



Republic of the Philippines  
Department of Transportation

**LAND TRANSPORTATION FRANCHISING & REGULATORY BOARD**

East Avenue, Quezon City

**MEMORANDUM CIRCULAR**

**NUMBER** 2022-032

**SUBJECT : POLICY LIFTING THE PROHIBITION ON INTERCHANGE OF UNITS OF PROVINCIAL BUS SERVICE UNDER MEMORANDUM CIRCULAR NO. 2016-011**

**WHEREAS**, on December 02, 2005, Memorandum Circular Number 2005-050 was issued prohibiting interchange of units for the sole reason of avoiding confusion as to what particular CPC a unit is authorized, which prohibition was subsequently lifted on February 19, 2010 pursuant to Memorandum Circular No. 2010-010, allowing interchange of units within a certain period or until December 31, 2010;

**WHEREAS**, on August 24, 2016, Memorandum Circular No. 2016-011 was issued reinstating the prohibition under MC 2005-050 using the same ground under MC No. 2005-050 and to prevent abuse by operators of said privilege;

**WHEREAS**, recently, a number of PUB operators granted with multiple franchises raised their concern on their inability to substitute their old model PUBs due to economic reverses brought by COVID-19 pandemic;

**WHEREAS**, the Board is not unmindful of the current financial status of the transport sector, especially provincial buses, which resumption of operation was allowed by the Board just recently;

**NOW THEREFORE**, to enable provincial bus operators with multiple franchises to recover from their losses, after finding that the previous inhibitions of the Board in prohibiting or disallowing interchange of units under Memorandum Circular No. 2016-011 can be remedied, this Board **RESOLVES** as it hereby **RESOLVED** to **LIFT** the prohibition and allow acceptance of Petition for Interchange of Units, subject to the following conditions:

- a. Covers provincial bus operators with multiple franchises of different routes;
- b. Acceptance of Interchange of Units shall be allowed only until December 31, 2022;
- c. Submission of Current LTO OR/CR;
- d. Valid Personal Passenger Insurance Policy; and
- e. Upon the grant of the petition, interchanged units shall be cancelled from the CPC they were originally authorized;
- f. An authorized unit of one CPC shall be allowed interchange with another CPC only once.

All other issuances inconsistent herewith are deemed modified or superseded accordingly.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 pursuant to Presidential Memorandum Circular No. 11, dated 09 October 1992.

**SO ORDERED.**

Quezon City, Philippines, 25 MAR 2022

  
**ATTY. MARTIN B. DELGRA III, REB REA EnP**  
Chairman



  
**PCOL JOEL C. PERNITO (Ret.)**  
Board Member

  
**ENGR. SHERWIN MELVIL S. BEGYAN**  
Board Member

Attested by:

  
**MARIA KRISTINA E. CASSION**  
Executive Director