

Republic of the Philippines
Congress of the Philippines
Senate
Pasay City

Nineteenth Congress

First Regular Session



RESOLUTION NO. 44

RESOLUTION URGING THE LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD (LTFRB) TO POSTPONE THE PLANNED PHASE OUT OF ALL TRADITIONAL JEEPNEYS BY 30 JUNE 2023, PENDING THE RESOLUTION OF VALID AND URGENT CONCERNS RAISED BY AFFECTED OPERATORS AND DRIVERS REGARDING THE FINANCIAL VIABILITY OF THE PROGRAM

WHEREAS, in recent years, the Department of Transportation (DOTr) and the Land Transportation Franchising and Regulatory Board (LTFRB) have been implementing the Public Utility Vehicle Modernization Program (PUVMP);

WHEREAS, the major components of the PUVMP include the route rationalization and consolidation into cooperatives of jeepneys, UV Express, and Filcabs;

WHEREAS, under DOTr Department Order (DO) No. 2017-011, the DOTr required existing operators to consolidate according to the following requirements:

1. Routes shall have a minimum number of units, as set by the Local Public Transport Route Plan;
2. A route shall have the least possible number of operators, as determined by the LTFRB;

WHEREAS, the DOTr further required operators of new or developmental routes to have a minimum fleet size of fifteen (15) units;

WHEREAS, pursuant to DOTr DO No. 2017-011, the LTFRB required all existing individual franchise holders to form juridical entities which would in turn file for a Petition for Consolidation of Certificates of Public Conveyance (CPC);

WHEREAS, the LTFRB then directed all existing franchise holders to comply with the consolidation directive within one (1) year, and later on converted all individual franchises into provisional authorities (PAs) with a one-year validity;

WHEREAS, the deadline of the consolidation directive, as well as the validity of the one-year PAs, has been continuously extended to allow PUVs time to comply with the onerous requirements;

WHEREAS, on 20 February 2023, the LTFRB issued Memorandum Circular No. 2023-013 which gives PUV operators only until (1) 30 June 2023 to join an existing consolidated entity, or (2) 31 October 2023 to form a juridical entity and file a petition for consolidation, or else their CPCs will be revoked;

WHEREAS, various transport groups have condemned the LTFRB's decision and expressed concern on its impact on operators and commuters alike:

1. The transport group PISTON noted that the cost of acquiring "modern jeepneys", estimated to be around Php 2.4 to 2.8 million, is "burying small-time operators deep in debt";

2. The citizens group Lawyers for Commuters Safety and Protection noted that the LTFRB's decision would phase out around 50,000 jeepneys and lead to a transport crisis;

3. Transport group MANIBELA announced that their organization of 40,000 operators would hold a week-long strike against the phaseout of traditional jeepneys;

WHEREAS, the concerns raised by the transport groups all point to the continuing deficiencies in the design of the PUVMP;

WHEREAS, the LTFRB should not coerce PUV operators into complying with their guidelines without addressing the sector's concerns, particularly on the high capital costs of acquiring modern jeepneys;

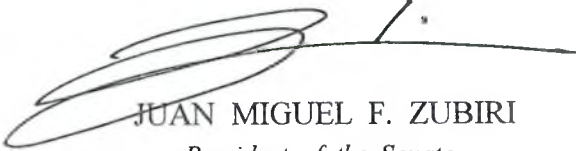
WHEREAS, transport groups, particularly PISTON, have noted that they are not against modernization *per se*, but are simply seeking a "just transition" process;

WHEREAS, continuing the phaseout without taking these concerns into consideration would run counter to the directive of the Constitution to promote social justice in all phases of national development;

WHEREAS, there are pending bills which seek to promote a "just transition" for PUV Modernization, which are the result of consultations with transport groups, and which could address the flaws and concerns of the current program: Now, therefore, be it


Resolved by the Senate of the Philippines, To urge the Land Transportation Franchising and Regulatory Board (LTFRB) to postpone the planned phase out of all traditional jeepneys by 30 June 2023, pending the resolution of valid and urgent concerns raised by affected operators and drivers regarding the financial viability of the program.

Adopted,



JUAN MIGUEL F. ZUBIRI
President of the Senate

This Resolution was adopted by the Senate on February 28, 2023.



RENATO N. BANTUG Jr.
Secretary of the Senate