



MEMORANDUM CIRCULAR
Number 2006 - 061

SUBJECT: IMPLEMENTATION OF AUV/VAN "COLORUM" LEGALIZATION PROGRAM AND LIFTING OF THE MORATORIUM ON THE ACCEPTANCE OF POINT-TO-POINT (P2P) EXPRESS SERVICE APPLICATIONS FOR INTRA-REGIONAL ROUTES IN THE DIFFERENT REGIONAL OFFICES, EXCEPT IN THE NATIONAL CAPITAL REGION (NCR) AND THE CORDILLERA AUTONOMOUS REGION (CAR)

Pursuant to Department Order 2005-010 (Policy Guidelines on the Exercise of Authority and Functions by the Land Transportation Franchising and Regulatory Board), the Board can amend or modify, in part or in its entirety, existing Department Order/s previously issued by DOTC governing the powers and functions of LTFRB, specifically in prescribing and regulating routes, economically viable capacities and zones, or areas of operation for public land transportation development plans and programs approved by DOTC.

In view of the DOTC endorsements for the use of AUV/Van types of vehicles in the regions and the list of routes submitted by the Regional Directors of the Board wherein AUV/Van "colorum" operations are rampant and the extortion activities thereto by some corrupt law enforcement officers, and per guidelines provided under Memorandum Circular No. 2005-023 as amended by Memorandum Circular Numbers 2005-028 and 2005-054, the Board hereby allows the acceptance of New Applications for the Issuance of a Certificate of Public Convenience to operate a "P2P Express Service" in all Regions, except NCR and CAR, and orders the implementation of the **P2P Express Service Colorum Legalization Program** under the following conditions with the following schedule of Amnesty Fee:

- A. **ROUTE LISTING AND RMC:** The route list identified, including its Route Measured Capacity (RMC) and submitted by the Regional Offices to the Board shall be the basis for the franchise application by qualified applicants, provided that the total number of units that may be allowed to operate therein shall not exceed the existing authorized or herein revised and/or designated RMC. The Regional Offices shall submit to the Board the list of all opened routes and its corresponding approved Applications in accordance to the submitted RMC.
- B. **TYPE OF SERVICE: P2P EXPRESS SERVICE**
- C. **AUTHORIZED ROUTE DISTANCE:** The authorized distance ceiling for intra-regional routes for this type of service shall be 200 kilometers from point of origin in any authorized terminal up to the point of destination in another authorized -terminal on a strictly "no-pick and drop" operations.

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D. **AMNESTY FEE:** Applicants are required to submit sworn undertakings to substantiate their "colorum" operation with proof/s thereof. The Amnesty Fee shall be paid, exclusive of the regular fees and charges, under two options :

One-time payment in the amount of Ten Thousand Pesos (Php10,000.00), or

Four-installment scheme:

1. Php 2,500.00 – upon filing of Application
2. Php 2,500.00 – upon Hearing
3. Php 2,500.00 – upon release of Decision
4. Php 2,500.00 – Upon confirmation of unit.

E. **FARE RATE:** The fare rate shall be P1.50 per kilometer. Each Region shall promulgate applicable fare matrix in the area, upon payment of proper fees, to be posted in conspicuous places of the authorized units.

All rules and regulations that are inconsistent with the provisions of this Memorandum Circular are hereby repealed and/or modified accordingly.

This Memorandum Circular shall take effect fifteen (15) days following the filing of three (3) copies hereof with the UP Law Center, pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

SO ORDERED.

Quezon City , Philippines, 23 August 2006.


MARIA ELENA H. BAUTISTA
Chairperson


MARIA ELLEN DIRIGE-CABATU
Board Member


GERARDO A. PINILI
Board Member