



Republic of the Philippines  
**DEPARTMENT OF TRANSPORTATION AND COMMUNICATIONS**

16 February 2011

**DEPARTMENT ORDER NO. 2011-15**

**SUBJECT : AMENDMENTS TO DEPARTMENT ORDER NO. 2010-37  
DATED 23 NOVEMBER 2010 RE: VALIDATING THE  
CERTIFICATES OF PUBLIC CONVENIENCE ISSUED BY  
CLARK DEVELOPMENT CORPORATION WITHIN CLARK  
AND SUBIC BAY FREEPORT ZONES**

**WHEREAS**, the Department of Transportation and Communications (DOTC) is the primary policy, planning programming, coordinating, implementing, regulating and administrative entity of the Executive Branch of the government in the promotion, development and regulation of dependable and coordinated networks of transportation and communications systems, as well as in the fast, safe, efficient and reliable postal, transportation and communications services;

**WHEREAS**, the Land Transportation Franchising and Regulatory Board (LTFRB), an agency under the administrative supervision and control of DOTC, is mandated, among others, to issue, amend, revise, suspend or cancel Certificates of Public Convenience (CPCs) or permits authorizing the operation of public land transportation services provided by motorized vehicles, and to prescribe the appropriate terms and conditions therefor;

**WHEREAS**, Republic Act No. 7227, otherwise known as the "Bases Conversion and Development Act of 1992," in relation to Presidential Decree No. 66 dated 20 November 1972, authorized the Clark Development Corporation (CDC) and the Subic Bay Metropolitan Authority (SBMA) to grant franchise to operate and maintain public utility services exclusively within the Clark Freeport Zone (CFZ) and Subic Bay Freeport Zone (SBFZ);

**WHEREAS**, pursuant to such authority, CDC and LTFRB – Region III entered into a Memorandum of Agreement (MOA) by virtue of which, CDC was allowed to issue franchise and regulate public land transport services within CFZ in accordance with the rules and guidelines it will prescribe consistent with the general rules of procedure of LTFRB. Conversely, LTFRB shall recognize CDC's authority within CFZ and shall course to CDC all matters pertaining to public land transportation within CFZ;

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*11-880922*

**WHEREAS**, on 23 November 2010, DOTC issued Department Order No. 2010-37 authorizing LTFRB-Region III to ratify or renew all franchises, licenses or permits to operate public utility vehicles within CFZ and SBFZ issued by CDC and SBMA prior to the effectivity of Republic Act No. 9400;

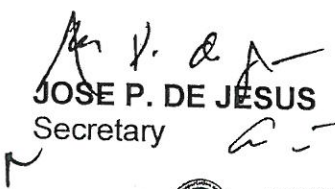
**WHEREAS**, upon a more careful examination of the provisions of Republic Act No. 9400, it appears that while the said law divested Clark Development Corporation of its authority to grant franchises for public utility vehicles, there is no such similar provision pertaining to SBMA;

**NOW THEREFORE**, Department Order No. 2010-37 dated 23 November 2010 application shall be limited to CDC and not to SBMA.

LTFRB-Region III is hereby ordered to coordinate with SBMA to effect a smooth transmittal of all (i) permits granted by LTFRB-Region III pursuant to Department Order No. 2010-37 for SBMA's ratification and/or evaluation, and (ii) fees paid and other related documents submitted to LTFRB-Region III.

All previous orders and issuances inconsistent herewith are deemed superseded or modified accordingly.

This Department Order shall take effect immediately.

  
**JOSE P. DE JESUS**  
Secretary



DOTC-OSEC OUTGOING

11-00322