

SEVENTEENTH CONGRESS OF THE REPUBLIC)
OF THE PHILIPPINES)
Second Regular Session)

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SENATE
P.S. Resolution No. 433

RECEIVED BY: _____



Introduced by: Senator Paolo Benigno "Bam" A. Aquino IV

**A RESOLUTION DIRECTING THE APPROPRIATE SENATE COMMITTEE TO
CONDUCT AN INQUIRY, IN AID OF LEGISLATION, INTO THE LEGAL
FRAMEWORK AND POLICIES GOVERNING RIDE-HAILING VEHICLES, WITH
THE END VIEW OF PROMOTING BETTER TRANSPORT SERVICES FOR
FILIPINO COMMUTERS;**

WHEREAS, through Department Order No. 2015-011, the Department of Transportation and Communication (DOTC), now the Department of Transportation (DOTr), recognized that mobility is a key concern for Filipino commuters. Towards improved mobility, the agency identified the need "to address the large demand for transport services in expeditious and responsive ways" as well as the need "to modernize and improve the transport services currently being offered to the Filipino commuting public;"

WHEREAS, through DO 2015-011, the DOTC further amended DO 97-1097, which set the standard classification for public transport vehicles, to recognize Transportation Network Vehicle Service (TNVS) as a new form of transport service facilitated by service providers known as Transportation Network Companies (TNCs);

WHEREAS, DO 2015-011 defines a Transportation Network Company (TNC) as an "organization whether corporation, partnership, or sole proprietor, that provides pre-arranged transportation services for compensation using internet-based technology application or digital platform technology to connect passengers with drivers using their personal vehicles;"

WHEREAS, with LTFRB's issuance of Memorandum Circular No. 2015-017, pursuant to DO 2015-011, TNCs such as Uber and Grab were given a legal framework for operating and facilitating ride-hailing services in the Philippines, giving commuters in a growing number of cities and municipalities an option of securing convenient, safe, and affordable rides through internet-based applications;

WHEREAS, a recent online poll revealed that 99.7% of 69,000 respondents found Grab and Uber to be the safer and more convenient option to taxis;¹

¹ <http://cnnphilippines.com/news/2017/07/17/Netizens-Grab-Uber-LTFRB-order-unaccredited->

WHEREAS, last July 21, 2016, LTFRB issued Memorandum Circular No. 2016-008, which ordered its Technical Division to stop accepting TNVS applications in Metro Manila, “pending review of existing policies, and other relevant and pressing issues regarding the issuance of franchise to TNVS;”

WHEREAS, following TNC accreditation renewal hearings for Uber and Grab earlier this month, the LTFRB fined Uber and Grab the amount of Five Million Pesos (Php5,000,000.00) each for allowing TNVS drivers to operate without Certificate of Public Convenience (CPC) or Provisional Authority (PA). It also ordered the same to deactivate thousands of TNVS drivers currently operating without the required permit. LTFRB further announced that it would apprehend and penalize TNVS drivers found to be operating without permit starting July 26, 2017.²

WHEREAS, the riding public has expressed grave concerns through social media for how the deactivation of the majority of existing TNVS drivers will limit the option for commuters to secure rides through the Uber and Grab service. A recent online petition calling for urgent action to lift the TNVS suspension has garnered the support of over 115,000 signatories to date;³

WHEREAS, in a press conference last July 18, 2017, the agency said that it would stand by its decision to go after Uber and Grab vehicles operating without permits. According to LTFRB Chair Martin Delgra III, “we cannot have one rule regarding colorum for them and another rule for the rest of the modes of public transportation;”⁴

WHEREAS, in a statement released last July 18, 2018, the LTFRB asserted that the agency is not against ride-hailing services in the country, and announced that it would create a Technical Working Group (TWG) that will resolve the various concerns related to the accreditation and pending applications of TNVS, “to held address the demand of such mode of public transport in a rational, comprehensive and systematic manner;”⁵

WHEREAS, the recent issues regarding the accreditation and permitting of TNC companies and TNVS vehicles and drivers bring to light the need to review and assess the current legal framework governing TNVS, taking into consideration the different nature and features of ride-hailing services from other public transport services;

WHEREAS, there is a need to ensure that the rules and policies governing ride-hailing and the broader transport sector are appropriate, adequate, practical and fair, with primary consideration for the welfare and safety of

² <http://newsinfo.inquirer.net/914214/ltfrb-to-impound-uber-grab-cars-lacking-franchise#ixzz4myp6BaF1>

³ <https://www.change.org/p/ltfrb-land-transportation-franchising-and-regulatory-board-calling-for-urgent-action-to-finally-lift-the-tnvs-suspension>

⁴ <http://www.pna.gov.ph/articles/1001508>

⁵ <http://www.pna.gov.ph/articles/1001508>

commuters, and the end goal of promoting better services and options for the riding public;

NOW, THEREFORE, BE IT RESOLVED, as it hereby resolved by the Senate of the Philippines to direct the appropriate Senate Committee to conduct an inquiry, in aid of legislation, into the legal framework and policies governing ride-hailing vehicles, with the end view of promoting better transport services for Filipino commuters.

Adopted,

A handwritten signature in black ink, appearing to read "Bam Aquino". The signature is written in a cursive, flowing style with a long horizontal stroke at the end.