for infringement of any rules, regulations, or guidelines by any of its employees or associates.

### **K.3. Security Protocols**

- a. The Management shall adhere to security and safety protocols in place at CAAP operated airports.
- b. While conducting operations within CAAP operated airports, all employees and students shall have on his person, at all times, a valid Security ID to be issued by and subject to CSIS requirements. Security IDs issued to students shall only remain valid while they are enrolled and in good standing with their respective schools.

#### **IV. PROHIBITIONS**

- A.** Concessionaires shall not permit the use of its leased premises, or any portion thereof, as sleeping or living quarters of its employees.
- B.** Concessionaires shall not permit its employees to conduct themselves in any manner not fitting in a concessionaire establishment or that which classifies as an offense against decency and good customs.
- C.** Concessionaires such as, but not limited to, cafes or restaurants, that wish to play music during operating hours are advised to play the same at a regulated and moderate volume to avoid disrupting neighboring concessionaires and airport operations in general.
- D.** Concessionaires and their employees shall not use any part of common areas and any other area beyond its leased premises for any other purpose, unless with prior approval from Airport Management.
- E.** Gambling, in any form and/or manner, or games where sums of money are at stake, drinking alcoholic beverages, and taking prohibited drugs or substances is strictly prohibited within the airport.
- F.** Concessionaires and their employees shall not post or display any immoral, lewd, objectionable pictures, products, or offensive inscriptions within and beyond leased premises.



## **V. CONSTRUCTION GUIDELINES**

### **A. Set-up and Tear Down**

- A.1.** No concession can move to any location without prior clearance from both CAAP Airport Management, and Airport Engineering Unit. All concession-owners / managers must secure clearance for such activities during CAAP office hours.
- A.2.** Work will be done after flight operations or during lull time of the airport. Work permit application is done three (3) days before the actual work. "NO PERMIT, NO WORK".

### **B. Construction and Renovation**

- B.1.** All construction plans and drawings of the proposed structures must be evaluated and concurred by the CAAP Area Centers/Airport Engineering Unit.
- B.2.** All proposed structures shall be required to secure Height Clearance Permit from the Authority and Building Permit from the City/ Municipal Engineer's Office.
- B.3.** Prior to construction, concessionaires must coordinate with local airport authorities regarding safety and security.
- B.4.** Concessionaires must also submit a detailed construction schedule in order not to disrupt airport operations during construction.
- B.5.** All works shall be in accordance with approved plans and specifications. Non-compliance will be a ground for CAAP Area Centers/Airport Engineering Unit to stop construction works.
- B.6.** All samples of materials must be first submitted to CAAP Area Centers/Airport for approval prior to installation. Non-submission or submission of substandard materials will be grounds for the Authority to stop construction works until the concessionaire/contractor can provide the materials that will conform to the standards of the Authority.
- B.7.** The concessionaire must submit manufacturer's technical data, specifications and installation instructions of all furniture and machineries to the CAAP Area Centers/Airport Engineering Unit for concurrence prior to installation.
- B.8.** After completion, the proposed structures must be inspected by the CAAP Area Centers/Airport Engineering Unit prior to turn-over for occupancy.
- B.9.** All concessions must only operate upon issuance of Sanitary and Business Permits by the Local Government Unit (LGU).
- B.10.** Any works that need to be repaired must be immediately acted upon within twenty four (24) hours. If a concessionaire is unable to repair, the Authority will undertake the repair works and all the cost will be charged to the concessionaire.

- B.11.** Renovations or repair on the concession area must be evaluated and concurred by CAAP Area Centers/Airport Engineering Unit prior to approval by Area Center Managers.
- B.12.** Any issues, contract or claims arising from the interpretation and implementation of this Manual shall be resolved by the ODG. Appeal may be had with the Board on final order or resolution of the Office of the Director General.

### **C. Egress and Restoration of Leased Area**

This section shall apply to any work of an outgoing Concessionaire regarding the leased premises.

- C.1.** A written request for Egress Permit shall be filed by the Concessionaire or Manager at least 7 working days prior to any egress activities.
- C.2.** Accounts must be settled with CAAP Collection/Treasury before pull-out or demolition is conducted.
- C.3.** Concessionaires shall acquire a Gate Pass from CSIS/Airport Management
- C.4.** Concessionaire shall obtain a Clearance Memo: stating No Violation/Penalty Fee due and No Outstanding Balance from CAAP Airport Management and CAAP Accounting/Treasury
- C.5.** Concessionaires shall comply with guidelines provided by the Authority in the conduct of its egress, demolition, and dismantling activities.
- C.6.** Pull-out, demolition and restoration of leased premises shall be completed on or before the contract termination date, except when a different period has been approved by Airport Management; otherwise, Billing for rent, other charges and utilities shall be charged until the space is turned over to and accepted by Airport Management in its original hand-over bare condition.
- C.7.** Any and all damages to the airport's structural system shall be restored by the Airport Management's accredited contractor. All restoration costs will be charged to the Concessionaire.

### **D. Construction General Notes for Concessionaires**

Concessionaires shall comply with the Construction General Notes issued by the Aerodrome Development Management Service (ADMS) appended to the Manual as Annex 11.

# FIGURES



## CONCESSION MANUAL *Edition II*

2025 CPO-BDD

Figure 3-1. New Concession Application Process



Figure 4-1. Concession Renewal Process



Figure 5-1. Temporary Permit Application Process

