

A7

# LTFRB raises Uber, Grab cap to 66,750

**LTFRB: Limit on number of operating vehicles to take effect by end of February**

**By Jovic Yee**  
@jovicyeelNQ

The Land Transportation Franchising and Regulatory Board (LTFRB) adjusted on Monday the cap on the number of Uber and Grab vehicles to ensure that these would be enough to meet passenger demand and allow drivers to keep their source of livelihood.

From 45,700 cars, the "common supply base" for transport network vehicle services (TNVS) went up to 66,750 under LTFRB Memorandum Circular No. 2018-005. Metro Manila got the lion's share of 65,000 cars, while Metro Cebu and Pampanga province were allocated 1,500 and 250 cars, respectively.

Under the previous LTFRB proposal, the cap for Metro

Manila was 45,000 vehicles, 500 for Cebu and 200 for Pampanga.

### Many factors considered

According to LTFRB board member Aileen Lizada, they arrived at the revised figure following an independent audit of the number of TNVS that were with Uber and Grab as of July 2017. The audit, which was conducted a month after the agency

came up with its initial cap, took into consideration several factors, including the number of active and inactive TNVS over the last 90 days, cars operated in a fleet (more than the three-vehicle per operator limit set by the LTFRB), and the availability of peer operators (full-time vs part-time drivers).

From 119,283 cars, the number of unique active vehicles

significantly dropped to just 59,020 when the list was cleared of inactive drivers and those who operated in a fleet.

Lizada expressed confidence that the revised cap would be enough to address 75 percent of bookings made through either Uber or Grab. Currently, the two transport network companies (TNC) can serve only up to 60 percent of requested bookings.

The higher acceptance rate of bookings is also expected to lead to cheaper fares.

Lizada said the cap would be reviewed every quarter to reflect the current demand for app-based transport services and the turnover rate of TNC drivers.

Both Uber and Grab welcomed the development with

Grab Philippines country head Brian Cu, saying the number was "apt to serve the demand" for ride-sharing services while also ensuring that their drivers keep their jobs.

### No more new applications

Lizada said the cap would take effect by the end of February in time for the reopening of the processing of TNVS applications on March 5. But only those who had filed their application before the July cutoff would be accommodated and new applications would not be accepted, she stressed.

Next month, drivers who will be issued a franchise to operate will be provided stickers to help transport authorities easily identify them on the road. INQ

\* TRANSPORTATION