



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

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**MEMORANDUM CIRCULAR**  
**NUMBER** 20A-031

**Subject: IMPLEMENTING RULES ON MAXIMUM DISTANCE POLICY UNDER DEPARTMENT ORDER NO. 2017-011, OTHERWISE KNOWN AS THE OMNIBUS FRANCHISING GUIDELINES**

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**WHEREAS**, the Department of Transportation (“DOTr”) issued Department Order No. 011, series of 2017, otherwise known as the Omnibus Guidelines on the Planning and Identification of Public Road Transportation Services and Franchise Issuance or Omnibus Franchising Guidelines (“OFG”), which aims to provide a reliable, safe, adequate, accessible, environment-friendly, dependable, efficient, and comfortable public road transportation throughout the country;

**WHEREAS**, the Land Transportation Franchising and Regulatory Board (“LTFRB” and/or “Board”), a sectoral agency of the DOTr, is tasked to implement the OFG;

**WHEREAS**, Section 5 of Executive Order No. 202 mandates the LTFRB “to prescribe and regulate routes of service, economically viable capacities and zones or areas of operation of public land transportation services provided by motorized vehicles in accordance with the public land transportation development plans and programs approved by the Department of Transportation and Communications”; “to formulate, promulgate, administer, implement and enforce rules and regulations on land transportation public utilities, standards of measurements and/or design, and rules and regulations requiring operators of any public land transportation service to equip, install and provide in their utilities and in their stations such devices, equipment facilities and operating procedures and techniques as may promote safety, protection, comfort and convenience to persons and property in their charges as well as the safety of persons and property within their areas of operations”; and “to perform such other functions and duties as may be provided by law, or as may be necessary, or proper or incidental to the purposes and objectives of this Executive Order”;

**WHEREAS**, the following Implementing Rules on Maximum Distance Policy are hereby promulgated:

### **I. PRINCIPLES**

1. The Maximum Distance Policy only covers Public Utility Jeepney (“PUJ”) and UV Express routes;
2. There is no Maximum Distance Policy for Public Utility Bus (“PUB”) routes; and
3. Filcab services, which are meant to replace tricycles, shall be prohibited on arterial roads, highways, and expressways. They shall not compete with higher modes of transport such as PUJs, UV Express Services, and PUBs.

### **II. COVERAGE**

1. New and existing PUJ and UV Express Service routes that will be identified in the Local Public Transport Route Plan (“LPTRP”) by the respective Local Government Units (“LGUs”) and by the DOTr shall be subject to the conditions of the Maximum Distance Policy and its exceptions.

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2. Failure to comply shall result to the denial of the proposed new route, subject, however, to the exceptions.

### III. MAXIMUM DISTANCE POLICY

The following shall be the Maximum Distance Policy for Public Utility Vehicles ("PUVs"), except PUBs, subject to the exceptions as stated in Section III of this MC:

#### 1. Public Utility Jeepneys

- a. Maximum distance of fifteen **(15)** kilometers route length for highly urbanized cities, independent component cities, and component cities.
- b. Maximum distance of thirty-five **(35)** kilometers for inter-regional, inter-provincial, provincial, and municipal routes.
- c. For PUJ loop services, the loop length shall be covered by similar restrictions.

#### 2. UV Express Services

- a. Maximum distance of thirty-five **(35)** kilometers route length for highly urbanized cities, independent component cities, and component cities.
- b. Maximum distance of thirty-five **(35)** kilometers for inter-regional, inter-provincial, provincial, and municipal routes originating and terminating in Metro Manila.
- c. Maximum distance of sixty **(60)** kilometers for inter-regional, inter-provincial, provincial, and municipal routes not originating and terminating in Metro Manila.

### III. EXCEPTIONS

Pursuant to Item 8 of D.O. 2017-011, exceptions from the Maximum Distance Policy may be granted only through an express and written grant of authority issued by the concerned Regional Franchising and Regulatory Office ("RFRO") for intra-regional routes or the Board in case of inter-regional routes, subject to the following conditions:

1. The absence of a transfer area between route ends;
2. The absence of alternative transport services or the existing services/supply cannot meet the passenger demand, and in some cases, the route is abandoned;
3. Most sections of the route have limited road space or width capacities that discourage/prevent normal operations;
4. The transport demand between the applied routes is not substantial to assure profitable operations; and
5. Other conditions that may be provided by the Department and/or by the LTRFB.

### IV. REPEALING CLAUSE

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

**V. EFFECTIVITY**

This Memorandum Circular shall take effect immediately following its publication in at least one (1) 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, Philippines, 01 DEC 2017



*Martin B. Delgra III*  
**ATTY. MARTIN B. DELGRA III**  
Chairman



*Ronald O. Corpus*  
**ENGR. RONALDO E. CORPUS**  
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Attested by:

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OIC, Executive Director