

**Third Party Evaluator's Opinion on  
Nationwide Air Navigation Facilities Modernization Project – Phase III**

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**Criteria-1**

**RELEVANCE:** I agree with the consultant's evaluation that the Nationwide Air Navigation Facilities Modernization Project - Phase III enjoys very high priority considering the geography of Philippines, the need for fast, efficient and safe travel and movement of goods. Air transport taken together with both land and sea transport is highly essential for the development and growth of a country as well as improving its linkages with the rest of the world. Based on my interviews, this project is considered necessary, needed and well appreciated such that additional investments are still needed to cope with the increased volume of air travel, changes in technology, and further enhancement of efficiency and safety.

**Criteria-2**

**SUSTAINABILITY:** While the GOP considers the facility as essential and vital, there are severe shortcomings in budgetary resources allotted to the Air Transport Office that constrains the effectiveness and efficiency of the navigation system. It is true that there have been budgetary increases but it is still insufficient to put the entire system operational to the fullest extent. For example, several facilities remain on "Test Basis" meaning that they are operational but can not be relied upon because they have not been certified due to lack of test aircraft. There have been reports on the unreliability of the Precision Path Indicator but no aircraft is available to test them. The airlines want to operate at night but there are no lights or budget for overtime or night shift. The outage of the Tagaytay radar (not included in this project) is causing delays because of longer separations of the air traffic. Some wonder why Tagaytay was not included. The turnover of the personnel is quite high due to low salaries so the ATO has to continuously train people. The pressure to modernize and keep the facilities attuned to the demands of air transport industry and safety of the public is mounting. There is need to open new international airports like Davao and Zamboanga and elevate the capacity of alternate international airports. As a result of the inadequacies the USFAA lowered the rating of the Philippine airports recently. The bill converting ATO to a Civil Aviation Authority was given high priority so it is likely to be passed into law in 2008. In the meantime, they were given for 2008 about 25% increase in budgetary support. The ATO will still need technical assistance and loans to keep up with the requirements.