MEMORANDUM CIRCULAR NO. 2013–18
Series of 2013

TO : ALL CONCERNED

SUBJECT : POLICY ON THE REQUIRED OWNERSHIP OF UNITS BY TRANSPORTATION SERVICE COOPERATIVES

DATE : 07 FEBRUARY 2013

Sec. 1. TITLE. This Memorandum Circular shall be known as the “Policy on the Required Ownership of Units by Transportation Service Cooperatives.”

Sec. 2. LEGAL BASIS. The legal basis for this Memorandum Circular is Section 5 (2), Rule V of the Rules and Regulations Implementing the Special Provisions of the Philippine Cooperative Code of 2008 (RA 9520).

Sec. 3. COVERAGE. This Circular shall cover the following:

a. Proposed cooperatives intending to engage in transport services;
b. Cooperatives intending to include transport service in its business operations; and
c. Existing transportation service cooperatives.

Sec. 4. OBJECTIVE. This Circular shall guide the Authority in the registration and regulation of cooperatives which intend to engage in transport service and existing transportation service cooperatives.

Sec. 5. OWNERSHIP OF UNITS. Transportation Service Cooperatives shall own the minimum units/vehicles required to be used in the operation of transport services as prescribed in Section 5, Rule V, of the Rules and Regulations Implementing the Special Provision of the Philippine Cooperative Code of 2008 (RA 9520), as follows:

<table>
<thead>
<tr>
<th>TYPES OF TRANSPORTATION SERVICE COOPERATIVE</th>
<th>XXX</th>
<th>MINIMUM NO. OF UNITS</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. LAND</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tricycle</td>
<td>XXX</td>
<td>5</td>
</tr>
<tr>
<td>Jeepney</td>
<td>XXX</td>
<td>5</td>
</tr>
<tr>
<td>Taxi</td>
<td>XXX</td>
<td>5</td>
</tr>
<tr>
<td>AUV/FX/Van</td>
<td>Xxx</td>
<td>5</td>
</tr>
<tr>
<td>------------------</td>
<td>-----</td>
<td>---</td>
</tr>
<tr>
<td>Mini Bus/Bus</td>
<td>Xxx</td>
<td>2</td>
</tr>
<tr>
<td>Trucks for Hire</td>
<td>Xxx</td>
<td>2</td>
</tr>
<tr>
<td>B. WATER</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ship</td>
<td>Xxx</td>
<td>1</td>
</tr>
<tr>
<td>Ferry Boat</td>
<td>Xxx</td>
<td>1</td>
</tr>
<tr>
<td>Motorized Banca</td>
<td>Xxx</td>
<td>1</td>
</tr>
</tbody>
</table>

Sec. 6. TRANSITORY PROVISION. A newly registered cooperative and those intending to include transport services as one of its business activities, are given FIVE (5) years from the date of registration/approval of amendment, within which to comply with the minimum number of cooperatively owned units/vehicles as required above.

Existing transportation service cooperatives are given TWO (2) years from effectivity of this Memorandum Circular within which to comply with the preceding Section.

Sec. 7. APPLICABILITY. This Circular shall have suppletory application to existing regulations issued by this Authority concerning the registration and regulation of transportation service cooperatives.

Sec. 8. SANCTION. Failure to comply with the provisions of this Memorandum Circular shall warrant the cancellation of their certificate of registration after due process.

Sec. 9. EFFECTIVITY – This Circular shall take effect immediately.

APPROVED per CDA Board Resolution No. 054, s-2013 dated February 7, 2013, Quezon City, Philippines.

For the Board of Administrators

By:

EMMANUEL M. SANTIAGUEL, Ph.D.
Chairman
EXCERPTS FROM THE
MINUTES OF SPECIAL MEETING
OF THE CDA BOARD OF ADMINISTRATORS HELD ON FEBRUARY 7, 2013
Makati Palace Hotel, Makati City

PRESENT:
Hon. Emmanuel M. Santiaguel, Ph.D.  - Chairman/Presiding Officer
Hon. Nelson B. Alindogan
Hon. Mercedes D. Castillo
Hon. Eulogio T. Castillo, Ph.D.

ALSO PRESENT:
Atty. Niel A. Santillan  - Executive Director

RESOLUTION NO. 054, s-2013

Upon motion of Adm. Eulogio T. Castillo duly seconded by Adm. Mercedes D. Castillo, it be it RESOLVED as it is hereby RESOLVED to approve the Policy on the Required Ownership of Units by Transportation Service Cooperatives.

APPROVED.

This is to certify that the foregoing is true and correct from the minutes of the CDA Board of Administrators’ Special Meeting.

MARY GRACE L. CHICO
Acting Board Secretary IV

ATTESTED:

EMMANUEL M. SANTIAGUEL, Ph.D.
Chairman