

23 FEB 28 P12:17

**SENATE**  
**P.S. Res. No. 507**

RECEIVED BY: 

---

Introduced by Senator Grace Poe

---

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

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

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

6 WHEREAS, under DOTr Department Order No. 2017-011, the DOTR required  
7 existing operators to consolidate according to the following requirements:

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

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

14 WHEREAS, pursuant to the above department order, the LTFRB required all  
15 existing individual franchise holders to form juridical entities which would in turn file  
16 for a Petition for Consolidation of Certificates of Public Conveyance (CPC)<sup>1</sup>;

---

<sup>1</sup> LTFRB Memorandum Circular No. 2018-008.

1 WHEREAS, the LTFRB then directed all existing franchise holders to comply with  
2 the consolidation directive within one (1) year, and later on converted all individual  
3 franchises into provisional authorities (PAs)<sup>2</sup> with a one-year validity;

4 WHEREAS, the deadline of the consolidation directive- as well as the validity of  
5 the one-year PAs- has been continuously extended<sup>3</sup> to allow PUVs time to comply with  
6 the onerous requirements;

7 WHEREAS, on 20 February 2023, the LTFRB issued Memorandum Circular No.  
8 2023-013 which gives PUV operators only until (1) 30 June 2023 to join an existing  
9 consolidated entity, or (2) 31 October 2023 to form a juridical entity and file a petition  
10 for consolidation, or else their CPCs will be revoked;

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

- 13 1. The transport group PISTON noted that the cost of acquiring "modern  
14 jeepneys" – estimated to be around Php 2.4 to 2.8 million – is "burying  
15 small-time operators deep in debt"<sup>4</sup>;
- 16 2. The citizen's group Lawyers for Commuters Safety and Protection<sup>5</sup> noted  
17 that the LTFRB's decision would phase out around 50,000 jeepneys and lead  
18 to a transport crisis;
- 19 3. Transport group MANIBELA announced that their organization of 40,000  
20 operators would hold a week-long strike against the phaseout of traditional  
21 jeepneys;

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

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

---

<sup>2</sup> LTFRB M.C. No. 2019-066.

<sup>3</sup> Refer to LTFRB M.C.'s 2020-027, 2020-084, among others.

<sup>4</sup> Relativo, J., "Piston slams June 30 jeepney phaseout order, says minibuses worth P2.8-M burying operators in debt" *The Philippine Star* (23 February 2023);

<sup>5</sup> Cayabyab, M.J. "Groups warn of transport crisis, shortage of jeepneys" *The Philippine Star* (27 February 2023).

1           WHEREAS, transport groups – in particular PISTON – have noted that they are  
2 not against modernization *per se*, but that they are seeking a “just transition” process<sup>6</sup>;

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

6           WHEREAS, there are bills pending which seek to promote a “just transition” for  
7 PUV Modernization, which are the result of consultations with transport groups, and  
8 which could address the flaws and concerns of the current program;

9           NOW, THEREFORE, BE IT RESOVED, AS IT IS HEREBY RESOLVED, TO EXPRESS  
10 THE SENSE OF THE SENATE TO STRONGLY URGE THE LAND TRANSPORTATION  
11 FRANCHISING AND REGULATORY BOARD (LTFRB) TO POSTPONE THE PLANNED  
12 PHASE OUT OF ALL TRADITIONAL JEEPNEYS BY JUNE 30, 2023, PENDING THE  
13 RESOLUTION OF VALID AND URGENT CONCERNS RAISED BY AFFECTED OPERATORS  
14 AND DRIVERS REGARDING THE FINANCIAL VIABILITY OF THE PROGRAM

*Adopted,*



**GRACE POE**

---

<sup>6</sup> Relativo, J., 2023.