

AMENDING THE TITLE AND CERTAIN SECTIONS OF PRESIDENTIAL DECREE NUMBERED FOUR HUNDRED NINETY TWO, ENTITLED "CREATING THE MANILA TRANSIT CORPORATION, APPROPRIATING THE FUNDS THERE...

PRESIDENTIAL DECREE NO. 860, December 25, 1975

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WHEREAS, under Presidential Decree Numbered Four Hundred Ninety Two dated June 27, 1974, it has been declared to be the policy of the State to rationalize and integrate public transportation services; and

WHEREAS, with the integration of the four (4) cities and thirteen (13) municipalities of Metro Manila, it becomes necessary to amend certain section of Presidential Decree Numbered Four Hundred Ninety Two in order to expedite the rationalization and integration of public transportation services in Metropolitan Manila;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the Constitution, do hereby decree and order:

SECTION 1. The title of Presidential Decree Numbered Four Hundred Ninety Two is hereby amended to read as follows:

"CREATING THE METRO MANILA TRANSIT CORPORATION, APPROPRIATING FUNDS THEREFOR AND FOR OTHER PURPOSES."

All succeeding sections making reference to the Manila Transit Corporation are hereby amended so as to read Metro Manila Transit Corporation.

SEC. 2. Section 2 of the same Presidential Decree is hereby amended to read as follows:

"SECTION 2. Metro Manila Transit Corporation Creation and Purpose. To implement state policy and pursue the objectives set forth in the preceding section, there is hereby created a body corporate to be known as the Metro Manila Transit Corporation which shall have its principal place of business in Metropolitan Manila. It may establish such branches and agencies within the Philippines as may be necessary for the proper conduct of its business."

SEC. 3. Section 3(g) and (1), fourth paragraph, of the same Decree are hereby amended to read as follows:

"SECTION 3(g) x x x. To manage and operate a public transport system or public services within Metropolitan Manila in accordance with the above-stated policy objectives: Provided, That whenever authorized by the President of the Philippines, it may extend its area of operation anywhere in the Philippines: And, provided further, That such authority is not necessary when the extension of its operation outside Metropolitan Manila is for the purpose of protecting its business interests."

"SECTION 3(i) x x x. The loans, credits and indebtedness contracted under this subsection and the payment of the principal, interest and other charges thereon, as well as the importation of machineries, equipment, materials, supply and services, by the Corporation, paid from the proceeds of any loan, credit or indebtedness incurred under this act, or from its own funds, shall also be exempt from all direct and indirect taxes, fees,

imposts and other charges and restrictions, including import restrictions previously and presently imposed, and to be imposed by the Republic of the Philippines, or any of its agencies and political subdivisions."

SEC. 4. Section 5 of the same Decree is hereby amended to read as follows:

"SECTION 5. Board of Directors. The Corporation shall be governed and its activities shall be directed, controlled and managed by a Board of Directors that shall be composed of six (6) ex-officio members, namely: the General Manager or Governor of the Metropolitan Manila Commission who shall act as Chairman, the Secretary of Public Works, Transportation and Communications (or the successor Department with respect to Transportation) who shall act as Vice-Chairman, the Secretary of National Defense, the Secretary of Industry, the Secretary of Finance, the Secretary of Public Highways, and one (1) other member to be appointed by the President of the Philippines. The appointive director shall serve for a term of two (2) years. "The ex-officio members of the Board shall designate any official in their office who shall serve as alternate members. They shall attend the meetings of the Board whenever their principals are absent or the said positions are vacant and shall receive the same benefits and privileges as their principals."

SEC. 5. The same Decree is hereby amended by inserting between Sections 6 and 7 thereof a new section, to be known as Section 6-A, which shall read as follows:

"SECTION 6-A. Supplies and Services other than Personnel. All purchase of supplies or contracts for services, except for personal services, entered into by the Corporation, shall be done through competitive public bidding: Provided, That bidding shall not be required when an emergency, as certified by the corporation President and General Manager, requires immediate delivery of the supplies or performance of the services, and the aggregate amount involved in any one purchase of supplies or procurement of services does not exceed ten thousand pesos, in which case, such purchase or procurement may be made in the usual course of business: Provided, further, That the Corporation's emergency purchase of supplies and services shall not exceed the amount of fifty thousand pesos for any one month: Provided finally, That in comparing bids and in making awards, the Corporation shall consider such factors as the cost and relative quality and adaptability of supplies or services; the bidder's financial responsibility, skill, experience, integrity, and ability to furnish repairs and maintenance services; the time of delivery or performance offered; and the bidder's compliance with the specifications desired."

SEC. 6. The aforementioned Decree is further amended by inserting between Sections 8 and 9 thereof a new section, to be known as Section 8-A, which shall read as follows:

"SECTION 8-A. Exemption from the Public Service Act. The Metro Manila Transit Corporation shall not be subject to the authority, supervision, control and jurisdiction of the Board of Transportation or any similar regulatory body."

SEC 7. Repealing Clause. The provisions of existing laws, decrees, executive orders and regulations, or parts thereof, in conflict with the provisions of this Decree are hereby repealed or modified accordingly.

SEC. 8. Effectivity. This Decree shall take effect immediately.

Done in the City of Manila, this 25th day of December, in the year of Our Lord, nineteen hundred and seventy-five.

(Sgd.)

FERDINAND E. MARCOS

President

Republic of the Philippines

By the President:

(Sgd.)

JACOBO C. CLAVE

Presidential Executive Assistant

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