

**Dr. Roberto de Ocampo**

Statement of Support for Air Transport Policy Brief

February 15, 2017

*(Transcribed by TAPP Research Assistant Nathan Bayasen)*

This is not the time for us to have another 21 years of deliberation. This is a time for us to make decisions and to get on with it. I think that the administration is best served when looking at options that could be doable within the life of this administration and not discuss it for the next four years, get it started in the fifth year, and possibly see it happen or not within the life of that administration. The reason I say this is because to some extent I am under the impression that this administration presents itself as a doer. That this administration presents itself as a starter.

In the 21 years that have taken place since we made the initial recommendation which have been echoed time and time again, I heard it today, Bangkok has a modern airport, Vietnam has a modern airport, and I can go on and on. And I'm sure it has not escaped the notice of many of our leaders, political or otherwise, who like to travel to these countries that these have taken place. And in that intervening period, time and time again, we found ourselves in the onus of having all sorts of entities describe our airports connecting to bad and all the way to worst.

In short, we've known this for such a long time. And the time really has come for us to do something about it. I will not address myself to the other recommendations that have to do with policy directions of the various institutions that are regulatory bodies. I will address myself instead to those that have to do with NAIA and the age-old proposal for a dual airport system.

The reason I know about the dual proposal for an airport system is because I wrote it 21 years ago. And the memo happens to be, as it should be, distributed dated I think 1995, and in the corner is a scribbling by President Ramos saying "Approved." And why did I say dual airport? Because I lived in Washington D.C. for ten years and they have a dual airport system. In fact I said just like Dulles and Reagan.

In the 21 years that have passed, it has taken a lot of money and a lot of time for consultants to say something that I said without getting paid. And of course they came to the conclusion that probably the most sensible thing to do is the following: Phase down NAIA 1; build NAIA 2 to be the domestic terminal; build NAIA 3 as an interim international airport while one constructs a modular terminal at Clark which will be built up as the traffic of tourism wherever builds up. And finally move it there while transforming NAIA 2 plus 3 into a combination of a domestic airport and an airport for those flights of Philippine Airlines and others within a certain radius of proximity, which is exactly the logic that you will find in Reagan and Dulles. Flights from far away land in Dulles. Domestic flights land in Reagan. And some flights that are more or less nearby also land in Reagan.

So, having come to that conclusion, some came to the angst. But how will you transport them from Manila? Of course you build a railway. Although it is so expensive, you can either look at it as an expense, or you can look at it as an investment. And it is something that other airports all over the world have done. There are great benefits. Everything between the airport and where it ends up in the city (that is its target/main community) becomes an area of development to such an extent that it expands the tax base, in which you will be able to get the money and at the same time it provides opportunities for employment and it expands the development of the area by quantum leaps.

Now if you are just going to be stuck arguing about costs then fine, forget about all the benefits that may arise from an investment of that sort. So we did say build a medium speed- we were not even aiming for a bullet train, just medium speed railway. But you cannot build a medium speed railway using the PNR railway because it is convoluted, it passes through highly, densely populated areas, and you end up chugging along at the normal speed of a PNR train which is something like 40km/hour. So these are the elements that we have proposed.

Now, I will introduce one more thought before I conclude. I wish this were just about airports. But it isn't. Just like transportation and traffic is not just about traffic. But if you look at it as only about airports, and look at it as only about traffic, you might just miss the bigger picture. This is about urban congestion, and our chance in a lifetime to solve it, to be able to disperse the city outwards, and to create a new megalopolis that would be the main magnet of economic activity for the rest of the nation.

Clark and Subic were five star American cities given to us virtually for free with all the infrastructure intact. At the time we were proposing to move there, Clark had the best runways you could find in Southeast Asia. It was designed for the biggest planes of the American military and believe it or not, they don't skimp on their military. Subic had the best port in all of Southeast Asia because it would be in service for aircraft carriers. All we had to do was form a development growth triangle connecting Clark, Subic, and Manila and everything in between becomes a megalopolis bigger than Singapore. We have the facilities in place and facilities to beat the traffic. I hate to tell you this but no amount of emergency powers is going to keep you from crawling along in traffic for the next 10 years. You simply have to disperse the city outwards.

And this is not something new. Way back in the 19<sup>th</sup> century, the city of London was facing something similar. Gridlock. Nineteenth Century. And they deliberately built magnet cities outside of London and ran the railways to them in order to disperse the community outwards which you cannot do unless you have a combination of magnet places to live in and sensible transport for people that work in the city to be able to efficiently and at least cost go back and forth to their place of work. That unfortunately presents itself to us now. But looking at it as not just airports, not just as traffic, but our chance in a lifetime to deal with all in one blow, and create a megalopolis with modern airport facilities, modern port facilities, and a center of economic activity which could either match Singapore or even exceed it.

Is it a big dream? No, the facilities are already there we just have to tap into it. But we have to think big. If we continue to think just in terms of side goals of problems of traffic and airports and so forth, I'm afraid we'll miss it.

So let me just reiterate our support, both of Makati Business Club and, in my other hat as Chairman of FEF, the general conclusions that have been reached, and urge both the public and private sector to think along the lines of, number one, action. We cannot continue to discuss this with less or beyond the life of this administration. Second, think big. This is not just about airports across Manila. This is not just about solving traffic and going from place to place faster. This is about capturing all those problems in one, united, coherent, development plan that takes a lot of cases all at the same time. And which is within the capability of the national government with the help of the private sector to pull off in a relatively rapid period of time. All the models are there. Other countries did it, why should we not be able to? So that's my main message to all of you today, and I hope that before many of us get even older and more frustrated and continue to gnash our teeth and rend our garments about why the Philippines cannot be fixed, we get on with it. The basic principles are there. The time to act is now.

Thank you very much.