

[EXECUTIVE ORDER NO. 202, June 19, 1987]

**CREATING THE LAND TRANSPORTATION FRANCHISING AND
REGULATORY BOARD**

WHEREAS, the Department of Transportation and Communications is vested with, among others, quasi-judicial powers and functions pursuant to Executive Order No. 125, as amended;

NOW, THEREFORE, I, CORAZON C. AQUINO, President of the Philippines, do hereby order:

SECTION 1. Creation of the Land Transportation Franchising and Regulatory Board. There is hereby created in the Department of Transportation and Communications, the Land Transportation Franchising and Regulatory Board, hereinafter referred to as the "Board".

SECTION 2. Composition of the Board. The Board shall be composed of a Chairman and two (2) members with the same rank, salary and privileges of an Assistant Secretary, all of whom shall be appointed by the President of the Philippines upon recommendation of the Secretary of Transportation and Communications. One (1) member of the Board shall be a member of the Bar and shall have engaged in the practice of law in the Philippines for at least five (5) years, another a holder of a degree in engineering, and the other a holder of a degree in economics, finance or management both with the same number of years of experience and practice.

SECTION 3. Executive Director and Support Staff of the Board. The Board shall have an Executive Director who shall also be appointed by the President of the Philippines upon the recommendation of the Secretary of Transportation and Communications. He shall have the rank, salary and privileges of a Department Service Chief. He shall assist the Board in the performance of its powers and functions.

The Board shall be supported by the Technical Evaluation Division, Legal Division, Management Information Division, Administrative Division and Finance Division.

SECTION 4. Supervision and Control Over the Board. The Secretary of Transportation and Communications, through his duly designated Undersecretary, shall exercise administrative supervision and control over the Land Transportation Franchising and Regulatory Board.

SECTION 5. Powers and Functions of the Land Transportation Franchising and Regulatory Board. The Board shall have the following powers and functions:

a. To prescribe and regulate routes of service, economically viable capacities and zones or areas of operation of public land transportation services provided by motorized vehicles in accordance with the public land transportation development

plans and programs approved by the Department of Transportation and Communications;

b. To issue, amend, revise, suspend or cancel Certificate of Public Convenience or permits authorizing the operation of public land transportation services provided by motorized vehicles, and to prescribe the appropriate terms and conditions therefore;

c. To determine, prescribe and approve and periodically review and adjust, reasonable fares, rates and other related charges, relative to the operation of public land transportation services provided by motorized vehicles;

d. To issue preliminary or permanent injunction, whether prohibitory or mandatory, in all cases in which it has jurisdiction or mandatory, in all cases in which it has jurisdiction, and in which cases the pertinent provisions of the Rules of Court shall apply;

e. To punish for contempt of the Board, both direct and indirect, in accordance with the pertinent provisions of, and the penalties prescribed by, the Rules of Court;

f. To issue subpoena and subpoena duces tecum and to summon witnesses to appear in any proceedings of the Board, to administer oaths and affirmations;

g. To conduct investigations and hearings of complaints for violation of the public service laws on land transportation and of the Board's rules and regulations, orders, decisions and/or rulings and to impose fines and/or penalties for such violations;

h. To review motu proprio the decision/action of the Regional Franchising and Regulatory Office herein created;

i. To promulgate rules and regulations governing proceedings before the Board and the Regional Franchising and Regulatory Office: Provided, That except with respect to paragraphs d, e, f and g hereof, the rules of procedure and evidence prevailing in the courts of law should not be controlling and it is the spirit and intention of said rules that the Board and the Regional Franchising and Regulatory Offices shall use every and all reasonable means to ascertain facts in its case speedily and objectively and without regard to technicalities of laws and procedures, all in the interest of due process;

j. To fix, impose and collect, and periodically review and adjust, reasonable fees and other related charges for services rendered;

k. To formulate, promulgate, administer, implement and enforce rules and regulations on land transportation public utilities, standards of measurements and/or design, and rules and regulations requiring operators of any public land transportation service to equip, install and provide in their utilities and operating procedures and techniques as may promote safety, protection, comfort and convenience to persons and property in their charges as well as the safety of persons and property within their areas of operations;

l. To coordinate and cooperate with other government agencies and entities concerned with any aspect involving public land transportation services with the end