



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

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**MEMORANDUM CIRCULAR**  
**NUMBER 2019- 042**

**SUBJECT: AMENDING MEMORANDUM CIRCULAR 2018-005 BY VIRTUE OF DEPARTMENT ORDER 2019-013 (RE: AN ORDER AMENDING DEPARTMENT ORDER 2017-011 ALLOWING HATCHBACKS AND SUB-COMPACTS UNITS TO OPERATE AS TRANSPORTATION NETWORK VEHICLE SERVICES)**

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**WHEREAS**, on 19 June 2017, the Department of Transportation (DOTr) issued Department Order No. 2017-011 (Re: Omnibus Guidelines on the Planning and Identification of the Public Road Transportation Services and Franchise Issuance) adopting the rules and procedures for the issuance of franchises for public transport routes and services;

**WHEREAS**, this Board issued Memorandum Circular (MC) No. 2018-005, which allows hatchback units to operate as public transport, on certain conditions to wit:

1. *Hatchback units shall be accepted subject to a transition period of three (3) years in order for the peers to recoup their investment.*
2. *xxxx ....xxxx*
3. *xxxx ....xxxx.*

**WHEREAS**, on 19 July 2019, the Department of Transportation (DOTr) issued Department Order No. 2019-013 (Re: An Order Amending the Provisions of D.O. No. 2017-011), and received on July 25, 2019, Allowing Hatchback and Sub-compact Vehicles to Operate as Transportation Network Vehicle Services;

**WHEREAS**, pursuant to Section 5(a) of Executive Order No. 202, dated June 19, 1987, the Land Transportation Franchising and Regulatory Board (LTFRB) shall have the power “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 conveniences to persons and property in their charges as well as the safety and property within their areas of operations”;

**WHEREAS**, the inclusion of hatchback and subcompact vehicles to the TNVS could help address the large demand for transport services in expeditious and responsive ways;

**NOW THEREFORE**, premises considered and by virtue of Department Order 2019-013, M.C. No. 2018-005 is hereby amended deleting the transition period in the acceptance of Hatchback and Subcompact units wherein said vehicles are now integrated and classified under Transportation Network Vehicle Services (TNVS) with the following specification;

*m.*

Operation	Door to Door Services within Metro Manila
Fare Collection	Pre- arranged fare as authorized by the LTFRB
Body Make	xxx, <b>Hatchback, Sub-compact</b> (with less than 1200cc engine displacement), xxx
Seating Capacity	For hatchback or subcompact, not more than three (3) passengers excluding the driver;  xxx ... xxx  xxx ... xxx
Other Features	With GNSS receiver, free wifi, CCTV with continuous recording of past 72 hours of operation, and dashboard camera (at least 24 hours of recording) compliant with prescribed DENR emission standards or better, with garage.

This Memorandum Circular shall take effect immediately following its publication in a newspaper of general circulation and 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. 22 AUG 2019

  
Atty. **MARTIN B. DELGRA, III**  
Chairman



  
Engr. **RONALDO E. CORPUS**  
Board Member  
OIC-Executive Director

  
P/Maj. Gen. **ANTONIO N. GARDIOLA, JR (Ret.)**  
Board Member