



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

MEMORANDUM CIRCULAR

NO. 2022-049

**SUBJECT: GUIDELINES ON THE IMPLEMENTATION OF FUEL
SUBSIDY PROGRAM PURSUANT TO REPUBLIC ACT NO.
11639 OTHERWISE KNOWN AS THE GENERAL
APPROPRIATIONS ACT (GAA) OF 2022**

WHEREAS, one of the powers and functions of the Land Transportation Franchising and Regulatory Board under Executive Order No. 202 is to promulgate, administer, enforce and monitor compliance of policies, laws and regulations of public land transportation services;

WHEREAS, amidst the Covid-19 pandemic, existing health and safety protocols, and regulations were issued by the Inter-Agency Task Force for Emerging Infectious Diseases (IATF-EID) in coordination with the Department of Transportation (DOTr) and LTFRB affecting the operation of public transportation services in the previous months;

WHEREAS, the continued rise of fuel prices in the world market have greatly impacted the public transportation sector, and in curbing the possibility of any fare increases, it is deemed necessary to provide assistance to the PUV operators by way of extending the implementation of the Fuel Subsidy Program;

WHEREAS, pursuant to the GAA 2022, the amount appropriated shall be used to provide financial assistance/fuel vouchers to qualified public utility vehicles (PUVs), taxi, tricycle, and full-time ride-hailing and delivery services drivers nationwide, when the average Dubai crude oil price based on Mean of Platts Singapore (MOPS) for three (3) months reaches or exceeds eighty dollars (USD 80) per barrel;

WHEREAS, on 10 March 2022, the LTFRB, together with DOTr and Land Bank of the Philippines (LBP) have entered into a Memorandum of Agreement (MOA) to govern the implementation of Fuel Subsidy Program under GAA 2022 to cushion the impact of fuel price increases;

NOW THEREFORE, for and in consideration of the foregoing, the Board hereby promulgates the following guidelines:

I. COVERAGE:

This Memorandum Circular (MC) shall cover operators of Modernized and Traditional Public Utility Jeepneys (PUJs), Filcabs, Public Utility Buses (PUBs), Mini-buses, UV Express, Taxi, Shuttle Services, Tourist Transport Services, Transport Network Vehicle Service (TNVS), and other denominations which are within the

jurisdiction of the LTFRB with valid and existing Certificate of Public Convenience (CPC) or Provisional Authority (PC) authorized to operate during the quarantine period, identified to be eligible as beneficiary to the Fuel Subsidy Program.

Tricycle, Motorcycle Taxis, and Delivery Services which are outside the jurisdiction of the LTFRB shall be governed by the guidelines set by the concerned agencies within their respective jurisdiction.

Considering that the purpose of the program is to mitigate the impact of fuel price hike, Electric-powered PUJs (E-Jeepneys), which are not directly affected by the movement of fuel prices are deemed ineligible in the Program.

II. PROCEDURE FOR THE DISTRIBUTION OF FUEL SUBSIDY

A. The LTFRB Central Office and Regional Franchising and Regulatory Offices (RFROs) shall observe the following:

1. The Information System and Management Division (ISMD) shall coordinate with the RFROs as to the list of qualified beneficiaries in their respective jurisdiction, and shall submit the same to the LBP;
2. From the list of qualified beneficiaries, the concerned LTFRB office, upon coordination with the LBP, shall identify those beneficiaries:
 - a. With existing and valid PPP Cards
 - b. With PPP cards considered by LBP as purged accounts;
 - c. Without Fuel Subsidy Cards yet
 - d. With bank accounts for direct crediting of the subsidy, particularly PUBs, Mini-buses and Tourist Transport Services.
3. Advise all qualified beneficiaries with no Fuel Subsidy Cards or with Purged/Inactive PPP Cards to open an account and apply for Fuel Subsidy Cards with the designated LBP Servicing Branch in their area. For those whose subsidy to be credited directly to their respective bank account, they shall provide the designated LBP Servicing Branch with their valid and active bank account, or open an account, if necessary;
4. Closely monitor and coordinate with the designated LBP Servicing Branches as to the distribution of the Fuel Subsidy Cards to the qualified beneficiaries, and the crediting of Fuel Subsidy to the PPP Cards/Fuel Subsidy Cards or bank accounts;
5. Regularly submit a progress report to the Central office through the Office of the Executive Director as to the number of cards distributed and not claimed, and fund utilization.
6. All RFROs shall designate focal persons and sufficient personnel for the proper implementation of the Program.

B. For Qualified Beneficiaries of the Program:

1. Upon the advice of the concerned LTFRB Office, operators with valid and existing PPP cards shall receive their fuel subsidy using the same PPP card/account;

2. For qualified beneficiaries with purged/inactive accounts and those without PPP cards, they shall be required to proceed and open an account for their Fuel Subsidy Card at the designated LBP Servicing Branch in their area.

Upon opening of their account, the corresponding fuel subsidy shall be credited directly to their account.

For those whose subsidy will be directly credited to their respective bank accounts, they shall provide the designated LBP Servicing Branch with their valid and active bank account, or open an account, if necessary;

3. In case a qualified beneficiary cannot personally apply, open an account and/or claim the Fuel Subsidy, said beneficiary may designate an authorized representative through the execution of a Special Power of Attorney (SPA). In case the beneficiary is already deceased, the heir must present an Extra-judicial Settlement with Waiver of Rights in his/her favor or Affidavit of Self-Adjudication. In both cases, the authorized representative shall still submit any additional documents as may be required by the LBP.

III. CONDITIONS ON THE USE OF THE FUEL SUBSIDY CARD

1. **All qualified beneficiaries shall STRICTLY USE THE FUEL SUBSIDY FOR FUEL PAYMENTS/PURCHASES ONLY and NO ATM WITHDRAWALS shall be allowed.**
2. Allow the fuel card to be used by their authorized driver every time the PUJ is operated for service in order for their driver to use the card for refueling. Otherwise, the operator shall ensure that the PUJ is sufficiently refueled before it is operated by his driver.

For those subsidies directly credited to their bank accounts, the concerned operator shall ensure that the PUVs are sufficiently refueled before it is operated by their drivers.

3. Use the credited amount/Fuel Subsidy Card until such time that the same is fully utilized.

IV. PENALTY FOR VIOLATION OF THIS CIRCULAR:

Should the beneficiary use the Fuel Subsidy Card to withdraw cash at the ATM Machines or pay goods other than fuel, the card maybe blocked and the account may be closed. Accordingly, the LTFRB shall issue a Show Cause Order for the erring beneficiary.

Further, failure of the operator to allow their authorized driver to use the fuel card shall also be considered as a violation of this Circular. In such case, the authorized driver may file a written report on the matter which shall be given due course by the Board.

Appropriate sanctions shall be imposed to those beneficiaries found violating the provisions of this MC, including the blacklisting of the beneficiary from receiving subsequent fuel subsidy.

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 UPLaw Center – Office of National Administrative Registrar (ONAR).

SO ORDERED.

APPROVED AND SIGNED by the undersigned Chairman and Board Members, this 12th day of April 2022 at Quezon City, Philippines.

Martin B. Delgra III
ATTY. MARTIN B. DELGRA III, REB REA EnP
Chairman



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

Sherwin L. S. Begyan
ENGR. SHERWIN L. S. BEGYAN
Board Member

Attested by:

Maria Kristina E. Cassion
MARIA KRISTINA E. CASSION
Executive Director