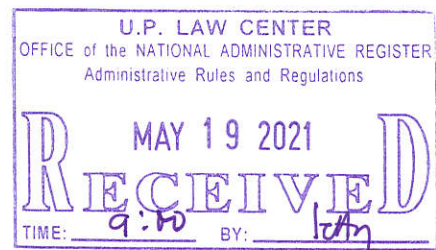




Republic of the Philippines  
Department of Transportation

**LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD**

East Avenue, Quezon City



**MEMORANDUM CIRCULAR  
NUMBER 2021 - 032**

**SUBJECT: 2<sup>ND</sup> EXTENSION OF THE EFFECTIVITY OF MEMORANDUM CIRCULAR NO. 2020-039 RE: INTERIM GUIDELINES EXEMPTING LEASED VEHICLES FROM SECURING CPC FOR THE DURATION OF GCQ AND MGCQ**

**WHEREAS**, in view of the declaration of State of National Health Emergency on 8 March 2020, placing the entire Philippines under community quarantine due to COVID-19 pandemic, Memorandum Circular No. 2020-039 otherwise known as the “Interim Guidelines Exempting Leased Vehicles from Securing CPC for the Duration of GCQ and MGCQ” was issued primarily to address the safe movement of workers or employees in going to and from their work station or office with the end view of avoiding further spread of COVID-19;

**WHEREAS**, on 4 January 2021, the Board issued Memorandum Circular No. 2021-001 extending the effectivity of MC No. 2020-039 until 31 March 2021 in light of the relevant issuances of the Inter-Agency Task Force for Emerging Infectious Diseases (IATF-EID) and the continued engagement of shuttle services by companies for the convenient and safe movement of their workers and employees to and from their workplace;

**WHEREAS**, on 14 May 2021, the Department of Transportation through its Assistant Secretary for Road Transport and Infrastructure, Atty. Mark Steven C. Pastor issued Memorandum to the Land Transportation Franchising and Regulatory Board (LTFRB) requesting for extension of MC Nos. 2020-039 and 2021-001 to further allow safe and reliable transportation services during this time of pandemic;

**WHEREAS**, to date, the government is still implementing varying community quarantine level and even imposing the strictest community quarantine due to continued spike of Covid-19 cases, which compel Companies and business owners to continue to engage and hire shuttle services for their workers and employees;

**WHEREAS**, for the safety and convenience of workers and employees, and in preventing the spread of the Covid-19 virus, the Board deems it necessary to allow companies/business owners and government agencies to continue to engage the services of shuttle vehicles in the midst of this pandemic crisis;

**NOW THEREFORE**, for and in consideration of the foregoing, and virtue of the powers of the Land Transportation Franchising and Regulatory Board (LTFRB) under E.O. No. 202 to promulgate, administer, enforce of and monitor compliance with the policies, laws and regulations relative to public land transportation services, the effectivity of Memorandum Circular No. 2020-039 is further **EXTENDED** until **31 AUGUST 2021**, subject to the following conditions:

1. Vehicles must be the subject of a Valid Contract of Lease between the Shuttle Service provider as the “lessor” and the company/government agency requiring such shuttle service for their employees as the “lessee” for a period not exceeding 31 August 2021, and said contract must at all times be readily available for presentation during on-road

- operations or as the Board deems necessary. **The purpose of the Contract of Lease strictly for shuttle service of employees must be clearly indicated in said Contract;**
2. Vehicles must be currently registered and covered by a valid comprehensive passenger insurance policy;
  3. Vehicles subject of the lease contract shall bear the proper marking of the company that it is servicing, for identification;
  4. Vehicles must be used strictly as a shuttle service for the employees of the lessee-company.

Should the vehicle owner/driver collect individual fare from the passengers (“ulo-ulo” system), it shall be construed as a violation of this Circular and shall be considered as “colorum” operation where appropriate penalties and impoundment of vehicle shall be imposed. Further, violation of any of the above-mentioned conditions is a prima facie proof that the vehicle is used for “colorum” operation.

All issuances inconsistent herewith are hereby superseded and amended accordingly.

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 – Office of National Administrative Registrar (ONAR).

**SO ORDERED.**                      MAY 18 2021

Approved and Adopted through Teleconference by the undersigned Members of the Board, this 18<sup>th</sup> day of May 2021 at Quezon City, Philippines.


**EFFECTIVITY**  
DATE: 21 MAY 2021

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



  
**P/Col. JOEL C. PERNITO (Ret.)**  
Board Member

Attested by:

  
**JOEL J. BOLANO**  
Chief, Technical Division and  
OIC, Office of the Executive Director