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August 18, 2025
LAND TRANSPORTATION OFFICE

Atty. VIGOR D. MENDOZA II
Assistant Secretary
Land Transportation Office (LTO)
Central Office, East Avenue,
Quezon City

AUG 20 2025
RECEIVED BY Sammy Lou B. Trugon-Policarpio
TIME: _____
OFFICE OF THE EXECUTIVE DIRECTOR

Dear Atty. Mendoza,

We write for and in behalf of the Private Emission Testing Center Owner's Association (PETCOA) and the Private Emission Testing Center (PETC) owners further to their letter to you dated July 14, 2025, served on your office on July 16, 2025, relative to your issuance of LTO Memorandum Nos. VDM-062025-003 and VDM-062025-004 Re: Guidelines on the Roadside Inspection of Motor Vehicles with Unregistered or with Delinquent Registrations and Motor Vehicles Which Are Unsafe and Unfit to Operate and VDM-0602025-10 in relation to LTO Memorandum dated 28 October 2021.

Our clients regret that to date you have not responded to their letter in violation of R.A. No. 6713 mandating public officials to respond to letters sent by the public within fifteen (15) days from receipt thereof. A copy of this letter is attached for your reference.

Nonetheless, we reiterate our clients' protests over your issuances of the aforesaid LTO Memorandum.

Among others, you issued LTO Memorandum No. VDM-062025-003 and VDM-062025-004 without the required Department Orders duly approved by the Secretary of Transportation.

Further, paragraph 5 of Memorandum No. VDM-062025-004, provided for the following:

"5. The vehicles mentioned in items 1 and 2 must, in addition to the fines and penalties imposed under JAO 2014-01 before lifting of suspension pursuant to the SCO, must pass the road worthiness inspection test through the LTO or any of its accredited Motor

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Vehicle Inspection Centers (MVICs). *A Motor Vehicle Inspection Report showing that the vehicle passed, must be presented. Only MVIC-certified inspection result shall be accepted; manual or visual inspection shall not suffice for compliance after apprehension."*

While it may have been made to appear in the wordings of the memorandum that PMVIC inspection is not mandatory, it however gives those vehicles which go through PMVICs an easy and ready pass to vehicle registration by the LTO as compared to those vehicles which undergo emission testing by PETCs which will still be subjected to the regular inspection by the LTO, but which, by your previous memorandum dated 28 October 2021 can only accommodate twelve (12) vehicles per day on a 40-minute per vehicle inspection process. Obviously, therefore, this motor vehicle registration system under the above LTO memorandum has favored the PMVICs over the PETCs, as naturally, as it clearly seeks to divert motor vehicle owners away from PETCs and in favor of the PMVICs to avail of the easy and fast registration of motor vehicles being accorded to vehicles which have passed through PMVICs.

Furthermore, the foregoing provision of Memorandum No. VDM-062025-004 has again re-assigned and delegated the power and authority of the LTO to inspect and test the roadworthiness of vehicles to the Private Motor Vehicle Inspection Centers (PMVICs). But the objections on LTO's delegation of its power of inspection and regulation over private motor vehicles had already been the subject of various protests from the public, the Senate inquiry and the scrutiny of the Office of the Solicitor General as counsel for the Government,

For one, there is still a pending litigation over the legality of the PMVICs in Civil Case No. 484-23 entitled *Amto et. al. vs Bautista* which is pending before the Regional Trial Court, Branch 22 in Lupon, Davao Oriental.

We are also aware of the opinion of the Office of the Solicitor General (OSG) against the authority given by the LTO to PMVICs in conducting the inspection and testing of vehicles for determination of its roadworthiness:

Firstly, as pointed out by the OSG there has been no official definition of "roadworthiness". The absence of clear definition of "roadworthiness" raises the fundamental question that: "how can you effectively test for something that has not been clearly defined?"

Second, inspections done through the PMVICs will undoubtedly increase the costs of inspection. While Memorandum No. VDM-062025-004 is worded as if inspection through PMVICs is not mandatory, there is however no other

option for the motorists than to go to PMVICs if they desire to have the *inspection of their vehicles without the much waiting time at the LTO District Offices*. Motorists desiring to avoid the long wait at the LTO District Offices can only go to the PMVICs, which is the only other testing entity accredited under Memorandum No. VDM-062025-004. Motorists therefore will be compelled the high inspection fees charged by PMVICs if only to go through the inspection and testing process without delay.

Third, as also pointed out by the OSG, all stakeholders must be consulted before privatizing the inspection of vehicles. The Emission Testing Center owners were never consulted by the LTO prior to the issuance of these Memorandum Nos. VDM-062025-003 and VDM-062025-004.

Fourth, lack of transparency in the accreditation of PMVICs. As already pointed out by the OSG, the ability of the Authorization Committee to review all applications and authorize PMVICs is implausible.

Fifth, non-compliance with documentary and legal requirements. As pointed out by the OSG, DOTs M.C. No. 2019-009 mandated stringent documents for PMVICs, including proof of equipment orders, financial capacity and clean government records. However, the DOTs submissions before the Senate Committee on Public Services failed to demonstrate compliance, raising suspicions of favoritism and inadequate oversight.

Sixth, Violation of Equal Protection Clause. Again as pointed out by the OSG, the Senate Committee on Public Services noted the disproportionate burden on motorists in regions with PMVICs. These motorists face significantly higher fees and undergo 73 tests compared to regions without PMVICs where only one test, i.e. emission testing is required. This disparity places a financial disadvantage on motorists in PMVIC areas and adds an undue burden due to the extensive testing requirements imposed by PMVICs.

Seventh, incompatibility of the system used by PMVICs with Philippine motor vehicle. The OSG noted the concerns raised regarding the compatibility of PMVIC equipment with Philippine motor vehicles. It was also noted that each PMVIC imports equipment from different countries. This inconsistency raises concern about the potential adoption of different standards for different classes of vehicles leading to an arbitrary standard of worthiness.

Eight, incompatibility of the PMVICs with the IT system of LTO. As observed by the OSG, it appears that the IT systems used by PMVICs do not match LTO's Land Transportation Management System (LTMS).

Ninth, it was also noted that the Philippine Motor Vehicle Inspection System (PMVIS) does not ensure vehicle roadworthiness as seen in the case

of Pampanga Chamber of Commerce President Rene Romero wherein his BMW Z4 failed the inspection which clearly suggest that PMVICs may arbitrarily pass or fail vehicles.

Tenth, the OSG further pointed out that Section 21 (c) of R.A. No. 8749 expressly requires that the DOTr, together with the Department of Trade and Industry (DTI) and the Department of Environment and Natural Resources (DENR) shall establish the procedures for the inspection of motor vehicles and the testing of their emissions for the purpose of determining the concentration and/or rate of emission pollutants discharged by said sources. Simply said, the LTO or the DOTr has not consulted the DTI and DENR in coming up with the motor vehicle inspection system, more so in delegating the inspection to PMVICs.

Eleventh, the OSG also pointed that the limited number of PMVICs will far exceed their capacity making the current system clearly untenable.

To date, the legality of PMVICs are still highly in question and the pendency of Civil Case No. 484-23 entitled Amto et. al. vs Bautista, which is pending before the Regional Trial Court, Branch 22 in Lupon, Davao Oriental should have cautioned the LTO from proceeding to delegate its inspection authority in favor of PMVICs.

***On LTO Memorandum No. VDM-062025-10
and Memorandum dated 28 October 2021***

We are fully aware that the root of all the problems has stemmed from the LTO's issuance of that memorandum dated 28 October 2021 pertaining to the Conduct of Manual and Visual Inspection of Motor Vehicles in all District and Extension Offices and the subsequent LTO Memorandum No. VDM-062025-10 which sought to strictly implement the said 28 October 2021 memorandum.

As already protested by our clients, these LTO memoranda appear to have been designed to significantly limit the capacity of LTO district and extension offices for the required re-inspection of motor vehicles that have already undergone testing at a PETC. In fact, LTO Memorandum dated 28 October 2021 limits these district offices to accommodating only twelve (12) units per eight (8) working hours. This severe limitation forces motorists who utilize PETCs to endure prolonged waiting periods for re-inspection at LTO offices, or to return on a different day, without certainty if the motorist can be accommodated on such following day or so. This bottleneck creates excessive queues in the registration renewal process, effectively undermining public service convenience that the LTO is mandated to provide.

Again, the clear intent and consequence of these memoranda is to divert motorists away from PETCs towards PMVICs because of the exemption from re-inspection accorded by the LTO in your aforesaid memorandum. This regulatory framework unjustifiably creates an undue preference for PMVICs over PETCs despite both offering essential emission services.

Our clients have long noted the flaw and highly contentious inspection process outlined in the LTO Memorandum dated 28 October 2021.

1. **Road Test Requirement and Inspector Qualifications.** The memorandum requires LTO inspectors to operate the motor vehicle for a certain distance, i.e. road test, to assess brake and speed performance. This clearly exceeds the scope of a "visual inspection". Not all LTO inspectors possess the necessary professional driver's licenses and specialized training to accurately and professionally evaluate brake and speed performance. Due to this inadequacy, such brake and speed performance inspections cannot be properly or reliably conducted within the LTO district or extension offices.
2. **Below-carriage Inspection Feasibility and Safety:** The directive for LTO inspectors to examine the vehicle's under-chassis (below-carriage) is problematic. These inspectors are neither professionally knowledgeable nor adequately equipped with essential tools like crawler devices and tappers, which are necessary to properly inspect ball joints or identify loose nuts and bolts. Performing under-chassis inspections without a dedicated pit is also inherently dirty and dangerous, exposing inspectors to potential oil and chemical leaks. This practice necessitates special clothing and Personal Protective Equipment (PPE), which are not typically provided by LTO.
3. **Inconsistent Inspection Duration Standards:** The forty (40) minute duration allocated for visual inspection, if intended as a standard, should be equally applied to PMVIC visual inspections. A visual inspection for roadworthiness conducted at an LTO district or extension office should not differ from one performed at a PMVIC. We are perplexed by the double standard evident in these LTO Memoranda, where the 40-minute inspection duration is not mandated for PMVICs.
4. According to DOTr Department Order 2023-008, 'PETC PMVIC Guidelines,' PMVIC inspection activities are bifurcated into 'visual inspection' and 'automated equipment inspection.' Given that PMVIC visual inspections are manual and necessitate a thorough visual assessment, it is only logical that the LTO's established norm of a 40-minute visual inspection duration should similarly apply to PMVICs.

5. However, data from the LTO Motor Vehicle Inspection Division (MID) indicates that some individual PMVICs report inspecting over 200 vehicles in a single day. If the integrity and authenticity of PMVIC activities are to be trusted, this high volume strongly suggests that the actual visual inspection duration at PMVICs is significantly shorter than the prescribed LTO standard. This discrepancy leads us to conclude that the aforementioned LTO memoranda, which seemingly favor PMVICs, may be predicated on a false premise regarding consistent inspection standards and thoroughness across all authorized centers.
6. Even assuming, for the sake of argument, that the forty (40) minute duration covering sixty-one (61) inspection points/items is appropriate for cars and light trucks, these sixty-one points are not fully applicable to motorcycles and 3-wheeled vehicles. DOTr Department Order 2023-008 explicitly differentiates inspection items across vehicle types, stipulating only thirteen (13) items for motorcycle inspections.
7. Therefore, if the 40-minute duration for 61 items is considered accurate, a proportional calculation suggests that the inspection of only thirteen (13) items for motorcycles should logically take approximately eight (8) minutes. The current blanket application of a more extensive and time-consuming inspection standard to motorcycles & 3-wheeled vehicles is thus disproportionate and inefficient, or outrightly untrue.
8. **Senate Findings on the Lack of Motor Vehicle Inspection Standard:** The 18th Congress Senate Committee Report No. 184, dated February 24, 2021, explicitly detailed the confusion and widespread complaints among motorists stemming from the haphazard and arbitrary implementation of the DOTr's PMVIC program, specifically citing a glaring lack of a clear motor vehicle inspection standard. Regrettably, this critical issue remains unresolved. The challenged LTO Memorandum dated October 28, 2021, further exacerbates the problem by failing to provide the essential inspection standards upon which LTO inspectors are to base their pass/fail judgments.

Verily, Section 21 of the Clean Air Act mandates the formulation and implementation of a "NATIONAL MOTOR VEHICLE INSPECTION AND MAINTENANCE PROGRAM," that will promote efficient and safe operation of all motor vehicles. To attain this, the same law mandates, among others, that:

- c) **The DOTC, together with the DTI and the Department, shall establish the procedures for the inspection of motor vehicles** and the testing of their

emissions for the purpose of determining the concentration and/or rate of pollutants discharged by said sources.

"d) In order to ensure the substantial reduction of emissions from motor vehicles, the Department of Trade and Industry (DTI), together with the DOTC and the Department **shall formulate and implement a national motor vehicle inspection and maintenance program that will promote efficient and safe operation of all motor vehicles. In this regard, the DTI shall develop and implement standards and procedures for the certification of training institutions, instructors and facilities and the licensing of qualified private service centers and their technicians as prerequisite for performing the testing, servicing, repair and the required adjustment to the vehicle emission system. The DTI shall likewise prescribe regulations requiring the disclosure of odometer readings and the use of tamper-resistant odometers for all motor vehicles including tamper-resistant fuel management systems for the effective implementation of the inspection and maintenance program.**

Clearly, the standards for vehicle inspection can only be established through the joint efforts of the DTI, the DENR and the DOTC. It cannot be prescribed by the DOTC alone, more so, not by the LTO as what your office have persistently been implementing despite numerous protests already lodged against the said Memorandum dated 28 October 2021, LTO Memorandum No. VDM-062025-10, VDM-062025-10, VDM-062025-003 and VDM-062025-004.

As it stands now, this lack of inspection standards by the LTO is clearly brought about by the LTO's inexplicable failure or refusal to coordinate with the DTI and the DENR in setting the standards for motor vehicle inspection and the hasty and haphazard implementation of 28 October 2021 and LTO Memorandum Nos. VDM-062025-10, VDM-062025-003 and VDM-062025-004. Consequently, LTO's delegation of its mandated duty to undertake motor vehicle inspection to PMVIC without the approved and acceptable standards of testing has given the PMVICs or its untrained inspectors the arbitrary power to determine, based solely on their personal opinion, whether the motor vehicle will pass the inspection tests or not. The LTO's action, therefore, is illegal, constitutes a grave abuse of authority and has endangered the lives of motorists and the public whose lives have been placed by the LTO in

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the hands of untrained and unqualified inspectors of PMVIC or with *unknown qualifications*.

9. **International Roadworthiness Inspection Standard:** The Philippines, as an active participant in WP.29 – the United Nations' arm for automotive standards harmonization – has no need to 'reinvent the wheel' regarding international roadworthiness inspection standards. DOTr/LTO can readily access and adopt UN ECE publications on roadworthiness inspection standards, and subsequently implement these across LTO, PMVIC, and PETC inspections. Adopting these UN ECE regulations would not only significantly upgrade the LTO's roadworthiness inspection standards but also effectively address the deficiencies highlighted and recommended for improvement by the 18th Congress Senate findings.
10. **Lack of Uniformity and Disparity in Implementation:** The memorandum fosters inconsistency across the country, as not all regions have access to PMVICs, and implementation mechanisms differ at the regional and district levels. PETCs remain more widespread and accessible, especially in far-flung provinces. Forcing uniform compliance with a PMVIC-centric model imposes undue burden on vehicle owners in underserved areas and contradicts the principle of equal access to public services.
11. **Questionable Legal Basis:** The memorandum lacks a clear legal and regulatory foundation for preferring one inspection modality over another. It also exceeds the LTO's administrative authority by effectively overriding the equal recognition granted to PETCs and PMVICs under existing DOTr and LTO issuances. Regulatory instruments must not go beyond enabling statutes or parent department policies, or they risk being invalid for being *ultra vires*.
12. **Consumer Protection and Choice:** By creating a de facto monopoly favoring PMVICs, the policy undermines consumer choice and raises serious competition concerns. It limits motorists' ability to select service providers and may lead to unchecked pricing practices. In contrast, the coexistence of PETCs and PMVICs encourages healthy competition and more efficient service delivery.
13. **Economic Impact on Small Businesses:** PETCs are mostly small-to-medium enterprises that have long complied with LTO guidelines and have invested in periodic upgrades and training. The memorandum's implementation jeopardizes the viability of hundreds of PETCs nationwide, resulting in job losses, stranded investments, and the erosion of long-standing public-private partnerships with the LTO.

14. **Violation of Due Process and Absence of Stakeholder Consultation:** There was no meaningful consultation with key stakeholders, including PETCOA, before the issuance of the memorandum. This contravenes the principles of transparency, accountability, and participatory governance under the Administrative Code of 1987 and undermines stakeholder confidence in LTO policymaking.
15. **Poor Cost-Benefit Justification:** The memorandum fails to provide empirical justification or cost-benefit analysis demonstrating why the PMVIC model alone ensures superior roadworthiness. Independent studies have shown that UN ECE-based standards, regardless of testing modality, yield better outcomes when properly enforced and monitored. It is therefore more logical to pursue standard harmonization, not institutional favoritism.
16. **Misalignment with International Standards:** The current memorandum appears to implement an inspection system that is not harmonized with UN ECE vehicle inspection standards, as recognized by the 1958 and 1997 Agreements under the UN framework. Alignment with these protocols would modernize the LTO's inspection system, improve international credibility, and ensure objective and verifiable safety benchmarks.
17. **Erosion of Public Confidence:** The apparent arbitrariness of the LTO memorandum has sown confusion and distrust among motorists and inspection center operators alike. This loss of confidence undermines the LTO's mission to ensure safe roads and regulatory fairness. Public perception of bias and inconsistency can be more damaging than technical gaps in policy.

In light of the concerns detailed above, it is clear that LTO Memorandum No. VDM-062025-10, which implements the LTO Memorandum of October 28, 2021, and LTO Memorandum Nos. VDM-062025-003 and VDM-062025-004 are **impractical, lacks basis in globally accepted inspection protocols, will cause confusion amongst motorist, creates regulatory uncertainty, and widens the gap** in compliance enforcement among PETCs, PMVICs, and LTO offices. Moreover, the Memorandum appears to **unfairly favor PMVICs despite their limited accessibility nationwide**, resulting in unequal treatment of motorists, especially in provinces where PMVIC coverage is sparse or non-existent.

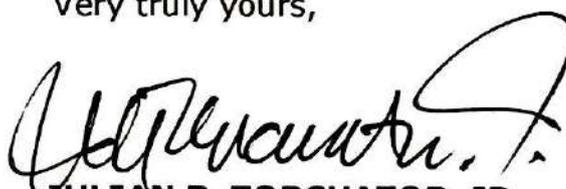
This policy also **contradicts the principle of equitable public service delivery** and **runs counter to the DOTr's mandate** to promote

transparency, competition, and consumer choice in the delivery of regulatory function. *Instead of fostering interoperability among all authorized inspection centers, it imposes a rigid and centralized framework that is highly divisive, procedurally unclear, and devoid of empirical validation.*

We therefore urge the Honorable Assistant Secretary Vigor D. Mendoza II to rescind LTO Memorandum dated 28 October 2021 until a comprehensive study, coordination and cooperation by and with the DTI and the DENR is conducted by the DOTC/LTO and to rescind as well LTO Memorandum Circular Nos. VDM-062025-10, VDM-062025-003 and VDM-062025-004 as their implementation are equally illegal, lacking in legal basis, a grave abuse of authority and will not only **erode public trust, compromise operational consistency and exacerbate disparities** across the vehicle inspection network but for lack of inspection standards by which A **re-evaluation in enforcement** would also allow a period of **public consultation and technical validation**. **Further, on the part of the PETCs and emission testing center owners, the passage and implementation of these memoranda is causing them undue injury and viewed as giving private parties such as the PMVICs unwarranted favor and benefits to the damage and prejudice of the PETCs and/or other emission testing center owners, in violation of Republic Act No. 3019 or the Anti-Graft and Corrupt Practices Act.**

Thank you.

Very truly yours,



JULIAN R. TORCUATOR, JR.
Counsel for PETCOA/Emission
Testing Center owners

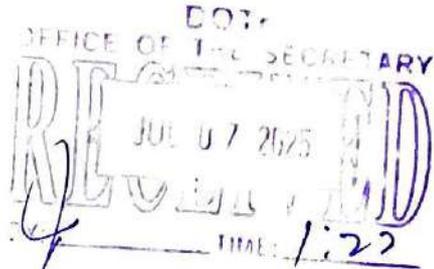
Cc: PETCOA

PETCOA Private Emission Testing
Center Owner's Association

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July 04, 2025

HON. VIVENCIO B. DIZON
Secretary
Department of Transportation (DOTr)
9F Floor, PRIMEX Towers
EDSA corner Connecticut St.
San Juan City



Subject: Request to Rescind LTO Memorandum No. VDM-062025-10 and Implement Uniform Roadworthiness Standards Based on UN ECE Regulations

Dear Secretary,

The Private Emission Testing Center Owners' Association (PETCOA), through its officers and members, wishes to bring to your attention **LTO Memorandum No. VDM-062025-10**, dated June 30, 2025. This memorandum, among other directives, mandates LTO Motor Vehicle (MV) inspectors to strictly adhere to the inspection points, items, and duration previously outlined in LTO Memorandum dated October 28, 2021, under threat of sanction.

For your convenience, both aforementioned memoranda are attached to this letter.

As you may be aware, these LTO memoranda appear to be designed to significantly limit the capacity of LTO district and extension offices for the required re-inspection of motor vehicles that have already undergone testing at a Private Emission Testing Center (PETC). Specifically, LTO Memorandum dated October 28, 2021, restricts these offices to accommodating only twelve (12) units per eight (8) work-hours.

This severe limitation forces motorists who utilize PETCs to endure prolonged waiting periods for re-inspection at LTO offices, or to return on a different day. This bottleneck creates excessive queues in the registration renewal process, effectively undermining the public-service convenience that the LTO is mandated to provide and reducing the process to a state of triviality.

The clear intent and consequence of these memoranda is to divert motorists away from PETCs towards Private Motor Vehicle Inspection Centers (PMVICs). While PMVICs offer similar emission testing services, they are notably exempt from the re-inspection requirement at LTO district or extension offices. This regulatory framework unjustifiably creates an undue preference for PMVICs over PETCs, despite both offering essential emission services.

The visual inspection processes, items, and duration outlined in the LTO Memorandum dated October 28, 2021, are also highly questionable and contentious, based on the following grounds:

- 1. Road Test Requirements and Inspector Qualifications:** The memorandum requires LTO inspectors to operate the motor vehicle for a certain distance (i.e., a road test) to assess brake and speed performance. This clearly exceeds the scope of a "visual inspection."

Furthermore, not all LTO inspectors possess the necessary professional driver's licenses or specialized training to accurately and professionally evaluate brake and speed performance. Due to this inadequacy, such brake and speed performance inspections cannot be properly or reliably conducted within LTO district or extension offices.

2. **Below-carriage Inspection Feasibility and Safety:** The directive for LTO inspectors to examine the vehicle's under-chassis (below-carriage) is problematic. These inspectors are neither professionally knowledgeable nor adequately equipped with essential tools like crawler devices and tappers, which are necessary to properly inspect ball joints or identify loose nuts and bolts. Performing under-chassis inspections without a dedicated pit is also inherently dirty and dangerous, exposing inspectors to potential oil and chemical leaks. This practice necessitates special clothing and Personal Protective Equipment (PPE), which are not typically provided by LTO.
3. **Inconsistent Inspection Duration Standards:** The forty (40) minute duration allocated for visual inspection, if intended as a standard, should be equally applied to PMVIC visual inspections. A visual inspection for roadworthiness conducted at an LTO district or extension office should not differ from one performed at a PMVIC. We are perplexed by the double standard evident in these LTO Memoranda, where the 40-minute inspection duration is not mandated for PMVICs.
4. According to DOTr Department Order 2023-008, 'PETC PMVIC Guidelines,' PMVIC inspection activities are bifurcated into 'visual inspection' and 'automated equipment inspection.' Given that PMVIC visual inspections are manual and necessitate a thorough visual assessment, it is only logical that the LTO's established norm of a 40-minute visual inspection duration should similarly apply to PMVICs.
5. However, data from the LTO Motor Vehicle Inspection Division (MID) indicates that some individual PMVICs report inspecting over 200 vehicles in a single day. If the integrity and authenticity of PMVIC activities are to be trusted, this high volume strongly suggests that the actual visual inspection duration at PMVICs is significantly shorter than the prescribed LTO standard. This discrepancy leads us to conclude that the aforementioned LTO memoranda, which seemingly favor PMVICs, may be predicated on a false premise regarding consistent inspection standards and thoroughness across all authorized centers.
6. Even assuming, for the sake of argument, that the forty (40) minute duration covering sixty-one (61) inspection points/items is appropriate for cars and light trucks, these sixty-one points are not fully applicable to motorcycles and 3-wheeled vehicles. DOTr Department Order 2023-008 explicitly differentiates inspection items across vehicle types, stipulating only thirteen (13) items for motorcycle inspections.
7. Therefore, if the 40-minute duration for 61 items is considered accurate, a proportional calculation suggests that the inspection of only thirteen (13) items for motorcycles should logically take approximately eight (8) minutes. The current blanket application of a more extensive and time-consuming inspection standard to motorcycles & 3-wheeled vehicles is thus disproportionate and inefficient, or outrightly untrue.
8. **Senate Findings on the Lack of Motor Vehicle Inspection Standard:** The 18th Congress Senate Committee Report No. 184, dated February 24, 2021, explicitly detailed the confusion and widespread complaints among motorists stemming from the haphazard and arbitrary implementation of the DOTr's PMVIC program, specifically citing a glaring lack of a clear motor vehicle inspection standard. Regrettably, this critical issue remains unresolved. The challenged LTO Memorandum dated October 28, 2021, further exacerbates the problem by failing to provide the essential inspection standards upon which LTO inspectors are to base their pass/fail judgments.

9. **International Roadworthiness Inspection Standard:** The Philippines, as an active participant in WP.29 – the United Nations' arm for automotive standards harmonization – has no need to 'reinvent the wheel' regarding international roadworthiness inspection standards. DOTr/LTO can readily access and adopt UN ECE publications on roadworthiness inspection standards, and subsequently implement these across LTO, PMVIC, and PETC inspections. Adopting these UN ECE regulations would not only significantly upgrade the LTO's roadworthiness inspection standards but also effectively address the deficiencies highlighted and recommended for improvement by the 18th Congress Senate findings.
10. **Lack of Uniformity and Disparity in Implementation:** The memorandum fosters inconsistency across the country, as not all regions have access to PMVICs, and implementation mechanisms differ at the regional and district levels. PETCs remain more widespread and accessible, especially in far-flung provinces. Forcing uniform compliance with a PMVIC-centric model imposes undue burden on vehicle owners in underserved areas and contradicts the principle of equal access to public services.
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12. **Consumer Protection and Choice:** By creating a de facto monopoly favoring PMVICs, the policy undermines consumer choice and raises serious competition concerns. It limits motorists' ability to select service providers and may lead to unchecked pricing practices. In contrast, the coexistence of PETCs and PMVICs encourages healthy competition and more efficient service delivery.
13. **Economic Impact on Small Businesses:** PETCs are mostly small-to-medium enterprises that have long complied with LTO guidelines and have invested in periodic upgrades and training. The memorandum's implementation jeopardizes the viability of hundreds of PETCs nationwide, resulting in job losses, stranded investments, and the erosion of long-standing public-private partnerships with the LTO.
14. **Violation of Due Process and Absence of Stakeholder Consultation:** There was no meaningful consultation with key stakeholders, including PETCOA, before the issuance of the memorandum. This contravenes the principles of transparency, accountability, and participatory governance under the Administrative Code of 1987 and undermines stakeholder confidence in LTO policymaking.
15. **Poor Cost-Benefit Justification:** The memorandum fails to provide empirical justification or cost-benefit analysis demonstrating why the PMVIC model alone ensures superior roadworthiness. Independent studies have shown that UN ECE-based standards, regardless of testing modality, yield better outcomes when properly enforced and monitored. It is therefore more logical to pursue standard harmonization, not institutional favoritism.
16. **Misalignment with International Standards:** The current memorandum appears to implement an inspection system that is not harmonized with UN ECE vehicle inspection standards, as recognized by the 1958 and 1997 Agreements under the UN framework. Alignment with these protocols would modernize the LTO's inspection system, improve international credibility, and ensure objective and verifiable safety benchmarks.
17. **Erosion of Public Confidence:** The apparent arbitrariness of the LTO memorandum has sown confusion and distrust among motorists and inspection center operators alike. This loss of confidence undermines the LTO's mission to ensure safe roads and regulatory fairness.

Public perception of bias and inconsistency can be more damaging than technical gaps in policy.

In light of the concerns detailed above, it is clear that LTO Memorandum No. VDM-062025-10, which implements the LTO Memorandum of October 28, 2021, is **impractical, lacks basis in globally accepted inspection protocols, will cause confusion amongst motorists, creates regulatory uncertainty, and widens the gap** in compliance enforcement among PETCs, PMVICs, and LTO offices. Moreover, the Memorandum appears to **unfairly favor PMVICs despite their limited accessibility nationwide**, resulting in unequal treatment of motorists, especially in provinces where PMVIC coverage is sparse or non-existent.

This policy also **contradicts the principle of equitable public service delivery and runs counter to the DOTr's mandate to promote transparency, competition, and consumer choice** in the delivery of regulatory function. Instead of fostering interoperability among all authorized inspection centers, it imposes a rigid and centralized framework that is **highly divisive, procedurally unclear, and devoid of empirical validation**.

We urge the DOTr to rescind LTO Memorandum Circular VDM-062025-10, as its implementation will **erode public trust, compromise operational consistency and exacerbate disparities** across the vehicle inspection network. A **re-evaluation in enforcement** would also allow a period of **public consultation and technical validation**.

The PETCOA is ready to engage in a constructive dialogue with both the DOTr and the LTO. Our aim is to collaborate on developing fair and widely acceptable solutions for motor vehicle roadworthiness, ensuring these solutions are grounded in established international inspection standards and institutional inclusiveness.

We look forward to your prompt response and the opportunity to discuss these critical matters further.

Respectfully yours,


BERNARD S. CHANG, JR.
Chairman, PETCOA

cc: **Chief Justice Lucas P. Bersamin**
Executive Secretary
Handwritten: by Manny Halon
Senator Raffy T. Tulfo
Chairman - Committee on Public Services

Handwritten: EARNI, allysa, 7/7/25, 11:37pm

← **Mr. Ramon G. Reyes**
DOTr - Undersecretary for Road Transport & Non-Infrastructure

Atty. Jonathan B. Ronulo
DOTr - Undersecretary for Legal Affairs

Atty. Vigor D. Mendoza II
LTO Assistant Secretary

Office of the President
REPUBLIC OF THE PHILIPPINES

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DOTr
OFFICE OF UNDERSECRETARY
FOR ROAD TRANSPORT & NON-INFRASTRUCTURE

RECEIVED
JUL 07 2025

Handwritten: Manny Lou B. Trogon, Felice Espal
DOTr Central Office (SO)

BY

Handwritten: Juv, 1:27, Juv, 1:40



Republic of the Philippines
Department Of Transportation
LAND TRANSPORTATION OFFICE

MEMORANDUM NO. VDM-062025-10

TO : All Regional Directors
All Assistant Regional Directors
All District Offices
All Other Employees Concerned

SUBJECT : IMPOSITION OF ADMINISTRATIVE SANCTIONS ON ALL LTO EMPLOYEES FOUND TO HAVE VIOLATED THE STANDARD PROCEDURE IN THE CONDUCT OF MANUAL AND VISUAL INSPECTION OF MOTOR VEHICLES PROVIDED UNDER LTO MEMORANDUM DATED 28 OCTOBER 2021

DATE : 30 June 2025

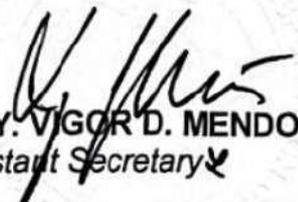
There were reports received that motor vehicles and motorcycles, which undergo the Private Emission Testing Centers (PETC), being registered without the required inspection as specified in existing memorandums. If any inspection is done, it is often only a cursory, visual check, which clearly fails to meet the standards set for proper vehicle registration.

This is to reiterate the LTO memorandum dated 28 October 2021 requiring a detailed inspection, which includes Above and Under Carriage Inspection Items, Exhaust Emission Test and Operation Test Items among others. The aforesaid memorandum requires MV inspectors in the District and Extension Offices to strictly follow the points/items for inspection and duration as specified in the enclosed Manual and Visual Inspection Checklist form.

In light of this, please be advised that starting July 2025, administrative sanctions will be imposed on those who continue to disregard our orders and intentionally bypass the established procedures for licensing and registration. These actions undermine the integrity of our operations and put public safety at risk.

Regional Directors are hereby directed to implement and monitor systems to ensure full compliance with all directives. It is imperative that we enforce these procedures strictly and consistently to maintain order and efficiency.

For strict compliance.

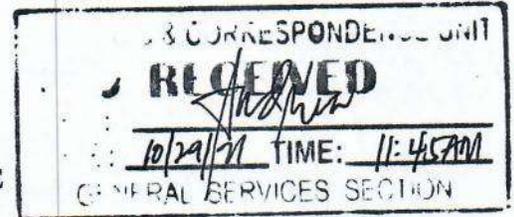

ATTY. VIGOR D. MENDOZA II
Assistant Secretary





REPUBLIC OF THE PHILIPPINES
 DEPARTMENT OF TRANSPORTATION
 LAND TRANSPORTATION OFFICE
 East Avenue, Quezon City

E-mail Address: ltomailbox@lto.gov.ph • Website: www.lto.gov.ph



MEMORANDUM

TO : All Regional Directors
 All Assistant Regional Directors
 All Personnel Concerned

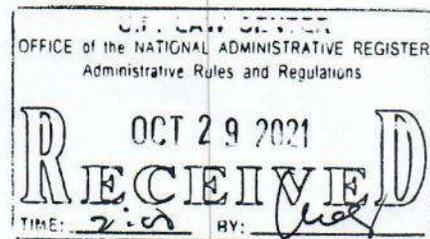
SUBJECT : Conduct of Manual and Visual Inspection of Motor Vehicles in all District and Extension Offices

DATE : 28 October 2021

To guarantee compliance not only to emission standards but, more importantly, to accepted safety standards as well, and to ensure the conduct of a bonafide inspection of all motor vehicles prior to registration, the conduct of manual and visual inspection by all MV Inspectors in the District and Extension Offices shall strictly follow the points/items for inspection and duration as specified in the enclosed MANUAL AND VISUAL INSPECTION CHECKLIST form (Annex "1").

For guidance and strict compliance.


EDGAR C. GALVANTE
 Assistant Secretary

OCT 29 2021

RECEIVED

MANUAL & VISUAL VEHICLE INSPECTION

Above Carriage Inspection Items	Duration	Under Carriage Inspection Items (with the Vehicle Jacked-up or on Ramps)	Duration
1. Body Appearance	10 mins	37. Radiator	20 mins
2. Chassis Number		38. Engine Bracket/Mounting	
3. Engine Number		39. Engine Oil Leakage	
4. Handle Bars		40. Transmission Oil Leakage	
5. Wiper/Washer		41. Steering Ball Joints	
6. Windshield/Window Glass		42. Steering Linkages/Gear Box Mounting	
7. Headlights		43. Steering Idler/Sector Shaft	
8. Signal Lights (Front)		44. Front Shackle Eyes/Pins/Bushes	
9. Signal Lights (Rear)		45. Rear Shackle Eyes/Pins/Bushes	
10. Parking Lights (Front)		46. Rear Linkages	
11. Parking Lights (Rear)		47. Brake Hoses/Pipes/Cylinders	
12. Brake Lights		48. Fuel Hoses/Pipes	
13. Back-up Lights		49. Spring U-Bolts/Nuts	
14. Clearance Lights		50. Spring Clips	
15. Number Plates/Lights		51. Shock Absorbers	
16. Hazard Lights		52. Drive Shaft Bolts/Nuts	
17. Reflectors		53. Differential Oil Leakage	
18. Interior Lights		54. Propeller Shaft Coupling	
19. Top Light (Taxi)		55. Exhaust Pipes/Silencer	
20. Seatbelts/Anchorage		56. Chassis Frame	
21. Horn		57. Chassis Cross Member	
22. Door Hinges		58. Body Floor Board	
23. Floor Board		59. Power Steering Leakage	
24. Side Mirror/ Rear View Mirror		60. Parking Brake Wire/Cable	
25. Clutch System		61. Head Stem Bearing	
26. Brake System			
27. Driver's/Passengers' Seats			
28. Steering Wheel			
29. Tires/Wheels			
30. Wheel Bolts/Nuts			
31. Fuel Tank/Cap			
32. Panel Gauges			
Others			
33. EWD			
34. Color			
35. Diesel Fuel System Seal			
36. Speed Limiter			

Exhaust Emission Test	Duration
62. CO/HC or Opacity	By PETC
OPERATION TEST ITEMS	
1. Side Slip Test	not possible
2. Brake Test (Front)	5 mins
3. Brake Test (Rear)	
4. Brake Test (Parking)	
5. Speedometer Test	2 min
6. Suspension Test	3 mins
7. Headlight Test	not possible
8. Sound Level Test (Exhaust)	not possible

TOTAL INSPECTION DURATION	40 mins
----------------------------------	----------------

For an 8-hour period, the maximum vehicles that can be inspected is 12 vehicles per inspector.

- Notes:
- a. For Clutch System check: Start vehicle and check clutch operation, gear change should be smooth with one pedal press
 - b. For Brake System: Depress brake pedal. Pressure should be maintained with the pedal not touching the floor.
 - c. For Brake Test: Check the function of the brakes by doing an actual road test.
 - d. Speedometer Test: Check the function of the speedometer by doing an actual road test.
 - e. Suspension Test: Do the bounce test. Put your weight on a corner of the vehicle and release abruptly. The vehicle should return to normal height with just a single stroke. If the vehicle bounces continuously before stopping, the shocks are worn out.

LAND TRANSPORTATION OFFICE



Private Emission Testing
Center Owner's Association

JUL 16 2025

RECEIVED BY
OFFICE OF THE EXECUTIVE DIRECTOR

No. 3 Roxas Street, Beltran Subdivision, Bo. Luz, Limay, Bataan
Telephone No. (047) 244-8064 CP No. 0933-8163913
Email address: petcoa.inc@yahoo.com / petcoa.inc2002@gmail.com

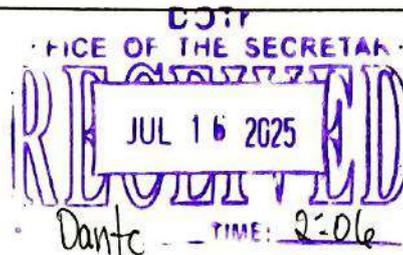
July 14, 2025

HON. VIVENCIO B. DIZON
Secretary

Department of Transportation (DOTr)
9F Floor, PRIMEX Towers
EDSA corner Connecticut St.
San Juan City

HON. VIGOR D. MENDOZA II
Assistant Secretary

Land Transportation Office (LTO)
Central Office East Ave.
Quezon City



Subject : Defects of LTO Memorandum Nos. VDM-062025-003 & VDM-062025-004

Dear Secretary and Assistant Secretary,

The Private Emission Testing Center Owner's Association (**PETCOA**) respectfully raises defects on Land Transportation Office's (LTO) Memoranda Nos. **VDM-062025-003** and **VDM-062025-004**, which implement a "No Manual Inspection" policy and limit manual inspection of motor vehicles.

These Memoranda are **legally infirm** and **ultra vires**, as they substantially alter existing inspection policy without lawful authority, valid departmental delegation, or the procedural safeguards required by law and reinforced by the **Office of the Solicitor General's (OSG) Opinion dated 18 June 2024**.

(1) Lack of Department Order

Both Memoranda were issued without a Department Order duly approved by the Secretary of Transportation. The Administrative Code of 1987 (E.O. No. 292) requires that line bureaus like the LTO operate under the control and supervision of the Department Secretary.

The OSG Opinion dated 18 June 2024 clarified that a Department Order is mandatory for major policy shifts like vehicle inspection reform.

Thus, the LTO Memoranda are void for lack of such required departmental authority.

(2) Absence of Stakeholder Consultation

The OSG emphasized that stakeholder consultation is essential before implementing any reforms involving PMVIC or PETC operations. There is no record of public consultation, hearings, or engagement with affected stakeholders prior to the issuance of these memoranda.

(3) No Legal Basis for Reassigning or Suspending Manual Inspections

Section 4(d)(6) of R.A. No. 4136 authorizes the LTO to ensure vehicle safety prior to registration, but does not grant power to unilaterally suspend or revise existing inspection methods or override standing policies.

Vehicle safety inspection is laid out under existing LTO Administrative Order 2009-018 "*Revised AO on Motor Vehicle Inspection System and Promulgation of the IRR*", that stipulates visual safety inspection shall be done in an LTO motor vehicle inspection center (MVIC). The Memorandum of 28 October 2021 should not have transferred inspection to the district offices where no LTO MVIC are present.

R.A. No. 4136 does not justify the bypassing of procedural requirements under the Administrative Code of 1987 and the guidelines set by OSG.

(4) Contravention of Senate Committee Report No. 184

This Report (dated 16 February 2021) flagged serious legal, procedural, and transparency issues in PMVIC implementation. And yet, the LTO Memoranda revive and perpetuate these same concerns:

- Arbitrary suspension of manual inspections;
- Lack of clear standards for "roadworthiness";
- No cost transparency or accountability mechanisms; and
- Ambiguity in accreditation, oversight, and procedural fairness.

The LTO Memoranda replicate these defects by unilaterally enforcing ambiguous scoring metrics in VDM-062025-004 and eliminating manual inspection in VDM-062025-003, without policy clarity or public engagement.

(5) Violation of Due Process and Transparency Requirements

Under *Araullo v. Aquino III* (G.R. No. 209287), administrative actions that affect public rights must comply with due process and proper delegation. The principle of administrative due process requires that agency actions adhere to statutory authority and public accountability.

Under *Demetria v. Alba* (G.R. No. 71977), bureau-level circulars and memoranda cannot override statutes or validly promulgated administrative issuances.

The LTO Memoranda materially affect vehicle owners, PMVICs, PETCs, and inspectors—without legal anchoring, rulemaking, or procedural notice.

(6) Specific Findings from the OSG Opinion Confirming Legal and Operational Defects

In support of the foregoing, we further cite the following specific findings from the OSG Opinion and Committee Report, which highlight additional operational and legal infirmities in the implementation of the LTO Memoranda:

i. Gaps in Standards and Clarity:

The absence of clear specifications in the issuance of LTO Memorandum No. **VDM-062025-004** leads to subjective and arbitrary standards on vehicle “unfitness,” with no established baseline of roadworthiness—especially for heavy vehicles.

ii. Uneven Distribution of PMVICs:

The OSG highlighted the still-uneven distribution of PMVICs across pilot regions (per Memorandum No. **VDM-062025-003**), despite the geographical challenges of island provinces, like Marinduque. This results in inequitable implementation and accessibility issues.

iii. Lack of Coverage for Heavy Vehicles:

The current Department Order only authorizes PMVICs for light vehicles and motorcycles. There is no contingency provided for errant heavy vehicles (HVs) which cannot be released under Paragraph 5 of Memorandum No. **VDM-062025-004**.

iv. Non-Uniformity in Fees:

The OSG and committee reports further flag the inconsistency in PMVIC fees and costs, creating unfair economic burdens across different regions and facilities.

In LTO Memorandum No. **VDM-062025-003**, the following defects are glaring:

- Reassign or suspends manual inspection without a valid Department Order;
- Assigns PMVICs exclusive visual inspection authority without proper rulemaking authority; and
- Relies on vague interpretation of RA 4136 to justify reassignment of manual inspection.

In LTO Memorandum No. **VDM-062025-004**, the following defects are glaring:

- Imposes a substantive operational shift without any Department Order or public hearing;
- Risks being arbitrary, discriminatory and violative of due process; and
- Both Memoranda ignores OSG’s guidance requiring Department Order and consultations.

In view of the legal infirmities detailed above, it is respectfully submitted that the implementation of LTO Memoranda VDM-062025-003 and VDM-062025-004 should be immediately **enjoined, withdrawn, or suspended**, unless and until:

- (1) A valid Department Order is issued by the DOTr Secretary;
- (2) Comprehensive stakeholder consultation is conducted, including PETCs, transport groups and consumers;
- (3) Roadworthiness standards are clearly defined by rule; and
- (4) Transparency and accountability measures in PMVIC and PETC operations are established in compliance with OSG recommendations and Senate findings.

These LTO Memoranda, if left unchecked, will revive past Constitutional and legal infirmities in the PMVIC Program, and will expose DOTr, LTO and the PBBM Administration to legal challenges.

Respectfully yours,


BERNARDO S. CHANG, JR.
 Chairman, PETCOA

RECEIVED
 Office of the Executive Secretary
JUL 16 2025
 Bonifacio Hall
 By:  Time: 3:45 PM

cc: **Chief Justice Lucas P. Bersamin**
 Executive Secretary

Mr. Ramon G. Reyes
 Undersecretary for Road Transport & Non-Infrastructure

CRPNJ
 APJSA
 7/16/25
 2:16 pm

Atty. Jonathan B. Ronulo
 Undersecretary for Legal Affairs

Senate - Committee on Public Services

RECEIVED

LCSS "G"
 DATE: 7/17/2025
 JULIUS TUPAZ 2:24 PM

DOTr
 OFFICE OF UNDERSECRETARY
 FOR LEGAL AFFAIRS & PROCUREMENT
RECEIVED
JUL 16 2025
 BY:  2:10



Republic of the Philippines
 Department Of Transportation
LAND TRANSPORTATION OFFICE

MAILS & CORRESPONDENCE UNIT
 RECEIVED
 BY: *fnay*
 DATE: *6-24-25* TIME: *3:24 PM*
 GENERAL SERVICES SECTION

MEMORANDUM VDM-062025-003

TO : Regional Director (Region I)
 Regional Director (Region IV-A)
 Regional Director (Region IV-B)
 Regional Director (Region VII)
 Regional Director (Region X)

SUBJECT : PILOT IMPLEMENTATION OF THE NO MANUAL INSPECTION OF MOTOR VEHICLE IN THE PROVINCE OF PANGASINAN, BATANGAS, MARINDUQUE, BOHOL, AND CAGAYAN DE ORO

DATE : 23 June 2025

The Land Transportation Office issued Memorandum dated 28 October 2021, "Conduct of manual and visual inspection of Motor Vehicles in all district and extension offices". The said Memorandum was issued to guarantee compliance not only to emission standards but, more importantly, to accepted roadworthiness standards.

In line with the continuous efforts of this Office to ensure that all motor vehicles are sightly, safe and fit to be operated in public highways pursuant to Section 4 (d)(6) of R.A. 4136, as well as to standardize the inspection process using automated testing equipment, This Office hereby suspends the operation of the above-mentioned Memorandum in the following provinces. In lieu thereof, the pilot implementation of the no manual inspection, of motor vehicles shall be conducted in—

1. Pangasinan,
2. Batangas,
3. Marinduque,
4. Bohol, and
5. Cagayan De Oro

To effectively implement this initiative, all Regional Directors addressed herein are required to issue appropriate guidelines to enforce all necessary measures for conducting motor vehicle inspections through the use of automated testing equipment within their respective jurisdictions. The objective of this pilot implementation is to ensure a faster renewal/registration process for vehicle owners, as they will no longer need to undergo the traditional 40-minute manual and visual inspection, thereby also reducing instances of non-appearances.

For strict compliance.

[Signature]
ATTY. VIGOR D. MENDOZA II
 Assistant Secretary



CERTIFIED TRUE COPY
 (NOT VALID WITH ERASURES OR ALTERATION)

[Signature]
MARITTES N. RATERTA
 ADMINISTRATIVE OFFICER V / RECORDS OFFICER III



Republic of the Philippines
Department Of Transportation
LAND TRANSPORTATION OFFICE

MEMORANDUM **VDM-062025-004**
TO : The Director, Law Enforcement Service (LES)
 The Director, Traffic Adjudication Service (TAS)
 All Regional Directors
 All Assistant Regional Directors
 All Regional Operations Chief
 Chief, FED
 All Regional Law Enforcement Section (RLES) Chiefs
 All LTO Deputized Agents
 All Other Employees Concerned

DATE : **16 June 2025**

SUBJECT : **GUIDELINES ON THE ROADSIDE INSPECTION OF MOTOR VEHICLES
WITH UNREGISTERED OR WITH DELINQUENT REGISTRATIONS
AND MOTOR VEHICLES WHICH ARE UNSAFE AND UNFIT TO
OPERATE**

Pursuant to Republic Act No. 4136 and Joint Administrative Order No. 2014-01, Land Transportation Office (LTO), hereby prescribe the following guidelines to ensure that only roadworthy vehicles are allowed on public roads:

1. All Law Enforcement Officers (LEOs) and LTO Deputized Agents (DAs) shall apprehend unregistered vehicles with delinquent registration and impose the appropriate fines and penalties provided under Section II(a) of the Joint Administrative Order (JAO) No. 2014-01, driving an unregistered motor vehicle.
2. All LEOs and DAs shall apprehend unsafe, or otherwise unfit to be operated motor vehicles and impose the appropriate fines and penalties provided under Section II(d) of the Joint Administrative Order (JAO) No. 2014-01. For enforcement purposes, this includes vehicles with clearly defective parts such as broken windshields, exposed or hanging parts, bald tires, excessive emission, or major visible structural damage. Apprehending officer shall be guided by MVIS protocols and are expected to exercise sound discretion to ensure fair and objective enforcement.
3. Vehicles found in violation of Section II(a) and (d) of the Joint Administrative Order (JAO) No. 2014-01 shall be technically impounded. Such vehicles shall not be operated on any public road until the corresponding fines, penalties, and other required conditions have been fully satisfied, except when used solely to return to their designated garage.
4. The Chief of the Intelligence and Investigation Division, or the Regional Director in applicable cases, shall issue a Show Cause Order accompanied by a preventive suspension of registration. This shall apply to vehicles identified in items 1 and 2, pursuant to Section 16 of Republic Act No. 4136, and remain in effect until the vehicle's registration



Republic of the Philippines
Department Of Transportation
LAND TRANSPORTATION OFFICE

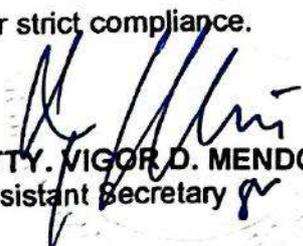
is updated, the accessory or equipment is properly installed, corrected or removed, and the required fine is fully paid.

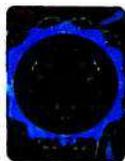
5. The vehicles mentioned in items 1 and 2 must, in addition to the fines and penalties imposed under JAO 2014-01 before lifting of suspension pursuant to the SCO, must pass the road worthiness inspection test through the LTO or any of its accredited Motor Vehicle Inspection Centers (MVICs). A Motor Vehicle Inspection Report showing that the vehicle passed, must be presented. Only MVIC-certified inspection result shall be accepted; manual or visual inspection shall not suffice for compliance after apprehension.
6. In case the unregistered motor vehicle has no plate, it shall be physically impounded. A Special Permit specifically indicating the place of origin and destination, shall be issued for the purpose of withdrawing the motor vehicle from the impounding area for inspection and testing only. The said Special Permit shall be valid for 72 hours only and limited to traversing the place of origin and destination. Vehicles found to have violated the Special Permit or used in any public roads, the driver's license of the erring driver and the registration of the motor vehicle shall be subject to revocation after due notice and evaluation.
 - a. The driver of the vehicle whose driver's license was confiscated due to the said violation, may be allowed to drive using the TOP, limited to the route leading to the MVIC inspection center only.
7. In addition to the settlement of fines and penalties, as well as the compliance to the roadworthiness test, if the vehicle apprehended has no license plate, the owner of the vehicle must present the actual license plate issued. In case the license plate has not yet been claimed from the LTO, the owner must personally claim the license plate in the appropriate district office or provide proof that it has already processed the claiming of the license plate through the LTO tracker. Otherwise, the vehicle shall not be released, and the suspension shall not be lifted.

This Memorandum shall take effect two (2) months from issuance, to allow for proper dissemination and operational preparation by all concerned units. Failure to follow the above protocols shall be dealt with accordingly.

All orders, memoranda, and other issuances in conflict herewith are deemed superseded.

For strict compliance.


ATTY. MIGOR D. MENDOZA II
Assistant Secretary





Republic of the Philippines

OFFICE OF THE SOLICITOR GENERAL

18 June 2024

ATTY. REINER PAUL R. YEBRA

DOTr Undersecretary for Legal Affairs
Chairperson, PETC-PMVIC Authorization Committee

ATTY. VIGOR D. MENDOZA II

LTO Assistant Secretary
Vice-Chairperson, PETC-PMVIC Authorization Committee

JAMES ANDREAS B. MELAD

DOTr Assistant Secretary for Road Transportation and Infrastructure
Member, PETC-PMVIC Authorization Committee

DEPARTMENT OF TRANSPORTATION

Primex Bldg. EDSA cor. Connecticut, Greenhills, San Juan City, Philippines

Re: *Request for Comments on the Proposal for a
Mandatory Vehicle Inspection Tests*

Dear **Undersecretary Yebra, Assistant
Secretary Mendoza and Assistant
Secretary Melad:**

This is in response to your Letter dated 14 March 2024, requesting the Office of the Solicitor General (OSG) to provide inputs and observations on the proposed Department Order (D.O.) concerning mandatory vehicle inspection tests for purposes of motor vehicle registration and renewal.

The proposed D.O. intends to initiate a six-month pilot implementation of mandatory vehicle inspection in the regions of Central Luzon, CALABARZON, and National Capital Region. Its primary objective is to enforce mandatory vehicle inspection tests, to be conducted by either the Land Transportation Office (LTO) or authorized Private Motor Vehicle Inspection Centers (PMVICs) in order to ensure the roadworthiness of motor vehicles and enhance overall safety on our roads. Furthermore, it seeks to delineate the testing scope between Private Emission Testing Centers (PETCs) and PMVICs. As per the



Letter to DOTr and LTO

Re: Request for Comments on the Proposal
for a Mandatory Vehicle Inspection Test

X-----X

draft D.O., PETCs will be responsible for conducting emission testing for heavy vehicles, while PMVICs will cater to all light vehicles and motorcycles.

The OSG strongly advocates for a revolutionary overhaul of our vehicle inspection protocols. It is high time that we move away from outdated practices of visual inspections and emission testing. Embracing a comprehensive roadworthiness assessment for vehicles is essential to guarantee optimal safety and dependability of our roadways.

Nevertheless, the OSG recommends consultation with the various stakeholders, including vehicle owners, testing centers, industry associations, and consumer groups in order to thoroughly assess the potential impact of the proposed D.O. The OSG understands that the Department of Transportation (DOTr) called for comments on the draft D.O. from various stakeholders. The OSG emphasizes that consultation with the stakeholders is not a mere procedural formality but a fundamental aspect of effective policy formulation. Their inputs would help identify potential challenges or areas for improvement before finalizing the D.O. Otherwise, the failure to involve the stakeholders could lead to regulations that do not align with the concerns and circumstances of all concerned parties.

Stakeholder consultation is necessary to evaluate the impact of the proposed D.O. and ensure alignment with the concerns and circumstances of all parties involved.

Particularly, the DOTr PETC-PMVIC Authorization Committee must address the issues and concerns¹ raised in *Committee Report No. 184* dated 16 February 2021 of the Senate Committee on Public Services, to wit:

1. **Lack of official definition of "roadworthiness."** The absence of a clear definition of roadworthiness in Republic Act (R.A.) No. 8749² or any of the DOTr and LTO issuances raises a fundamental question: how can you effectively test for something that has not been clearly defined?³

¹ Concerns on violation of health protocols due to the limited number of PMVICs in operation and the implementation of increased inspection costs amidst the pandemic were not included due to Proclamation No. 279, which lifted the state of public health emergency through the Philippines due to COVID-19.

² Otherwise known as the Philippine Clean Air Act of 1999.

³ *Committee Report No. 184*, pp. 6-7.

Letter to DOTr and LTO

Re: Request for Comments on the Proposal
for a Mandatory Vehicle Inspection Test

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2. **Costs.** The privatization of Motor Vehicle Inspection Centers (MVICs) has led to concerns over increased inspection costs. While the DOTr previously argued that fees are lower than in other countries, it overlooked purchasing power parity. Despite appeals for fee reduction, uncertainties remain as the DOTr has yet to formalize lowered rates.

Moreover, the subsequent reduction and waiver of re-inspection fees indicate a lack of a clear basis for fees.⁴ The fees for inspection and re-inspection were initially set at ₱1,800.00 and ₱900.00, respectively, for motor vehicles and ₱600.00 and ₱300.00, respectively, for motorcycles and tricycles. However, there was no thorough public consultation conducted regarding these costs, and the fees were based on the Public-Private Partnership Center's recommendation for a reasonable return on investment, not on actual cost analysis or stakeholder agreement.

Later, the inspection fee for light motor vehicles was reduced to ₱1,500.00 and the re-inspection fee to ₱750.00, while the fees for motorcycles and tricycles remained the same. This reduction, according to the Senate Committee on Public Services, occurred without a clear explanation or basis, further suggesting that the initial fees were arbitrarily set.

3. **Absence of Consultation.** Stakeholders alleged that the DOTr and LTO failed to conduct proper consultation before privatizing the MVIS.⁵
4. **Lack of transparency in the accreditation of PMVICs.** Section 10 of DOTr *Memorandum Circular (M.C.) No. 2019-009* mandates transparency by livestreaming proceedings of the Authorization Committee on DOTr's social media platforms. However, an examination of uploaded videos showed insufficient transparency. The Authorization Committee's ability to review all applications and authorize PMVICs in just three proceedings seems implausible. Moreover, most authorized PMVICs were not mentioned in the livestreamed proceedings submitted by DOTr. Three companies, authorized to operate, were not mentioned in any livestreamed videos, suggesting bypassing of evaluation

⁴ *Id.*, pp. 7-9.

⁵ *Id.*, p. 9.

Letter to DOTr and LTO

Re: Request for Comments on the Proposal
for a Mandatory Vehicle Inspection Test

X-----X

processes. Until 4 February 2021, no official list of authorized PMVICs was published, leaving the public in the dark about operators and qualifications. The rushed authorizations during the pandemic raised concerns among groups like the Volunteers Against Crime and Corruption (VACC), implying possible corruption without consultation.⁶

5. **Non-compliance with documentary and legal requirements.** DOTr *M.C. No. 2019-009* mandated stringent requirements for PMVICs, including proof of equipment orders, financial capacity, and clean government records. However, the DOTr's submissions before the Senate Committee on Public Services failed to demonstrate compliance, raising suspicions of favoritism and inadequate oversight. Furthermore, SEC papers revealed deficiencies in capitalization and financial transparency among PMVICs, while the absence of DTI accreditation further dented their credibility and adherence to regulatory standards.⁷
6. **Limited number of PMVICs in operation.** Out of 458 planned PMVIC sites, only 24 are operational and none of which cater to heavy-duty vehicles, which are more prone to mechanical issues causing accidents. This limited availability has led to long queues, crowding, and violations of health protocols at operational PMVICs. With each PMVIC needing to inspect 476 cars per day to accommodate around four million vehicles, far exceeding their actual capacity, the current system is clearly untenable.⁸
7. **Violation of the Equal Protection Clause.** According to the Senate Committee on Public Services, Section 6 of *DOTr D.O. No. 2019-002* imposes a disproportionate burden on motorists in regions with PMVICs. These motorists face significantly higher fees and undergo 73 tests,⁹ compared to regions without PMVICs

⁶ *Id.*, pp. 9-10.

⁷ *Id.*, pp. 10-11.

⁸ *Id.*, pp. 11-12.

⁹ See <https://dotr.gov.ph/55-dotrnews/3000-be-fully-informed.html>:

In the new MVIC, a vehicle is subjected to 73 types of tests. Through three (3) levels of inspection, the vehicle is evaluated as follows:

Stage 1 (Visual Inspection)

66 points (inside, outside and on top of the vehicle are inspected) plus the emission test

Letter to DOTr and LTO

Re: Request for Comments on the Proposal
for a Mandatory Vehicle Inspection Test

X-----X

where only one test, i.e., emission testing, is required. This disparity places a financial disadvantage on motorists in PMVIC areas and adds an undue burden due to the extensive testing requirements imposed by PMVICs.

8. **Incompatibility of the system used by PMVICs with Philippine motor vehicles.** During the committee hearing, concerns were raised regarding the compatibility of PMVIC equipment with Philippine motor vehicles. VACC President Arsenio Evangelista criticized the arbitrary standards set by PMVIC equipment for testing and inspection, questioning their origin and compatibility with vehicles in the Philippines. Vehicle Inspection Center Operators Association of the Philippines (VICOAP) President Iñigo Larrazabal initially claimed that PMVICs adhere to similar standards mandated by the LTO, but later admitted that each PMVIC imports equipment from different countries. This inconsistency raises concerns about the potential adoption of different standards for different classes of vehicles, leading to an arbitrary standard of roadworthiness.¹⁰

9. **Incompatibility of the PMVICs with the IT system of LTO.** The DOTr guidelines require PMVICs to be compatible with the LTO IT System, but it seems that the IT systems used by PMVICs do not match LTO's Land Transportation Management System (LTMS). This means vehicle owners might have to test again at another PMVIC. Although VICOAP President Larrazabal says their systems work with LTMS, reports suggest otherwise, with some PMVICs asking LTO for help. The Senate Committee on Public Service questioned the Authorization Committee's decision to allow incompatible equipment procurement, raising concerns of oversight or questionable policy-making.¹¹

Tests using automated equipment (6 points)

Stage 2 (Machine Tests)

Alignment, Suspension, Brake and Speedometer Tests;

Stage 3 (Machine Tests)

Sound Level and Headlight Tests

¹⁰ *Committee Report No. 184*, pp. 13-15.

¹¹ *Id.*, pp. 15-16.

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10. **Issue of lack of funding.** The problem centers on privatizing MVICs and making the public pay for inspection costs, even though money was set aside before to build public inspection centers. Funds earmarked for MVICs remained largely unused, with failed procurement attempts and fund reversion to the Treasury contributing to the issue. The decision to engage private centers for MVIS Phase 2, funded by motorists, highlights a missed opportunity and potential negligence on the part of the DOTr, warranting administrative action.¹²
11. **On road safety and glitches in the system.** Objectors of the Philippine Motor Vehicle Inspection System (PMVIS) argue that it does not ensure vehicle roadworthiness, claiming that failures are due to human error and potential intervention. Pampanga Chamber of Commerce President Rene Romero shared his BMW Z4's failed inspection experience, suggesting PMVICs may arbitrarily pass or fail vehicles. Lack of transparency in equipment specifications raises concerns about resolving complaints, emphasizing the need for more than assurances to gain public trust in the system's value.¹³
12. **Conflicts in the issuances.** During the committee hearing, conflicts within LTO issuances were highlighted, particularly in *LTO M.C. No. 2020-2240*. Section 3.8 of this memorandum circular discusses motor vehicle modifications and inspection criteria, creating inconsistencies. Motorcycle Rights Organization of the Philippines President Jobert Bolanos pointed out that the provisions regarding allowable modifications and original equipment manufacturer parts are contradictory. Additionally, Section 6.5 of *DOTr D.O. No. 2019-002* refers to *LTO Memorandum Order No. AHS 2008-01* for motorcycle inspection, but Bolanos highlighted that the implementation of relevant sections of this regulation is currently suspended, causing confusion among motorcycle owners and PMVIC operators.¹⁴

¹² *Id.*, pp. 16-17.

¹³ *Id.*, pp. 17-18.

¹⁴ *Id.*, pp. 18-19.

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The legal issues raised in *Committee Report No. 184* regarding the validity of the PMVICs' operations and the authority of the DOTr and the LTO to delegate the inspection function of motor vehicles to private entities have already been addressed in the OSG's *Letter* dated 18 March 2021.¹⁵ These legal questions, among others, are also now the subject of review in Special Civil Case No. 484-23, entitled ***Amto, et al. v. Bautista***, pending before the Regional Trial Court in Lupon, Davao Oriental, Branch 32.

Briefly, in the ***Amto*** case, petitioners therein (composed of petitioner Julie Amto as owner of Capitol Emission Testing Center, a PETC, who is claiming that her authority to operate as such was wrongfully revoked, together with representatives of different transport groups), are challenging the constitutionality of administrative issuances¹⁶ of the DOTr and LTO covering the PMVIS, including the issuances governing PMVICs. Particularly, petitioners therein allege that the issuances are in violation of the constitutional principle of non-delegation of legislative power. They claim that the DOTr and LTO have invalidly exercised their power of subordinate legislation. They further argue that the assailed issuances are an unlawful delegation and exercise of police power, and violate the equal protection clause. For her part, petitioner Amto claims that the non-renewal of her authority to operate her PETC is a violation of due process and undue exercise of police power.

As the DOTr and LTO's counsel of record in the ***Amto*** case, the OSG has argued against petitioners' claims. The OSG has submitted to the trial court that the DOTr and the LTO are duly empowered to promulgate the assailed issuances pursuant to a valid delegation of legislative power. The OSG argues that contrary to petitioners' claims, there is no undue delegation of this already delegated legislative power to the private sector, and that there is also no undue delegation of police power to private entities, as the DOTr and LTO

¹⁵ A copy of the OSG's *Letter* dated 18 March 2021 is attached for easy reference.

¹⁶ Specifically, the following issuances are being challenged as unconstitutional:

- a) DOTr Department Order No. 2018-019;
- b) LTO Memorandum Circular No. 2018-2158;
- c) DOTr Department Order No. 2019-002;
- d) DOTr Department Order No. 2020-001;
- e) LTO Memorandum Circular No. 2020-2225;
- f) LTO Memorandum Circular No. 2020-2240;
- g) LTO Memorandum Circular No. 2020-2241;
- h) LTO Memorandum Circular No. 2022-2306;
- i) LTO Memorandum Circular No. 2022-2322;
- j) DOTr Department Order No. 2023-001;
- k) DOTr Department Order No. 2023-008; and
- l) Letter Communication dated 7 April 2022 issued by Atty. Artemio U. Tuazon Jr. in his capacity as former Undersecretary for Administrative Service.

remain the agencies empowered to regulate PMVICs and PETCs. Further, the OSG argues that there is no violation of the equal protection clause, as PETCs and PMVICs are different entities that may be subjected to different rules and regulations. With particular respect to petitioner AmtO, she was granted the authorization to operate as PETC, which is in the nature of a franchise. As such the same may be revoked by the State through its administrative agencies, and this would not be an unlawful exercise of the State's police power.

Despite the OSG's defense of the legality of the assailed issuances by the DOTr and LTO in the **AmtO** case, the OSG nonetheless stresses that the consultation with the stakeholders should focus more on the practical implications and consequences of the proposed D.O. Understanding how the proposed measure will impact stakeholders is crucial for informed decision-making. As aptly noted by the Senate Committee on Public Services, transparent and well-written policies are essential for gaining public trust in government programs that impose burdens, as anything less may inadvertently foster corruption:

For the public to believe in government programs that puts the burden and inconvenience on them, we must proceed only with solidly-written policy and the highest level of transparency. To not do so is an act that seemingly tolerates, if not willingly facilitates corruption.

These issues make it unacceptable for the public to accept a new system which shifted a considerable economic burden when it imposed a testing fee that is more than triple its previous cost, in addition to other mandatory payments.¹⁷

A more comprehensive and effective discussion with the stakeholders is crucial to prevent the characterization of the proposed D.O. as "half-baked."¹⁸ Clear and concrete policies help prevent misunderstandings, confusion, and potential misuse of power.

*The Core Provisions: Analyzing
Sections 3 and 4 of the Proposed
D.O.*

¹⁷ *Id.*, p. 20.

¹⁸ *Committee Report No. 184*, p. 20.

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The heart of the proposed D.O. lies in Sections 3 and 4 thereof, which outline the key provisions and objectives of the measure.

Section 3 of the proposed D.O. reads:

SECTION 3: MANDATORY VEHICLE INSPECTION TESTS

In order to ensure safe and roadworthy vehicles, all motor vehicles are mandated to undergo the following inspection tests, either thru their respective LTO offices and or PMVICs, for purposes of motor vehicle registration and renewal:

3.3. LIGHT VEHICLES/PUVs/HEAVY VEHICLES:

- (i) Above carriage inspection of lighting system and reflectors, wiper, and horn;
- (ii) Undercarriage inspection;
- (iii) Seatbelt devices, in accordance with RA No. 8750 and its implementing rules and regulations;
- (iv) Roller Brake Test to measure braking forces of left and right wheels for mechanism;
- (v) Headlight Test to measure luminous intensity and photometric axis or optical axis deviation of the vehicle's headlights; and
- (vi) Sonometer Test to measure sound level of the vehicle.

3.4. MOTORCYCLES:

- (i) Above carriage inspection of lighting system and reflectors, and horn;
- (ii) Roller Brake Test to measure braking forces of front and rear axle of the motorcycle;
- (iii) Headlight Test to measure luminous intensity and photometric axis of the motorcycle's headlight; and
- (iv) Sonometer Test to measure sound level of the motorcycle.

The "above carriage inspection" in Sections 3.3 and 3.4 focuses primarily on the vehicle's exterior features — "lighting system," "reflectors," windshield "wipers," and "horns." While these are important aspects of vehicle safety, the inspection seems limited in scope as it does not cover critical components such as engine performance, suspension systems, or tire condition, which significantly impact roadworthiness. In contrast, Sections

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20.2.1.E, 20.2.2.E, and 20.2.3.D of D.O. No. 2023-008¹⁹ provide a more comprehensive inspection, covering a wider range of vehicle components crucial for determining roadworthiness. To be sure, limiting the scope of the “above carriage inspection” to the vehicle’s exterior features does not deviate from the current visual inspection process in place.

The “undercarriage inspection” component in Section 3.3 also lacks clarity regarding the specific elements that will be assessed. While it is essential to inspect components underneath the vehicle for issues such as rust, leaks, or damage to essential systems, the lack of explicit details about the undercarriage inspection raises questions about the comprehensiveness and effectiveness of this aspect of the inspection process. Notably, the proposed D.O. does not reference Sections 20.2.1.F and 20.2.2.F of D.O. No. 2023-008, which provide a detailed list of the undercarriage items for inspection. This absence of clear specifications is deemed a potential gap in the proposed D.O.

On the other hand, Section 4 of the proposed D.O. provides:

SECTION 4: SCOPE OF OPERATIONS FOR PETC AND PMVIC

Without prejudice to Sections 20.1.2 and 20.1.3 of D.O. No. 2023-008, to supplement limited inspection capabilities in LTO Offices across pilot sites, PETC and PMVIC operations shall further be defined as follows:

- 4.1 PETCs shall conduct emission testing services exclusively for Heavy Vehicles or those with gross vehicle weight (GVW) of 5,000 kilograms and above, within their respective Geographical Area of Responsibility (GAOR);
- 4.2. PMVICs shall conduct emission and the above-mandated inspection tests exclusively for (i) motorcycles and (ii) light vehicles or motor vehicles with gross vehicle weight (GVW) not exceeding 5,000 kilograms, within their respective GAOR, subject to confirmation by LTO thru the LTMS system;
- 4.3. Public Utility Vehicles (PUVs) will be given an option to submit their motor vehicles for emission and/or inspection with either PETCs or PMVICs to familiarize drivers and operators in the transition into modernized vehicle inspection. PUVs shall however be mandated to undergo the above-listed inspection tests to

¹⁹ New Rules and Regulations on the Authorization and Monitoring of PETC, PETC IT Service Providers, MVECT, MVIT, and PMVIC, and Rules of Procedure Governing Appealed Cases Before the DOTr Secretary from the Decisions or Resolutions of the Authorization Committee.

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ensure roadworthiness of vehicles and utmost safety of its passengers;

- 4.4. Emission testing of heavy vehicles and PUVs by PETCs shall be supplemented by LTO's conduct of mandatory vehicle inspection, which includes comprehensive above carriage and undercarriage inspection, and roller brake test, headlight test and sonometer test.

There is an apparent discrepancy between Sections 4.1 and 4.2 regarding the classification of vehicles weighing exactly 5,000 kilograms. Section 4.1 assigns PETCs to conduct emission testing exclusively for heavy vehicles with a GVW of 5,000 kilograms and above, while Section 4.2 designates PMVICs to conduct emission and mandated inspection tests for motorcycles and light vehicles with a GVW not exceeding 5,000 kilograms. The phrase "not exceeding 5,000 kilograms" includes vehicles with a weight of exactly 5,000 kilograms, leading to an overlap in responsibilities between PETCs and PMVICs for vehicles of this weight.

Section 4.3 also appears contradictory. Initially, it states that Public Utility Vehicles (PUVs) have the option to undergo either emission testing only or comprehensive inspection, suggesting flexibility in the testing process. However, it then mandates that PUVs must undergo all listed inspection tests to ensure roadworthiness and safety, implying mandatory comprehensive inspections regardless of the testing facility chosen. Clarification is needed to specify that all PUVs must meet inspection standards regardless of whether they choose PETCs or PMVICs, to resolve this contradiction.

Section 4.4 likewise requires clarification. It implies that PUVs must undergo mandatory inspection by the LTO regardless of whether they choose inspection at a PMVIC, as stated in Section 4.3. To avoid confusion and ensure consistency, Section 4.4 should explicitly state whether PUVs are exempt from LTO inspection after undergoing inspection at PMVICs. This clarification is essential to align Section 4.4 with Section 4.3 and to ensure that PUV operators and drivers clearly understand their obligations under the modernized vehicle inspection system.

Accordingly, to ensure clarity and effective implementation of inspection protocols, Section 4 should be revised to delineate the specific scope of operations for PETCs and PMVICs based on the type of vehicle:

4.1 Heavy Vehicles (Gross Vehicle Weight (GVW) of 5,000 kilograms and above). — PETCs shall exclusively conduct emission testing for heavy vehicles within their respective Geographical Area of Responsibility (GAOR). This emission testing will be supplemented by the LTO's mandatory vehicle inspection, which includes a comprehensive above-carriage and undercarriage inspection, roller brake test, headlight test, and sonometer test.

4.2 Motorcycles and Light Vehicles (GVW of less than 5,000 kilograms). — PMVICs shall exclusively conduct both emission testing and mandated inspection tests for motorcycles and light vehicles within their respective GAOR, subject to confirmation by the LTO through the LTMS system.

4.3 Public Utility Vehicles (PUVs). — For familiarization with the transition into modernized vehicle inspection, PUV operators can choose between: (a) emission testing only with PETCs, supplemented by roadworthiness inspection conducted by the LTO; or (b) full roadworthiness inspection with PMVICs, covering all necessary tests for vehicle safety and compliance.

While the intention to streamline inspection processes by consolidating emission testing and roadworthiness inspection responsibilities at PMVICs may seem practical, the following are potential drawbacks and challenges that need to be carefully considered to ensure the effectiveness, efficiency, and integrity of the vehicle inspection system:

First, Section 4 of the D.O. creates a disparity in the types of vehicles that PETCs and PMVICs are authorized to inspect. Limiting PETCs to emission testing for heavy vehicles only and PMVICs to emission and other mandated inspections for motorcycles and light vehicles may result in inconsistencies in the quality and comprehensiveness of inspections for different vehicle types. This could raise concerns about the equal treatment of vehicle owners and the effectiveness of the inspection process in ensuring overall road safety.

Second, objectors will question how the distinction between PETCs and PMVICs was determined and how it aligns with the broader goals of modernizing vehicle inspection. Without a clear rationale for why certain types of inspections are assigned to specific facilities, there may be concerns regarding the system's effectiveness and fairness.

Third, PMVICs may not be evenly distributed across the pilot regions, leading to accessibility issues for motorcycle and light vehicle owners, especially those living in rural or remote areas. Requiring owners to visit PMVICs for inspections could result in long-distance travel and associated costs, which disproportionately affect individuals in underserved communities. Surely, this raises concerns about equity and

fairness in the enforcement of vehicle inspection regulations, as certain demographic groups may face greater barriers to compliance. The stakeholders may bring up the possibility of broadening the scope of the D.O.'s implementation.

Fourth, tasking PMVICs with conducting both emission testing and mandated inspection tests for motorcycles and light vehicles could lead to increased workload and longer wait times for vehicle owners. This could potentially reduce the efficiency of the inspection process and result in delays for both vehicle owners and testing center operations.

Fifth, with PMVICs holding a monopoly on emission testing and inspection services for motorcycles and light vehicles, there is a risk of exploitation. These centers could leverage their dominant position to charge exorbitant fees or provide substandard services without fear of losing customers to competitors. Additionally, motorcycle and light vehicle owners might feel compelled to bribe PMVIC personnel for preferential treatment in the queue. This lack of competition undermines market efficiency and consumer welfare.

Sixth, combining emission testing with other mandated inspection tests may create potential conflicts of interest for PMVICs, especially if they are financially incentivized to perform additional tests. This could raise concerns about impartiality and objectivity in the inspection process, and, thus, could erode public trust in the integrity of the testing centers.

Seventh, the option for PUVs to choose between PETCs and PMVICs for inspection raises questions about standardization and consistency in the inspection process. Allowing PUVs to opt for different inspection facilities could lead to variability in the quality of inspections and undermine efforts to establish uniform standards for vehicle safety.

Eighth, said option given to PUV drivers and operators to submit their motor vehicles for inspection with either PETCs or PMVICs is provided to allow said drivers and operators to familiarize themselves with the transition into modernized vehicle inspection. However, it is not

adequately explained why this option is given only to PUVs and not to all other motor vehicles. The D.O. does not provide any substantial distinction between PUVs and private motor vehicles to justify the grant of preferential treatment to the former.

Indeed, while Section 4 of the proposed D.O. attempts to define the scope of operations for PETCs and PMVICs, it may introduce complexities and inconsistencies that need to be addressed to ensure the effectiveness and fairness of the vehicle inspection process.

Furthermore, considering that Section 4 of the proposed D.O. references Sections 20.1.2 and 20.1.3 of *D.O. No. 2023-008*, it may be well to clarify said Section 20.1.2, which states:

20.1.2. For renewal of registration of **Light Vehicles and Motorcycles**, the rules in relation to a PMVIC's respective GAOR are as follows:

- a) In areas where LTO District or Extension Offices are within the GAOR of a PMVIC, inspection of motor vehicles shall be conducted by the respective PMVIC. LTO District or Extension Offices shall accept MVISRs from PMVICs within their GAOR to process renewal of registration for Light Vehicles and Motorcycles.
- b) In areas where LTO District or Extension Offices are outside the GAOR of any PMVIC, inspection of motor vehicles may be conducted by PETCs in the same GAOR or by the nearest PMVIC. LTO District or Extension Offices may accept such PMVIC or PETC results.

Section 20.1.2 refers to the acceptance of "MVISRs from PMVICs" by LTO District or Extension Offices, but it does not specify whether similar reports from PETCs are accepted. Clarifying this aspect would ensure consistency in the treatment of inspection reports from both types of testing centers.

A comment on Section 5 of the proposed D.O.

Section 5 of the proposed D.O. provides:

**SECTION 5: RECOGNITION OF MOTOR VEHICLE
INSPECTION SYSTEM REPORTS (MVISRs)**

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To further strengthen *Section 20.1* of *D.O. No. 2023-008*, LTO Regional, District and Extension Offices shall accept and recognize Motor Vehicle Inspection System Report (MVISR) issued by authorized PMVICs for purposes of motor vehicle registration and renewal.

However, notwithstanding pass remarks on the MVISR on any of the afore-mentioned tests, LTO may still conduct their own inspection of the subject motor vehicle before its registration and renewal, when warranted.

The above provision does not indicate the instances when the LTO's conduct of their own inspection may be deemed as "warranted". It is unclear whether all motor vehicles, which already passed PMVIC inspection, shall be inspected by the LTO or whether such LTO inspection will be done on a random basis. To erase any badge of arbitrariness, it is recommended that the D.O. specify clear guidelines for when such LTO inspection is warranted. Said guidelines must state the specific circumstances which will trigger an LTO inspection, *e.g.*, whether the same is *motu proprio* on the part of the LTO or upon complaint by any interested party; or when the MVISR was issued under suspicious circumstances, etc.

Consultation with the DTI and DENR

As a final note, it must be pointed out that Section 21 (c) of R.A. No. 8749 expressly provides that the DOTr, together with the Department of Trade and Industry (DTI) and the Department of Environment and Natural Resources (DENR), shall establish the procedures for the inspection of motor vehicles and the testing of their emissions for the purpose of determining the concentration and/or rate of emission of pollutants discharged by said sources.

The proposed D.O. does not appear to indicate that it was arrived at in consultation with the DTI and DENR. Thus, the OSG respectfully recommends that the DOTr and LTO coordinate with these agencies.

In conclusion, the OSG suggests that the DOTr actively engage with the stakeholders and relevant agencies to navigate the complexities of the proposed D.O. with clarity and foresight. This process not only enhances the relevance and effectiveness of the policy but also bolsters its legitimacy.

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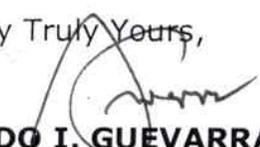
Furthermore, the DOTr must take steps to allay concerns and anxieties harbored by the public about the privatized MVIS. The DOTr must provide clear information about the purpose, process, and benefits of the privatized MVIS, as well as address any misconceptions or misinformation that may exist. It is essential for the DOTr to foster public trust, which is crucial for the successful implementation of the proposed D.O. When there is fear and mistrust surrounding the privatized MVIS, people will be dissuaded from utilizing the services of the PMVICs, even if motor vehicle inspection is mandatory. Ultimately, the goal is to ensure that people feel confident and comfortable utilizing the services of PMVICs.

Based on the foregoing discussion, we hope to have sufficiently provided guidance on the matter. Thank you very much.



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Very Truly Yours,


MENARDO I. GUEVARRA
Solicitor General

