



Republic of the Philippines  
**MANILA INTERNATIONAL AIRPORT AUTHORITY**  
 MIAA Administration Building, MIA Road Pasay City, Metro Manila

**PRESS RELEASE**

For inquiries, please call the Media Affairs Division  
 8540015; 8771109 local 3102

**ALL SET FOR OCTOBER 1**

September 23, 2014, Ninoy Aquino International Airport — "It's all systems GO for the integration. Everything is set," said Jose Angel Honrado, General Manager of the Manila International Airport Authority (MIAA).

The MIAA is set to implement the integration of the P550.00 International Passenger Service Charge (IPSC) or better known as terminal fee, into the price of airline tickets beginning October 1, 2014.

"This is a milestone achievement that will immediately benefit some 7 million passengers because they will not have to queue anymore to pay the terminal fee. We are happy that finally, we are raising NAIA's level of service to be at par with its counterparts abroad. Finally, we are responding to the perennial clamor to integrate," Honrado said.

The integration will be implemented simultaneously by all airlines worldwide and shall also cover passengers transiting Manila to any destination point. The entire process will go through a transition period and is expected to be fully implemented by October 2015, when all tickets purchased/issued prior to October 1, 2014 shall have been flown.

Under the scheme, Honrado explained that the services of the air carriers will be engaged in the collection of the IPSC through its inclusion in the airline ticket.

The scheme shall recognize and honor all exemptions mandated by law. These are Overseas Filipino Workers (OFWs), Muslim pilgrims endorsed by the National Commission on Muslim Filipinos (NCMF), athletes endorsed by the Philippine Sports Commission and others authorized by the Office of the President. Exemption

at the point of sale shall be subject to the presentation of an exemption certificate duly issued by the Philippine Overseas Employment Administration (POEA) or the MIAA. Children ages two years and below are also exempted from the IPSC.

Integration will be upon booking or ticket purchase. If at the time of purchase no exemption certificate is presented, the P550.00 terminal shall be included to the cost of ticket.

For OFWs who upon purchase of ticket, were charged the P550.00 terminal fee, same may be refunded at the NAIA Terminals upon departure, 24/7.

Refund by representative and group refunds on the other hand, may be done at the MIAA Administration building from 8am-5pm Mondays to Fridays except holidays.

Bulk refund will apply greatly to manning associations and recruitment agencies, the employer or foreign principal in most cases, as they pay for the OFWs' airfare, including terminal fee. This will also apply to Muslim Filipinos participating in the annual pilgrimage to Mecca as well as athletes participating in competitions abroad.

For the year 2013, exempted passengers comprised 26% of the total number of departing passengers in the NAIA. Out of this, 99% were OFWs while 1% pertains to pilgrims, national athletes and others authorized by the Office of the President.

A total of 7,674,643 international departing passengers passed through the country's premier gateway in 2013. 1,990,889 of them were exempted from terminal fees.

"No system is perfect. This is why we are not closing our doors to possible improvements. For now, we are determined to proceed, observe and see later on how else we can enhance it to settle all stakeholders' concerns," Norrado said in closing.

MONDAY, SEPTEMBER 22, 2014



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## NOTICE

EFFECTIVE OCTOBER 1, 2014, the International Passenger Service Charge (or TERMINAL FEE) will be integrated into the cost of airline ticket at point of sale.

### 1. WHO ARE EXEMPT FROM TERMINAL FEE?

The following are exempt from paying the terminal fee provided they are able to present, at the point of sale, exemption certificate duly issued by Philippine Overseas Employment Administration (POEA) or the Manila International Airport Authority (MIAA):

- Overseas Filipino Workers (OFWs) with Overseas Employment Certificate (OEC) issued by POEA;
- Pilgrims endorsed by the National Commission of Muslim Affairs with exemption certificate issued by MIAA;
- Athletes endorsed by the Philippine Sports Commission with exemption certificate issued by MIAA; and
- Others who are authorized by the Office of the President.

### 2. UNDER WHAT CIRCUMSTANCES WILL TERMINAL FEE BE COLLECTED FROM EXEMPT PASSENGERS?

- Airline tickets purchased online;
- Airline tickets purchased abroad;
- If no exemption certificate has been presented when airline ticket is purchased over the counter from airline office or its travel agent in the Philippines.

### 3. IS REFUND ALLOWED FOR EXEMPTED PASSENGERS WHO HAVE BEEN CHARGED TERMINAL FEE UPON PURCHASE OF TICKETS?

Yes. To facilitate the refund process, the following documents must be presented during refund:

#### Overseas Filipino Workers (OFWs)

- Airport copy of the Overseas Employment Certificate;
- Any of the following showing payment of terminal fee (LI International):
  - E-tickets
  - Itinerary receipt with O.R. or invoice
- Boarding pass

#### Pilgrims, Athletes and Others

- MIAA Exemption Certificate
- Any of the following showing payment of terminal fee (LI International):
  - E-tickets
  - Itinerary receipt with O.R. or invoice
- Boarding pass

### 4. WHERE CAN ONE APPLY FOR REFUND?

Refund can be done at the:

- NAIA Terminals on the day of departure 24 hours daily; or
- Collection Office, Ground Floor, MIAA Administration Building, MIA Road, Pasay City, from 8:00AM - 5:00PM, Mondays thru Fridays except holidays

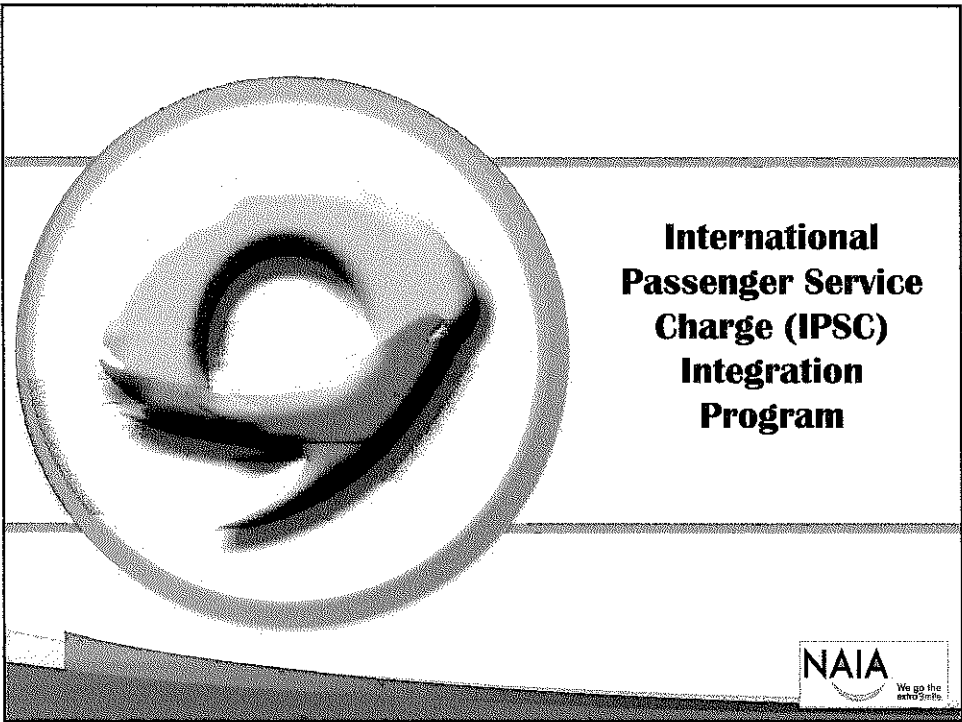
### 5. IS REFUND BY REPRESENTATIVE ALLOWED?

Yes. Refund by representative may be allowed subject to the presentation of the above stated requirements PLUS a Refund Declaration Form (downloadable from the MIAA website [www.miaa.gov.ph](http://www.miaa.gov.ph)) and passport or any valid government issued ID with picture of the representative. Government issued IDs, among others, refer to SSS, GSIS, TIN, Senior Citizen's ID, and driver's license.

For further inquiries, please call: T1 - 87771109 loc. 3908; T2 - 87771109 loc. 2144;

T3 - 8777688 loc. 9135 and T4 - 87771109 loc. 4332. Look for the supervisor on duty.

(PGI-September 22, 2014)



## **What is International Passenger Service Charge (IPSC)?**

IPSC is more commonly known as  
Terminal Fee or Airport Tax  
collected from departing passengers by all  
Airport Authorities worldwide for the use  
of airport facilities and services



## Present Collection System

- ALL regular passengers queue to pay the terminal fee
- ALL OFWs / Exempt passengers queue to validate their OECs



## Integration Program

Effective October 1, 2014,  
the Php 550.00 Terminal fee  
shall be incorporated into the  
cost of airline tickets  
at point of sale



## Who are exempted?

- ☐ OFWs
- ☐ Muslim Pilgrims
- ☐ National Athletes
- ☐ Others authorized by OP



## Exemption Process

Exemptions will be honored upon presentation and surrender of the OEC for tickets purchased from airline ticketing offices and travel agents in the Philippines



## Exemption Process

Terminal Fee to be integrated by **DEFAULT** for tickets purchased :

- ☐ ONLINE
- ☐ From ticketing offices / travel agents **abroad**
- R.A. 10022 states that exemption to be granted "upon proper showing of proof of entitlement"
- Validation / Authentication of OECs cannot be imposed on ticketing / travel agents worldwide.



## Republic Act No.10022

*"All laws to the contrary notwithstanding the migrant workers shall be exempt from the payment of travel tax and airport fee upon proper showing of proof of entitlement."*



## Who is entitled to refund?

Information from POEA

Manning Associations /

Recruitment Agencies

*"In most cases,  
it is the principal or employer  
who pays for the airline ticket  
of the OFWs"*

NAIA  
We go the  
extra mile

## Who is entitled to refund?

Refund may be availed by person /  
entity who paid for the airline ticket  
of the OFW

NAIA  
We go the  
extra mile



## Who is entitled to refund?

The refund claimant shall be made to execute the following declaration:

*"Under penalty of perjury, estafa or any other false misrepresentation under the laws of the Republic of the Philippines, I hereby affirm that I personally paid for my airfare including the IPSC (Terminal Fee) and, thus entitled to the refund, the receipt of which is hereby acknowledged."*



## Where to refund

- At the Terminals, after clearing immigration
- At the MIAA Administration Office



# Who will benefit from the Integration Program?

Present System	IPSC Integrated into Airline Ticket	No. of pax (estimate)	%
All Regular Pax queue at the terminal fee counters	No queuing	5,539,928	91
ALL Exempted Pax queue to validate exemptions	No queuing	1,297,467	
	Pax who will refund	691,493	9
TOTAL		7,528,888	100



# Phase 2 of the IPSC Integration Program

- POEA is now pilot testing a system whereby OFWs will be able to secure OECs online
- Measures will be undertaken to link to POEA database to the Airlines
- Once the link is established, validation of OECs and exemption from Terminal Fee will be feasible regardless where the airline ticket is issued





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SEP 10 2014

**MEMORANDUM CIRCULAR NO. 08**

Series of 2014

**TO : ALL CONCERNED**

**SUBJECT : Implementing Guidelines for the Integration of  
 International Passenger Service Charge (IPSC) into the Airline  
 Ticket at Point of Sale**

**I. GENERAL STATEMENT**

1. It is the policy of the government to remove the unnecessary barriers to travel and simplify travel regulations. Executive Order 903, creating the Manila International Airport Authority (MIAA), Section 4 (b) states thus: "To formulate and adopt for application in the Airport, internationally acceptable standards of airport accommodation and service; Section 5 (c) to promulgate rules and regulations governing the planning, development, maintenance, operation and improvement of the Airport...; (n) To perform such other acts and transact business, directly or indirectly necessary, incidental or conducive to the attainment of the purposes and objectives of the Authority, including the adoption of necessary measures to remedy congestion in the Airport."
2. There is an urgent need to address the congestion in all Ninoy Aquino International Airport (NAIA) Terminals with the increasing volume of passengers through the adoption of immediate measures to dramatically trim down the processing time of passengers, thereby promoting smoother, seamless, convenient, safe and hassle-free travel experience;
3. The MIAA and the Air Carriers recognize that such congestion and queuing problems will escalate further as traffic volume continuously increases and must be urgently addressed;
4. One measure to address congestion is to integrate the IPSC at the point of sale where the collection will be performed by the Air Carrier for every international air ticket purchased with enplanement from Manila;

**II. PURPOSE AND SCOPE**

5. This Memorandum Circular (MC) defines the policies and provides uniform procedures in the collection, remittance and reporting of the IPSC, the exemptions therefrom and the penalties for violations of these Policies and Guidelines.

### III. DEFINITION OF TERMS

6. For purposes of this Memorandum Circular the following terms shall mean:
- a. Air Carrier – refers to an airline operator with international operations.
  - b. Business Hours – shall mean 8:00am to 5:00pm. Mondays to Fridays, exclusive of holidays at the MIAA Administration Building. Refund at the Terminals will be on a 24-hour basis.
  - c. Collection – refers to the process of receiving payment of IPSC by the Air Carrier from the departing passenger at the point of sale of the airline ticket.
  - d. Collection Month - refers to calendar month, beginning on the 1st up to the last day thereof.
  - e. Departing Passenger – refers to any person carried or to be carried by the Air Carrier departing NAIA Terminals.
  - f. Exemption Certificate – refers to the following:
    - i. Overseas Employment Certificate (OEC) – document issued by the Philippine Overseas Employment Administration (POEA) certifying bearer as a legitimate Overseas Filipino Worker (OFW) which serves as exemption for OFWs from payment of IPSC.
    - ii. MIAA Exemption Certificate (MEC) – document issued by the MIAA certifying bearer as a legitimate exempted passenger under MIAA Administrative Order No. 01 Series of 2000.
  - g. Extra Crew – refers to additional crew and/or operating crew of the airlines listed in the flight's General Declaration.
  - h. Infant – refers to any child who is below two years old at the time of departure.
  - i. International Passenger Service Charge (IPSC) – refers to the terminal fee imposed by MIAA on departing passengers, presently pegged at Php 550.00 inclusive of 12% EVAT.
  - j. Internationally-Recognized Exempted Passenger - refers to Infants, Flight and Extra Crew.
  - k. Locally-Recognized Exempted Passenger - refers to Overseas Filipino Workers (OFW), Pilgrims, Philippine Sports Commission (PSC) Delegates or others authorized by law and the Office of the President.