



Republic of the Philippines
DEPARTMENT OF TRANSPORTATION & COMMUNICATIONS

OFFICE OF THE NATIONAL
 ADMINISTRATIVE REGISTER
 COMPTROLLER

ADMINISTRATIVE BULLETIN

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DEPARTMENT ORDER NO. 2004-01
 24 November 2003

SUBJECT: RULES AND REGULATIONS CONCERNING THE ISSUANCE OF DOTC/LTO AUTHORIZATION OF MOTOR VEHICLE PRIVATE EMISSION TESTING CENTERS (PETCs)

WHEREAS, pursuant to Section 21 (B) of Republic Act No. 8749, DOTC/LTO is mandated to implement the emission standards for motor vehicles as provided in the Act, authorize private emission testing centers duly accredited by DTI and formulate, together with DTI, a national motor vehicle inspection and maintenance program that will promote efficient and safe operation of all motor vehicles;

WHEREAS, pursuant to Republic Act No. 4136 and Administrative Order No. 91-005, the DOTC/LTO is mandated for the roadworthiness of motor vehicle prior to registration;

NOW THEREFORE, and in pursuance thereto, the following rules and regulations governing the issuance of authorization of PETCs is hereby prescribed and promulgated for the compliance, information and guidance of all concerned.

1.0 SCOPE

- 1.1 This Department Order (DO) promulgates the rules and regulations for the implementation of the DTI-DOTC Joint Administrative Order No. 1 Series of 2001, Guidelines for Accreditation and Authorization of Motor Vehicle Private Emission Testing Centers (PETCs) as mandated in the Republic Act No. 8749, otherwise known as the "The Philippine Clean Air Act of 1999".
- 1.2 The rules and regulations describe the objectives, structure, guidelines and procedures designed to ensure the efficient implementation of the DOTC/LTO nationwide Authorization Program for PETCs.

2.0 DEFINITION OF TERMS

The following definitions shall apply to acronyms, words and phrases that are used in this DO:

- 2.1 DTI - Department of Trade and Industry

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 (NOT VALID WHEREAS OF ALTERATION)

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- 2.2 BTRCP – Bureau of Trade Regulation and Consumers Protection
- 2.3 DTI RO/PO – Refers to DTI Regional Office or Provincial Office
- 2.4 TESDA – Technical Education and Skills Development Authority
- 2.5 DOTC – Department of Transportation and Communications
- 2.6 Accreditation – A formal recognition by DTI of a motor vehicle private emission testing center as competent to carry out the task on motor vehicle emission testing.
- 2.7 Authorization – A formal recognition by DOTC/LTO of a motor vehicle emission testing center as competent to carry out emission testing activities.
- 2.8 Applicant – A person, natural or juridical, seeking accreditation to engage in emission testing business.'
- 2.9 Approved Signatory – Any officer nominated/designated by the applicant/grantee competent to evaluate test results critically and occupying a position involving responsibility for adequacy of test results, eligible for approval as signatory of endorsed test documents.
- 2.10 Authorized Representative – A person duly authorized by the applicant/grantee to represent the PETC in matters relating to the accreditation. He is the official contact person of the PETC.
- 2.11 Assessment – A process of determining whether an organization, individual, process or service meets the requirements of standards or guides.
- 2.12 Secretariat – one or two person designated by DOTC/LTO who evaluates the applicant's conformance to the requirements for authorization.
- 2.13 Private Emission Testing Center (PETC) – A private facility engaged in testing the level of opacity and/or the analysis of the gaseous emission of a motor vehicle.
- 2.14 Private Emission Testing Center Monitoring Committee – A body designated by the Secretary of the Department of Transportation and Communications that shall formulate and review policies pertaining to authorization of motor vehicle emission testing centers.
- 2.15 Grantee – A PETC formally recognized under established procedures for its competence to carry out motor vehicle emission testing.
- 2.16 PNS ISO-IEC 17025 – The International Standard promulgated by the Bureau of Product Standards (BPS) as Philippine National Standard (PNS), containing the general requirements for the competence of testing and calibration laboratories.

3.0 DOTC/LTO AUTHORIZATION PROGRAM

- 3.1 The DTI-DOTC Joint Administrative Order (JAO) No. 01 series of 2001, Guidelines for Accreditation and Authorization of Motor Vehicle Emission Testing Centers was issued by DTI and DOTC to harmonize the accreditation and authorization of motor vehicle private emission testing centers (PETCs).
- 3.2 The DOTC/LTO Authorization Program shall be implemented nationwide.

- 3.3 For guidance, applicants shall be provided with the Checklist of Requirements (See Annex A, PETC Form 01)
- 3.4 All applicants shall however, comply with the requirements as provided in JAO No. 01, Series of 2001. Application for authorization, together with the documentary requirements shall be submitted by the applicant to DOTC/LTO.
- 3.5 Evaluation/Inspection of PETCs shall be based on the requirements specified in the JAO No. 01, Series of 2001.
- 3.6 A Certificate of Authorization shall be issued to a PETC that meets all the requirements of DOTC/LTO Authorization Program.

4.0 MANAGEMENT OF THE DOTC/LTO AUTHORIZATION PROGRAM

- 4.1 The LTO shall be the lead agency in the management of the DOTC/LTO Authorization Program for PETCs.
- 4.2 The LTO Assistant Secretary shall be responsible for the Authorization Program for PETC. He shall constitute an Authorization Committee that will make the final review and evaluation of all PETC applications for authorization.
- 4.3 All Regional directors shall be responsible for the evaluation/inspection and make recommendation on the PETC applications in the area of their jurisdiction.

5.0 DUTIES AND RESPONSIBILITIES

5.1 LTO-C.O.

The LTO shall have the following functions:

- 5.1.1 Formulate and prescribe policy guidelines for the transparent, efficient and effective implementation of the authorization program for PETC.
- 5.1.2 Issue Certificate of authorization to applicants who comply with the requirements for authorization.
- 5.1.3 Exercise visitorial powers over the applicants and authorized PETCs;
- 5.1.4 Maintain a Registry of Authorized Motor Vehicle Private Emission Testing Centers and of authorized technicians for each center.
- 5.1.5 Enter into agreement with other government agencies and private sector in the implementation of the authorization program;
- 5.1.6 Represent DOTC/LTO in various interagency activities like consultative meetings, seminars/workshops geared towards the improvement of the authorized program;
- 5.1.7 Coordinate closely with DTI on the accreditation and DENR for the implementation of RA 8749.

5.2 DOTC/LTO REGIONAL OFFICE (RO)

- 5.2.1 Evaluate and process application for authorization of applicants operating in their area of jurisdiction.
- 5.2.2 Recommend/Endorse PETC application for the approval/disapproval of the authorization after due inspection and evaluation, to the Assistant Secretary;
- 5.2.3 Exercise visitorial power over the facilities of applicants and authorized PETC for purposes of determining compliance with the conditions of authorization and to ensure the quality and effectiveness of the tests conducted;
- 5.2.4 Ensure adequate and appropriate staff resources who shall implement the authorization program.
- 5.2.5 Represent DOTC/LTO and participates in meetings, conferences and other events related to the PETC authorization

5.3 AUTHORIZATION COMMITTEE

- 5.3.1 The LTO Assistant Secretary shall constitute an Authorization Committee, who shall be responsible for the review and final evaluation of all application for PETCs submitted by the Regional Offices. It shall be composed of the following:

Chairman	:	Executive Director
Members	:	Chief, Operations Division Chief, MID DOTC
Secretariat	:	Operations Division

- 5.3.2 The Authorization Committee shall report directly to the Assistant Secretary and shall have the following functions:

- a. Reviews and evaluates PETC applications for authorization in accordance with the authorization requirements
- b. Accepts and reviews reports on complaints and takes action on the recommendations of such reports.
- c. Ensures that the procedures for authorization are followed.

- 5.3.3 The Regional Directors shall likewise constitute a Regional Authorization Committee (RAC) to be composed of the following:

Chairman:	Regional Director, LTO
Members:	DTI-RO LTO-District Office (where the PETC is located)
Secretariat:	Operations Division, LTO-RO

5.3.4 The RAC shall be responsible for the initial evaluation of all application for PETCs submitted within their jurisdiction and schedule actual inspection of the center.

5.4 ADVISORY BODY

5.4.1 The Authorization Program for PETC shall have an Advisory Body composed of DOTC, LTO, DTI, DENR, TESDA and the Private Sector.

5.5 INSPECTION TEAM

5.5.1 The Assistant Secretary, upon the recommendation of the Regional Director shall constitute a Regional Inspection Team composed of qualified technical staff from the DOTC, LTO-CO, LTO-RO, DTI-RO and TESDA-RO.

5.6 MANAGEMENT REPORTING

Regional Directors shall submit to the Secretary through the Assistant Secretary a monthly report containing the following:

- 5.7.1 Summary of new applications received for the month;
- 5.7.2 Summary of inspection undertaken every month;
- 5.7.3 Summary of authorization recommended, denied and reasons for such;
- 5.7.4 Summary of significant forthcoming events or activities; and
- 5.7.5 Other matters of relevance.

6.0 AUTHORIZATION PROGRAM DOCUMENTARY REQUIREMENTS

Application requirements shall be those specified in Article III of JAO No. 01 Series of 2001, as follows:

6.1 Every branch office of a PETC shall apply for a separate authorization. It shall be subject to the same requirements and processing procedure for authorization and charged with the same fees as that of the main facility of the PETC.

6.2 All mobile PETC applicants shall be required to indicate in their application the intended "missionary area", which shall be their specific coverage area of operation. This shall be the basis of the evaluation and the scope of authorization of said PETC. It shall be required to comply with the same requirements, processing procedure and charged with the same fees as that of its main office stipulated under Section 37 of article XII of the DTI-DOTC Joint Administrative Order 01, series of 2001 and

Section 6 of the DTI Department Administrative Order No. 03, series of 2002. The specific "missionary area" shall be indicated in the Certificate of Authorization.

6.2 Qualifications of an Applicant

- 6.2.1 Any natural person who is at least 18 years of age or any juridical person who is not disqualified by any existing law or regulation to engage in vehicle emission testing activity is qualified to apply for authorization provided, that the following requirements are complied with.
- 6.2.2 A center duly accredited by DTI as a motor vehicle emission testing center may apply for DOTC authorization provided it meets the requirements of the DOTC authorization requirements and that no DOTC/LTO personnel, his/her spouse, or his relative by consanguinity or affinity within the third civil degree shall have ownership of or financial interest therein.

6.3 Documentary Requirements (see Annex A: PETC Form 01)

- 6.3.1 A duly accomplished application form, under oath.
- 6.3.2 A certified true copy of the following:
 - a. For sole proprietorship, Certificate of Business Name Registration (DTI)
 - b. For corporation/partnership, Securities and Exchange Commission Certificate of Registration and Articles of Incorporation/Partnership and Board Resolution, issued by the Board Secretary, specifying the name of authorized representative who must be an officer of the corporation/partnership
 - c. For cooperative, Cooperative Development Authority Certificate of Registration and Articles of Cooperation and Board Resolution, issued by the Board Secretary, specifying the name of authorized representative who must be an officer of the cooperative
- 6.3.3 A Certified true copy of DTI Accreditation Certificate
- 6.3.4 Mayor's Permit
- 6.3.5 BIR Registration and TIN
- 6.3.6 SSS Membership Certificate
- 6.3.7 Audited Financial Statement for the last two (2) years or a Pre-operating Financial Statement whichever is applicable, showing that the owner-applicant shall be in such financial condition as to reasonably expect it to operate for at least one (1) year.
- 6.3.8 Location map of the center and layout of the center, including dimensions, proximity/location to the nearest LTO District Office.

- 6.3.9 Organizational structure showing the relationship between the center and other operations of the firm, when applicable, and the structure of the center showing its personnel and its functions.
- 6.3.10 List of personnel involved with the operation of the center including their job descriptions, responsibilities and qualifications, including the Certificate of Competency as Motor Vehicle Emission Control Technician (MVECT) issued by TESDA.
- 6.3.11 List of all equipment, including manuals, reference materials required for the calibrations and tests, manual of the test procedures and personnel.
- 6.3.12 Certificate Of Conformity from DENR that the testing equipment is in compliance to R.A. 8749
- 6.3.13 IT Provider Contract Agreement
- 6.3.14 Picture of Establishment
- 6.3.15 Handling Procedure on Complaints
- 6.3.16 Accreditation Certificate for ISO 17025 (For renewal only)

7.0 GENERAL REQUIREMENTS FOR PETCs

7.1 PERSONNEL

- 7.1.1 A technician shall be certified as a Vehicle Emission Control Technician (MVECT) by TESDA.
- 7.1.2 Personnel performing specific tasks shall be qualified on the basis of appropriate education, training, experience and/or demonstrated skill, as required.
- 7.1.3 The testing center shall maintain current job descriptions for managerial, technical and key support personnel involved in the testing.
- 7.1.4 The PETC management shall authorize specific personnel to perform particular sampling, tests, to issue test reports, to give opinions and interpretations and to operate the emission testing equipment.

7.2 ACCOMMODATION AND ENVIRONMENTAL CONDITIONS

- 7.2.1 The work area shall be within a permanent site and shall have a maneuvering area/site of at least 6 m wide x 6 m long and minimum height of 4.5 m per proposed number of vehicle to be inspected at any given time where the driver can park for off-highway emission testing. The center must be capable to inspect all types of motor vehicles.
- 7.2.2 The facility for testing and/or calibration, including but not limited to energy sources, lighting and environmental conditions shall be such as to facilitate correct performance of the tests and/or calibrations.
- 7.2.3 The area in which the test will be undertaken shall not invalidate the results or adversely affect the required accuracy of measurement.

7.2.4 Measures shall be undertaken to ensure good housekeeping in the facility. Special procedures shall be prepared where necessary.

7.3 TEST PARAMETERS TO BE MEASURED

The following test parameters to be measured are as follows:

7.3.1 For gasoline vehicles : hydrocarbon (HC) and carbon monoxide (CO), NO_x and other pollutants as may be specified by law

7.3.2 For diesel vehicles : opacity and/or particulate matters

7.4 EQUIPMENT

7.4.1 The center shall have the minimum test equipment required in the test procedures, as follows:

- a. For testing of gasoline-fuelled vehicles : gas analyzer
- b. For testing of diesel-fuelled vehicles : opacimeter

7.4.2 The equipment shall be certified by the Department of Environment and Natural Resources (DENR)

7.4.3 All emission testing equipment shall conform to the specifications of the appropriate Philippine National Standards (PNS). The equipment shall be properly calibrated and have reference/operating manuals.

7.4.4 The equipment and its software used for testing and sampling shall be capable of achieving the accuracy required and shall comply with specifications relevant to the tests.

7.4.5 Authorized personnel shall operate the equipment. Up-to-date instructions on the use and maintenance of equipment (including any relevant manuals provided by the manufacturer of the equipment) shall be readily available for use by the appropriate personnel.

7.5 IT REQUIREMENT

7.5.1 All PETC IT Providers shall be required to upload emission test results, online and real-time, to a common database server housed at the LTO MID, the services and maintenance of which shall be the responsibility of the PETC IT Providers. This innovation shall entail no cost to LTO.

7.5.2 Interfacing of equipment and the PETC computer shall be strictly enforced. There will be no human intervention in capturing test results. Likewise, the client program will not have an edit capability to alter/edit test results.

7.5.3 The PETC system shall not have direct access to the LTO database. This is to protect the integrity of the LTO database.

- 7.5.4 An interface service shall enable integration of PETC and LTO IT Systems.
- 7.5.5 Audit trails and monitoring reports shall be made available to DOTC and LTO.
- 7.5.6 Details including standards as specified under DOTC MC 2003-1 shall be adhered to strictly.

7.6 HANDLING OF COMPLAINTS

The PETC shall have a policy and procedure for the resolution of complaints received from clients or other parties. Records shall be maintained of all complaints and of the investigations and corrective actions undertaken by the center.

8.0 FEES AND CHARGES

- 8.1 Fees and charges for authorization shall depend on the PETC's size in terms of its assets and the number of hours and assessors for each assessment as indicated in DTI-DOTC JAO 01 Series of 2001.

Application Fee (non-transferable and non-refundable, payable upon filing of application)	₱300.00
Legal Research Fund (LRF)	10.00
<u>Authorization Fee</u>	
Small	₱3,000.00
Medium	₱4,000.00
Large	₱5,000.00
Legal Research Fund	10.00
<u>Renewal Authorization Fee</u>	
Small	₱1,000.00
Medium	₱2,000.00
Large	₱3,000.00
Plus LRF	₱ 10.00
<u>Other Fees</u>	
Certified copy of certificate of authorization	₱ 500.00
Any other certifications	₱ 100.00
Legal Research Fund	₱ 10.00

- 8.2 Collection of fees and charges for authorization shall be the responsibility of the Regional Office concerned.

9.0 AUTHORIZATION PROCESS

9.1 FILING OF APPLICATION

- 9.1.1 Application shall be filed with the Office of the Assistant Secretary, LTO-C.O.
- 9.1.2 A motor vehicle emission testing center seeking and maintaining authorization is required to satisfy the requirements of the DOTC/LTO Authorization Program.

9.2 CHECKING AND RECORDING OF DOCUMENTARY REQUIREMENTS

- 9.2.1 Upon receipt of the documents by the Regional Authorization Committee Secretariat (RAC), they shall check the documents submitted based on the Checklist of Requirements (PETC Form 01).
- 9.2.1 After all the required documents are submitted, the RAC Secretariat shall indicate receipt thereof in space provided in PETC Form 01. Only those applications with complete documents shall be processed
- 9.2.2 The RAC shall assign a specific number for each applicant. This shall be used as a reference relating to his application.
- 9.2.3 The Secretariat shall record in the logbook the following:
 - a. Name of applicant
 - b. Service area and the number of lanes applied for
 - c. Date of filing
 - d. Name and signature of the person who submitted the application
 - e. Signature of the DOT/LTO personnel who received the application
 - f. O.R. No. of payment of application fee

9.3 INSPECTION PROCESS

- 9.3.1 Only those applications with complete documents shall be scheduled for inspection
- 9.3.2 The basic objective of the ocular inspection is to confirm that the requirements of the authorization guidelines are followed to ensure that the PETC can competently perform the required motor vehicle emission testing.

9.4 REVIEW AND EVALUATION PROCESS

- 9.4.1 All applications/ documents shall be evaluated by the Regional Authorization Committee. They shall evaluate the completeness of application based on the checklist of authorization

requirements, financial capability to establish the PETC; nature and/or purpose of the business based on SEC or DTI records; and authenticity of documents submitted.

- 9.4.2 Applicants that are ready for an on-site inspection shall be informed officially of the schedule of the on-site inspection. Those not considered shall be notified accordingly.

9.5 CORRECTIVE ACTIONS

- 9.5.1 The applicant PETC shall be informed of the deficiency or non-conformity if any, with the requirements based on the evaluation done. The PETC shall be given a maximum period of thirty (30) days to make corrective actions on the deficiencies found therein.

- 9.5.2 Within the 30-day period, the applicant shall submit and implement its corrective actions. Otherwise, the application shall be deemed abandoned and the corresponding fee shall be forfeited in favor of the government.

9.6 APPROVAL/DISAPPROVAL OF APPLICATION

- 9.6.1 Upon receipt of the evaluation result from the Inspection Team, the Regional Authorization Committee shall recommend on the approval/disapproval of the authorization to the Assistant Secretary.

- 9.6.2 In case of disapproval of authorization, the Assistant Secretary/Regional Director shall notify the applicant in writing stating the grounds for the disapproval.

9.7 ISSUANCE OF DOTC/LTO CERTIFICATE OF AUTHORIZATION

- 9.7.1 LTO Assistant Secretary shall sign the Certificate of Authorization.

- 9.7.2 The Certificate of Authorization shall include the following information:

- a. The name and address of the center
- b. The scope of authorization
- c. The effectivity of authorization
- d. The authorization number
- e. Service area and the number of authorized lanes

- 9.7.3 The Certificate of Authorization shall be valid for one (1) year unless the certificate of authorization is sooner cancelled or withdrawn. After one (1) year, a re-evaluation shall be conducted if the PETC decides to continue its authorization.

- 9.7.4 Authorized PETC that intends to renew its authorization shall file application for renewal three (3) months before the validity expires.
- 9.7.5 In the Case the Certificate is lost or destroyed, the authorized PETC may request for a certified true copy based on the records and upon payment of the prescribed fee.
- 9.7.6 PETCs duly accredited by DTI shall accordingly be authorized by DOTC/LTO provided it complies with the Authorization requirement under Article 24 Section 21 of R.A. 8749.

9.8. APPEAL

- 9.8.1 An applicant aggrieved by the final decision of the LTO-Assistant Secretary/Regional Director may, within fifteen (15) days from receipt of such decision, file an appeal with the Office of the DOTC Secretary. The decision of the Secretary shall be final and executory.
- 9.8.2 The grounds for appeal shall be limited to grave abuse of discretion and serious errors in the finding of fact, which may cause grave or irreparable injury to the aggrieved applicant.

9.9 MONITORING INSPECTION OF AUTHORIZED PETC

- 9.9.1 An authorized PETC shall continuously comply with the authorization requirements.

The Authorized Representative is required to notify the LTO at least five days before effecting change of:

- name of the PETC
- authorized technician and/or personnel, and
- changes on location and equipment

- 9.9.2 DOTC/LTO shall undertake regular monitoring and inspection activity of all authorized PETCs to check the consistent conformance to the authorization requirements

9.10 WITHDRAWAL/CANCELLATION OF AUTHORIZATION

- 9.10.1 Authorization shall be withdrawn if the PETC
- a. fails to achieve full compliance;
 - b. declines to take appropriate corrective action on the conditions for authorization within a reasonable period of time;
 - c. does not intend to renew its authorization at the end of the authorization period;

- d. voluntarily declares non-interest in authorization within the authorization period; and
- e. upon final decision of the LTO revoking/canceling PETC's authorization on any of the grounds enumerated under Art. XV of the DTI-DOTC JAO No. 01, Series of 2001.

10.0 PENALTIES

10.1 After due notice, DOTC/LTO shall impose, when warranted, any of the following applicable administrative penalties:

- a. A fine of not less than Thirty Thousand Pesos (₱30,000.00) or
- b. Cancellation of license of both the technician and the center, or
- c. Both, as may be determined by DOTC/LTO

A pending administrative case shall not bar the filing of appropriate civil and/or criminal case against the grantee.

11.0 REPEALING CLAUSE

11.1 Any related orders or parts thereof which are inconsistent with provisions of this Department Administrative Order are hereby repealed or amended accordingly.

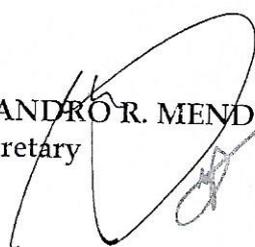
12.0 EFFECTIVITY

12.1 This Order shall take effect fifteen (15) days after its publication in the Official Gazette and in two (2) newspapers of general circulation in the Philippines.

Recommending Approval:


ANNELI R. LONTOC
Assistant Secretary

Approved:


LEANDRO R. MENDOZA
Secretary

