



DEPARTMENT ORDER NO. 2010-21

SUBJECT : REITERATING THE DOTC MORATORIUM POLICY ON THE ACCEPTANCE OF APPLICATION FOR BUS FRANCHISES IN METRO MANILA AND PROVINCIAL ROUTES TOUCHING METRO MANILA

This Department, in 2000, issued Department Order No.2000-57 suspending the acceptance, processing and hearing of CPC applications for passenger buses on provincial routes entering Metro Manila to determine if provincial bus routes to Metro Manila opened for CPC applications are actually in need of additional buses.

This Department, in 2003, implemented its Metro Manila Bus Rationalization Program to reduce the number of buses authorized by the LTFRB on and along EDSA to what is actually needed and how many buses are operational. Hence a moratorium was imposed in the acceptance, processing and hearing of CPC applications on Metro Manila bus routes.

Department Order No.2000-57 was issued and the Metro Manila Bus Rationalization Program was implemented to address the chaotic and worsening traffic in Metro Manila, particularly on EDSA.

From 2004 to 2010, despite the existence of Department Order No. 2000-57 and the Metro Manila Bus Rationalization Program, LTFRB records show that the number of authorized buses operating in Metro Manila has increased by more than 2000 units and as of June, 2010, there are pending CPC applications involving more than 8000 units on and along EDSA and on provincial routes entering Metro Manila.

To effectively address the present traffic congestion in Metro Manila, particularly on EDSA, this Department is reiterating its previous Department Order 2005-57 imposing a moratorium on the acceptance, processing and hearing of bus applications on provincial routes entering Metro Manila including bus applications on Metro Manila routes.


Accordingly, the LTFRB is hereby directed to hold in abeyance all pending applications for bus franchises on provincial routes entering Metro Manila and on Metro Manila routes, which, undoubtedly, will result to increasing the number of already franchised buses in the Metropolis detrimental to public interest and the general welfare. Included in this directive are any and all petitions for the revival of expired CPCs, dormant pending CPC applications and those for approval of sale and transfer of expired CPCs.

The LTFRB is also directed to forward to this Department all non-final Decisions and Orders, including those already signed but yet unreleased pertaining to issued CPCs for bus franchises in provincial routes entering Metro Manila and Metro Manila routes and those involving transfer of CPCs to new grantees, for review by the DOTC pursuant to its power under Executive Order No. 125 and Executive Order No. 202 to review decisions and actions of the LTFRB before they become final. This review is necessary to determine if there was compliance by the LTFRB with existing DOTC policies, the Public Service Act, jurisprudence and procedural rules in the grant of franchises under these non-final decisions.

All existing policies, orders, circulars and other issuances conflicting and/or inconsistent with this Department Order are deemed revoked or accordingly amended to conform hereto.

This Department Order takes effect immediately.

23 July 2010.


JOSE P. DE JESUS
Secretary

