

Mainstreaming the New (Digital) and the Conventional Sectors in the Philippine Public Transporting System

ATTY. MARTIN B. DELGRA, III

Chairman, Land Transportation Franchising and Regulatory Board

“Rethinking Regulations in the Era of the Fourth Industrial Revolution”
Philippine Institute for Development Studies



We stand in the midst of a revolution that is altering the way we live, work and communicate.



The challenge remains the same as in every dawn of a revolution:

To welcome change with eagerness and dexterity in order to adapt, innovate and maximize the potential to improve the quality of life for everyone.



GOVERNANCE & RELEVANCE

The ability of the government to continuously adapt and keep up with a very competitive and rapidly changing technological advancement will determine its relevance and survival



GOVERNANCE & RELEVANCE

Regulatory bodies need to embrace the change and find ways to improved existing structures in order to raise the level of transparency and efficiency which will help keep their agencies stable and competitive.



CARS IN METRO MANILA



Photo © GMA News : http://images.gmanews.tv/webpics/2017/10/640_ZZ_101117_mmanila_2017_10_11_10_22_15.jpg



Photo © Manila Bulletin : <https://news.mb.com.ph/wp-content/uploads/2018/01/traffic.jpg>





Our public transport system is deemed unsafe, unhealthy, unreliable, and uncomfortable.



How was public transportation planned before?

- No government-led planning of the road transit network
- Mostly operator-initiated routes
- Franchises issued based on Route Measured Capacity (RMC)
 - Route-based only, not network-based
 - Doesn't consider road capacity constraint



OUTCOMES:

- Widespread competition among various transport modes, overlapping routes
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- Low-capacity vehicles in high-demand areas, leading to reduced road capacity
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WHAT IS THE GOVERNMENT DOING?



Land Transportation Franchising and Regulatory Board (LTFRB)

MISSION

Ensure that the **commuting public has adequate, safe, convenient, environment – friendly and dependable public land transportation services at reasonable rates** through the implementation of land-based transportation policies, programs, and projects responsive to an investment-led and demand-driven industry.

VISION

World-class land transportation services contributing to the over-all development of the country, improvement of the socio-economic status of its stakeholders, and promotion of the welfare of the general public.

OUR MANDATE

To promulgate, administer, enforce, and monitor compliance of policies, laws and regulations of land transportation services.



“The LTFRB breathes PUVMP”



The Public Utility Vehicle Modernization Program

The Public Utility Vehicle Modernization Program (PUVMP) has been at the heart of most of the policies and directives of the agency whose main objective is to ensure safe, efficient and reliable public transportation at the same time provide an inclusive and holistic treatment to the public transport industry.





VISION

“Towards
people-first cities
empowered by
efficient, dignified,
and sustainable
mobility”

OBJECTIVES



Social

A people-first approach which ensures inclusive, comfortable, safe and dignified access to public transport



Environmental

An urban transport system which reduces its negative impacts on the environment and on public health, towards healthy cities



Economic

An efficient, affordable and economically sustainable transport which supports economic vitality for the individual and for the city



TEN MAJOR COMPONENTS OF THE PUVMP



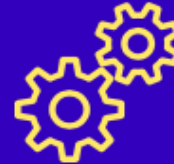
Regulatory Reform



LGU Local Public Transport Route Planning



Route Rationalization



Fleet Modernization



Industry Consolidation



Financing PUV Modernization



Vehicle Useful Life Program



Pilot Implementation



Stakeholder Support Mechanism



Communication



PARTNERS

PUV MODERNIZATION PROGRAM



LOCAL PARTNERS



INTERNATIONAL PARTNERS



Tacloban is the first city in the country to adopt the PUVMP





DOTr and LTFRB worked closely with the Taguig City government, under the leadership of Mayor Maria Laarni Cayetano, to address rising concerns on mobility, safety and sustainability by introducing the PUVMP to the city and its transport groups.







INITIATIVES UNDER THE PUVMP

- Modernize the current PUV fleet
- Reform and consolidate the industry
- Move towards low emission PUVs
- Route rationalization boosted by Technology
- Improve welfare of commuters and encourage modal shift
- Improve standards of living of drivers, operators, and their families through income augmenting measures



PUV REQUIREMENTS UNDER THE OMNIBUS FRANCHISE GUIDELINES

FEATURE	REQUIREMENT
 Environment - friendly	Clean Air Act complaint engine: Euro 4 emission or better. Electric, Solar, Alternative Fuel
 Safety	Side door, Speed limiter
 Security	CCTV, GPS, Dashboard Camera
 Comfort/ Convenience	Automatic Fare Collection System, Free Wi-Fi

FEATURES OF A MODERNIZED PUJ



*Photos from the PUVMP launch in Taguig

INTENSIFIED ANTI-COLORUM CAMPAIGN

The proliferation of unregistered or 'colorum' Public Utility Vehicles (PUVs) in the past years pose a real and imminent danger to commuters because, among other things, they do not guarantee accountability in cases of accidents compared to listed and registered PUVs.



LTFRB and i-Act anti-'colorum' teams in Metro Manila





INTENSIFIED ANTI-‘COLORUM’ CAMPAIGN

PERIOD	NUMBER OF APPREHENSIONS	AVERAGE DAILY APPREHENSIONS
JANUARY 2010 TO JUNE 2016	1744 units	0.6 units
JULY 2016 TO DECEMBER 2017	3881 units	5.9 units
JANUARY 2018 TO DECEMBER 2018	1321 units	

Transportation Network Companies and Vehicles

Grab



The Philippines is breaking ground as the first country to regulate TNCs & TNVS in Southeast Asia





Memorandum Circular 2016-008

Suspension of Acceptance of TNVS Applications



Republic of the Philippines
Department of Transportation and Communications
LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD
1101 Asepi, e. Guzman City

MEMORANDUM CIRCULAR

Number 2016-008

Subject: **SUSPENSION OF ACCEPTANCE OF TNVS
APPLICATIONS**

The Department of Transportation issued Department Order No. 2015-011 (Amending Department Order No. 97-1092) to promote mobility. Among the amendments is the introduction of a new mode of service, which is the **Transportation Network Vehicle Service (TNVS)**.

Mobility is a key concern for our government. The objective of DO No. 2015-011 is to encourage innovation across all forms of public land transportation in order to increase mobility on major thoroughfares, boost travel times, improve the quality, sustainability and reliability of public transport services, and respond to the needs of the modern commuters.

Pending review of existing policies, and other relevant and pressing issues regarding the issuance of franchise to TNVS, the Board hereby orders the suspension of the acceptance of all TNVS applications proposing to ply on the route within Metro Manila or entering Metro Manila.

The Technical Division is directed not to accept any TNVS application upon effectivity of this Circular. All Regional Offices are likewise not to accept TNVS applications with proposed route to operate entering Metro Manila.

All other issuances inconsistent herewith are deemed modified or superseded accordingly.

This Memorandum Circular shall take effect immediately following its publication in at least one newspaper of general circulation. Let three (3) copies hereof be filed with the UP Law Center pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

SO ORDERED.

Quezon City, Metro Manila, 21 JUL 2016

EFFECTIVITY
DATE: 22 JUL 2016

ATTY. MARTIN B. DELAGRA III
Chairman

ENGR. RONALDO F. CORPUS
Board Member

ATTY. ANTONIO ENRILE-INTON, JR.
Board Member

D.P. LAW CENTER
OFFICE OF THE NATIONAL ADMINISTRATIVE SERVICES
Administrative Rules and Regulation
JUL 21 2016
RECEIVED
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Attested by:

Atty. ROBERT D. PANG, CESO V
Officer-in-Charge
Office of the Executive Director



Republic of the Philippines
Department of Transportation
LAND TRANSPORTATION FRANCHISING AND REGULATORY BOARD
East Avenue, Quezon City

MEMORANDUM CIRCULAR
NUMBER 2017- 572

SUBJECT: IMPLEMENTING GUIDELINES DURING THE TRANSITION PERIOD
FOR THE LIFTING OF THE MORATORIUM ON THE ACCEPTANCE
OF TNVS APPLICATIONS

WHEREAS, on 21 July 2016, the Land Transportation Franchising and Regulatory Board (LTFRB) issued Memorandum Circular No. 2016-008 (Re: *Suspension of Acceptance of TNVS Applications*) ordering the suspension of the acceptance of all Transportation Network Vehicle Service (TNVS) applications proposing to ply on the route within Metro Manila or entering Metro Manila and directing the Technical Division not to accept any TNVS application upon effectivity of the said Circular. Likewise, the Regional Franchising and Regulatory Offices (RFROs) were directed not to accept TNVS applications with proposed route entering or within Metro Manila pending review of the existing policies and other relevant and pressing issues regarding the issuance of franchise to TNVS;

WHEREAS, Memorandum Circular No. 2016-012 (Re: *Amendment to Memorandum Circular No. 2016-008*) was issued on 01 September 2016 amending and modifying Memorandum Circular No. 2016-008 expanding the coverage of the suspension of acceptance of TNVS applications from applications with proposed routes plying Metro Manila to the suspension of acceptance of TNVS applications nationwide;

WHEREAS, the Technical Working Group (TWG) conducted series of meetings and consultations with all concerned parties for them to ventilate all issues involving TNVS for proper consideration by the Board.

WHEREAS, after thorough and exhaustive deliberation and review by the Board of all existing policies and all the issues raised, the Board hereby promulgates the following implementing guidelines:

Memorandum Circular 2017-032

Implementing Guidelines During the Transition Period for the Lifting of the Moratorium on the Acceptance of TNVS Applications



Memorandum Circular 2018-003

Common Supply Base for Transport Network Vehicle Service (TNVS)



Republic of the Philippines
Department of Transportation
LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD
East Avenue, Quezon City

**MEMORANDUM CIRCULAR
NUMBER 2018-003**

**SUBJECT: COMMON SUPPLY BASE FOR TRANSPORT NETWORK VEHICLE
SERVICE (TNVS)**

WHEREAS, on 21 July 2016, the Land Transportation Franchising and Regulatory Board (LTFRB) issued Memorandum Circular No. 2016-008 (Re: *Suspension of Acceptance of TNVS Applications*) ordering the suspension of the acceptance of all Transportation Network Vehicle Service (TNVS) applications proposing to ply on the route within Metro Manila or entering Metro Manila and directing the Technical Division not to accept any TNVS application upon effectivity of the said Circular.

WHEREAS, pursuant to MC No. 2016-008, the Regional Franchising and Regulatory Offices (RPROs) were likewise directed not to accept TNVS applications with proposed route entering Metro Manila pending review of the existing policies and other relevant and pressing issues regarding the issuance of franchise to TNVS;

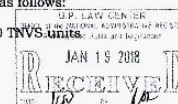
WHEREAS, Memorandum Circular No. 2016-012 (Re: *Amendment to Memorandum Circular No. 2016-008*) was issued on 01 September 2016 amending and modifying Memorandum Circular No. 2016-008 expanding the coverage of the suspension of acceptance of TNVS applications from applications with proposed routes plying Metro Manila to the suspension of acceptance of TNVS applications nationwide;

WHEREAS, a Technical Working Group (TWG) was created which conducted series of meetings and consultations with all concerned parties, including the Transport Network Companies (TNCs) and TNVS peers, to gather pertinent data and studies to facilitate the review of policies and the resolution of issues relative to the issuance of franchise to TNVS;

WHEREFORE, premises considered, after thorough deliberation by the Board, in consultation with Department of Transportation (DOT) discussing all available data provided by the concerned Transportation Network Companies (TNCs), including their average daily bookings, request bookings and confirmed bookings among others, and considering the number of part-time and full time drivers, the Board decides to set a common supply base for Transport Network Vehicle Service (TNVS).

The common supply base shall be established as follows:

Metro Manila (including MUCEP area) – 45,000 TNVS units
Metro Cebu – 500 TNVS units
Pampanga – 200 TNVS units





Republic of the Philippines
DEPARTMENT OF TRANSPORTATION

DEPARTMENT ORDER NO. 2018 - 012

Subject : AUTHORITY OF THE LAND TRANSPORTATION
FRANCHISING BOARD (LTFRB) TO REGULATE THE
TRANSPORT NETWORK COMPANIES (TNCs) AND
TRANSPORTATION NETWORK VEHICLES SERVICE
(TNVS)

Date : JUNE 11, 2018

WHEREAS, there is a further need to regulate Transport Network Companies (TNCs) and their Transportation Network Vehicle Service (TNVS) to promote and develop a safe, reliable, and efficient land transportation services. The objective of this Order is to centralize the regulation of entities operating as TNCs and TNVS under the authority of the Land Transportation Franchise and Regulatory Board;

WHEREAS, a public utility is a business or service engaged in regularly supplying the public with some commodity or service of public consequence. Its principal determinative characteristic is that of service to, or readiness to serve, an indefinite public or portion of the public which has a legal right to demand and receive its services or commodities. On the other hand, common carriers are those engaged in the business of carrying or transporting passengers or goods or both for compensation, offering their services to the public;¹

WHEREAS, due to the established roles of TNCs and TNVS in providing transport services to the public, they should be treated as engaged in the operation of a public utility. TNCs and TNVS are considered as engaged in the business of carrying or transporting passengers for compensation and offering their services to the public. As such, the operation of TNCs and TNVS is imbued with public interest and must submit to the full regulation by the State;

WHEREAS, the Land Transportation Franchise and Regulatory Board is empowered by law to promulgate, administer, enforce, and monitor compliance of policies, laws, and regulations of public land transportation services;²

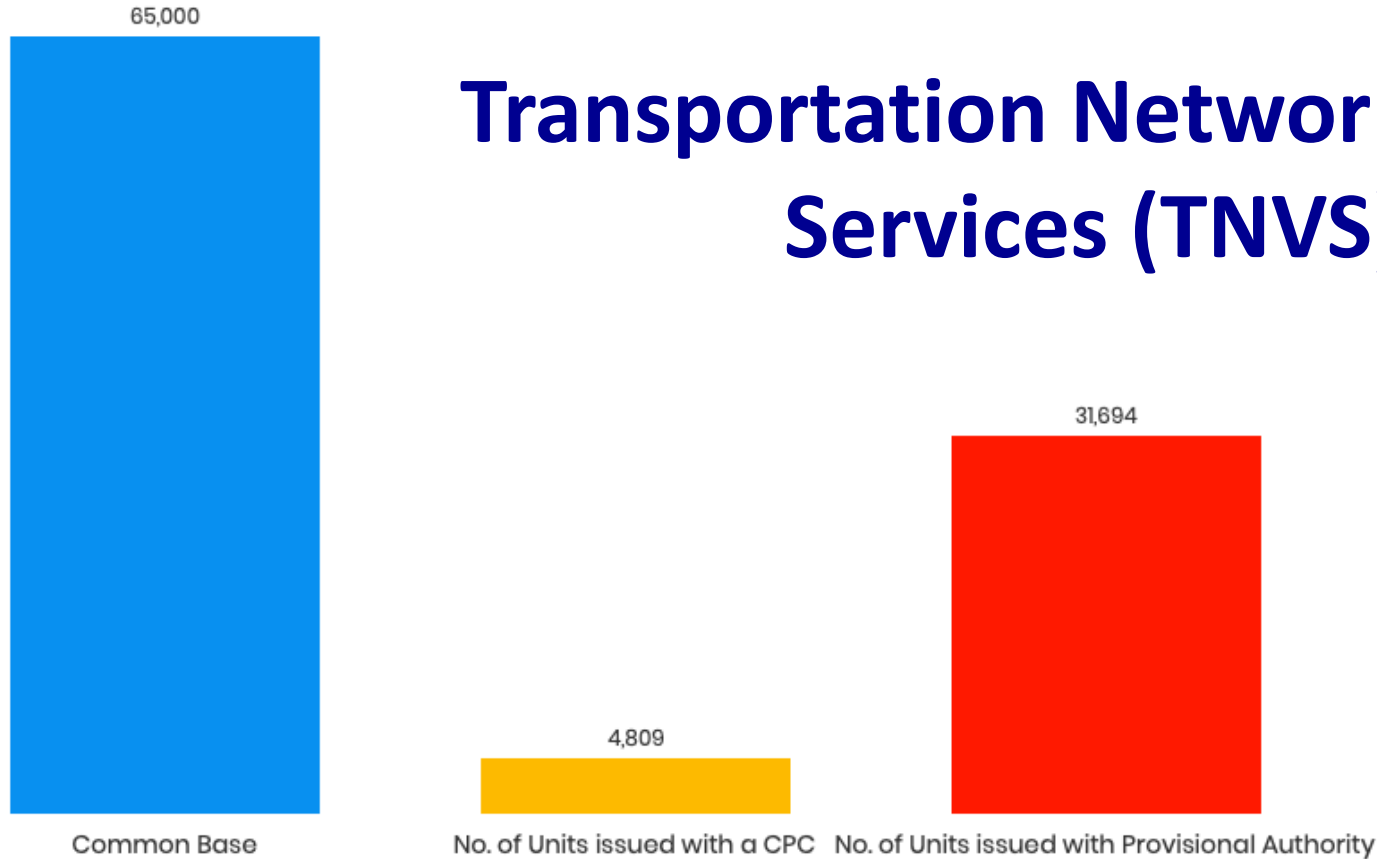
¹ JG Summit Holdings, Inc., v. Court of Appeals, et.al., G.R. No. 124293, September 24, 2003.

² Executive Order No. 202, Creating the Land Transportation Franchise and Regulatory Board
THE GOLDEN TOWER
PROF. WACK WACK ORTIGAS AVENUE
1555 MANDALUYONG CITY, PHILIPPINES

TELEFAX (832) 723-4925
TRIPLINE, 727-7960 TO 79
BOIC ACTION CENTER HOTLINE: 1950

Department Order No. 2018-012 Authority of the Land Transportation Franchising Regulatory Board (LTFRB) to Regulate the Transport Network Companies (TNCs) and Transportation Network Vehicle Service (TNVS)

Transportation Network Vehicle Services (TNVS)



Complaints Received Against TNC/TNVS

VIOLATIONS	2017	2018
Accident	7	12
Negligence	2	4
Overcharging of Fare	0	6
Rude Behavior	0	16
Refusal to Convey Passenger	0	10
Threatening Passenger	0	2
Refusal to Divulge Information on erring Driver/Operator	0	8
Sexual Harassment Committed by the Driver	0	1
Refusal to Alight in Proper Destination	0	2
Discrimination Against Passenger	2	1
Reckless Driving	4	1
Colorum	1	0
Refusal to Grant Discount	0	0
Smoking while Driving	4	0
TOTAL	20	63



(Forwarded to Legal Division for Hearing Procedure)

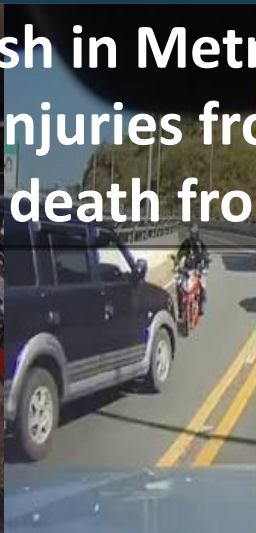


Photo ©ABS-CBN News



Photo ©ABS-CBN News

Road Crash in Metro Manila (2017)
39.98% injuries from motorcycles
47.57% death from motorcycles





H. No. 7885

[REPUBLIC ACT No. 4136]

AN ACT TO COMPILE THE LAWS RELATIVE TO LAND TRANSPORTATION AND TRAFFIC RULES, TO CREATE A LAND TRANSPORTATION COMMISSION AND FOR OTHER PURPOSES.

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

no power rating.

(b) "Passenger automobiles" shall mean all pneumatic-tire vehicles of types similar to those usually known under the following terms: touring car, command car, speedster, sportscar, roadster, jeep, cycle car (except motor wheel and similar small outfits which are classified with motor-cycles), coupé, landaulet, closed car, limousine, cabriolet, and sedan.

conductors, drivers, and similar matters.

ARTICLE II.—Definitions

SEC. 3. *Words and phrases defined.*—As used in this Act:

Whatever the medium may be, LTFRB
will continue its vision **towards people-first
cities empowered by efficient, dignified,
and sustainable mobility**



We need to do more.

We welcome technical and finance assistance from institutions, IT companies, and development partners for the Philippines to achieve **first-world status in Public Transport System.**



*NUMP Vision





OUR MANTRA in PHILIPPINES
We move people, not cars!

PLANNERS & DOERS

HOUST

BIG PLAYERS



Thank you.

