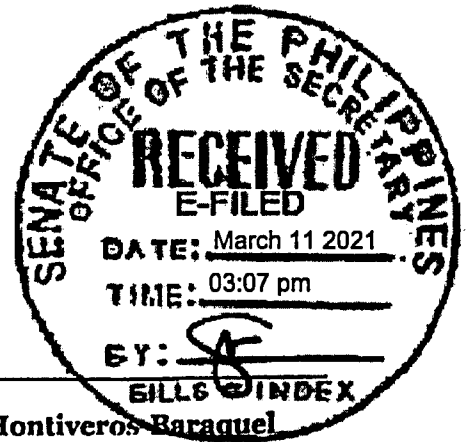


EIGHTEENTH CONGRESS OF THE )  
REPUBLIC OF THE PHILIPPINES )  
Second Regular Session )

SENATE  
P.S.R. No. 680



Introduced by Senator Ana Theresia "Risa" Hontiveros Baraquel

#### RESOLUTION

**EXPRESSING THE SENSE OF THE SENATE TO URGE THE DEPARTMENT OF TRANSPORTATION TO SUSPEND THE IMPLEMENTATION OF THE OMNIBUS FRANCHISING GUIDELINES AND PUBLIC UTILITY VEHICLE MODERNIZATION PROGRAM FOR THE DURATION OF THE COVID-19 PANDEMIC**

**WHEREAS**, prior to the pandemic, the Land Transportation Franchising & Regulatory Board (LTFRB) issued Memorandum Circular (M.C.) No. 2018-010, providing for the rationalization of all transportation routes nationwide, such rationalization described therein as being tantamount to the cancellation of all existing Certificates of Public Convenience (CPCs) for land transportation services in the Philippines;

**WHEREAS**, the same administrative issuance also required existing franchise holders, including the drivers and small operators of jeepneys and other Public Utility Vehicles (PUVs), to replace or upgrade their vehicles pursuant to the PUV Modernization Program (PUVMP), as well as to consolidate into cooperatives or corporations, to enable them to continue operating under the Department of Transportation's (DOTr) Omnibus Franchising Guidelines (OFG);

**WHEREAS**, as a result of the economic disruption caused by the COVID-19 pandemic and its catastrophic effect on drivers and small operators of jeepneys and other Public Utility Vehicles, many of whom were reduced to begging on the streets to survive, the LTFRB, by virtue of MC No. 2020-027 issued on July 10, 2020, extended the validity of Provisional Authorities (PAs) issued to existing operators as well as those issued as part of the transition period for the implementation of the PUVMP, until December 31, 2020;

**WHEREAS**, this extension was made subject to the condition that existing small operators consolidate;

**WHEREAS**, Section 4 (fff) of Republic Act (R.A.) No. 11494, otherwise known as the Bayanihan to Recover as One (BARO) Act, and passed by Congress on September 11, 2020, states that "there shall be no phase-out, at the national or local level, of any modality of public utility vehicle as the industry transitions to a new normal";

**WHEREAS**, this requirement to consolidate their franchises and replace or upgrade their units, has met with widespread opposition from drivers, operators, and other small stakeholders in the transportation industry, who argue that the PUVMP and OFG were implemented without adequate consultation, planning, preparation, and incentives, among others, and that the full implementation of these programs will lead to further hardship for them and their families in the midst of what is clearly an unprecedented global crisis;

**WHEREAS, these small stakeholders also allege that being forced to consolidate their franchises will also have the effect of easing them out of their livelihoods in favor of corporations funded by banks and other large capitalists; and**

**WHEREAS, the LTFRB itself has implicitly recognized that these programs cannot be properly and equitably implemented during the pandemic by further extending the transition period provided in MC No. 2020-027 to March 31, 2021.**

**NOW THEREFORE, BE IT RESOLVED AS IT IS HEREBY RESOLVED TO EXPRESS THE SENSE OF THE SENATE TO URGE THE DEPARTMENT OF TRANSPORTATION TO SUSPEND THE IMPLEMENTATION OF THE OMNIBUS FRANCHISING GUIDELINES AND PUBLIC UTILITY VEHICLE MODERNIZATION PROGRAM FOR THE DURATION OF THE COVID-19 PANDEMIC**

Adopted.

  
**RISA HONTIVEROS**  
*Senator*