

**[DOTC DEPARTMENT ORDER NO. 95-895,
November 06, 1995]**

**AN ORDER LIFTING THE MORATORIUM ON ACCEPTANCE OF
FRANCHISE APPLICATIONS FOR BUS AND JEEPNEY SERVICES**

It is noted that DOTC Order No. 94-795, as amended, suspending the acceptance of franchise applications for road-based public transport services, has been in effect for more than one (1) year. During this period, many routes had to be opened for applications in view of the representations of local officials. This reflects the inadequacy of public transport and the need to open new routes in many parts of the country. Moreover, the Supreme Court recently ruled that the burden of proving the existence of "public need" lies with the applicant. This will ensure that the opening of applications will not lead to the granting of franchise even on saturated routes.

In view of the foregoing, the moratorium on the acceptance of franchise applications for public utility buses and jeepneys is hereby lifted, except for jeepney operation within Metro Manila which will continue to be restricted. The acceptance of franchise applications shall be subject to the following conditions.

1. Only existing authorized PUB and PUJ routes and the following new/developmental routes shall be the subject of franchise applications.
 - a. Filcab and new/developmental PUB and PUJ intra-provincial routes as identified by the LTFRB Regional Office concerned based on the recommendations of the affected local government units.
 - b. New/developmental PUB and PUJ Metro Manila and inter-provincial routes as identified by the DOTC.
2. The applicant shall provide technical supporting data, such as number of passengers and load factor, as part of his proof of "public necessity" for the routes under application.
3. Routes for a particular type of service may be closed by LTFRB from further franchise applications if found saturated based on the result of technical evaluations and/or decisions on previous applications for these routes.

The LTFRB is hereby enjoined to issue the corresponding Implementing Rules and Regulations (IRR) and cause the publication of this Order for the information and guidance of transport operators.

This Order shall take effect on 01 January 1996. All Orders previously issued and are inconsistent herewith are hereby superseded, nullified and/or amended.

Adopted: 6 Nov. 1995