



REPUBLIC OF THE PHILIPPINES  
MINISTRY OF TRANSPORTATION & COMMUNICATIONS  
**LAND TRANSPORTATION COMMISSION**  
East Avenue, Quezon City



16 September 1986

ADMINISTRATIVE ORDER NO. 87-001

**SUBJECT : IMPLEMENTING RULES AND REGULATIONS IN THE ACCREDITATION OF MV REPAIR SHOPS AS ALTERNATE INSPECTION STATIONS**

Pursuant to the provisions of Sections 4d(1) and 14 of the Republic Act No. 4136, otherwise known as the Land Transportation and Traffic Code, as amended, the following guidelines and procedures are hereby promulgated as reference for your information, guidance and compliance:

**SECTION 1. DEFINITION OF TERMS** - As used in these regulations, the following terms shall be understood to mean as follows:

- COMMISSION** - refers to the Land Transportation Commission.
- ACCREDITED MOTOR VEHICLE REPAIR SHOP** - refers to any of the shops defined in Section 8 of this Order and has met the requirements for accreditation set forth in Sections 8, 10 and 11, and hereinafter referred to as "shop."
- BOARD** - refers to the National Accreditation Board for Service and Repair Enterprises for Motor Vehicles, Heavy Equipment, Engines and Engineering Works of the Ministry of Trade and Industry.
- BRAKE TESTER** - is a piece of equipment which can measure the braking forces of the front and rear wheels of the motor vehicle.
- SIDE SLIP TESTER** - is a piece of equipment which can measure the amount of side slip/toe-in or toe-out or the lateral movement of the front wheels of motor vehicles.
- CARBON MONOXIDE AND HYDROCARBON EMISSION MEASURING INSTRUMENT (CO-HC tester)** - is a piece of equipment which can measure concentrations of noxious or harmful emissions of gasoline-fed motor vehicles.

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DIESEL SMOKE MEASURING INSTRUMENT (DS tester) - is a piece of equipment which can measure the pollution degree caused by exhaust smoke of diesel-fed motor vehicles.

SECTION 2. OBJECTIVES - The physical inspection of every motor vehicle is a basic function of the Commission to determine, among other things, the following:

- (1) Full and detailed identity of the motor vehicle, including its owner and address;
- (2) The collectible registration fees and/or taxes which have become due and demandable;
- (3) The originality of both the engine and chassis numbers, and the completeness and prima facie authenticity of the supporting and source documents;
- (4) The roadworthiness of the vehicle as a primary deterrent to any road mishaps; and
- (5) Compliance with all other physical requirements such as safety devices and regulation markings.

SECTION 3. PHYSICAL INSPECTION OF THE VEHICLE AS A CONDITION PRECEDENT TO REGISTRATION - No motor vehicle shall be registered by the Commission and operated on or upon the public highways, unless physically inspected pursuant to these regulations. Under no circumstances should such actual inspection be dispensed with. Physical inspection of motor vehicle shall be conducted within or one month prior to the scheduled date of registration as called for in the monthly and weekly staggering of registration schedules.

SECTION 4. MOTOR VEHICLE INSPECTION REPORT (MVIR) - The findings of every Transportation Field Inspection Supervisor (Motor Vehicle Inspector) shall be reflected in an inspection report slip known as the Motor Vehicle Inspection Report (MVIR), which report, after accomplishment and approval by the Registrar, shall be valid for a period of one(1) month from the date of its approval.

SECTION 5. MAIN SUBJECTS FOR INSPECTION AND CHECKING - Inspection and checking shall be focused on the following items:

- a) Identity Check
- b) Vehicle Body and Accessories
- c) Safety Devices and Regulation Markings
- d) Underchassis
- e) Side Slip/Wheel Alignment
- f) Brake Force
- g) Exhaust Emission

Standards and methods of inspection specified in Memorandum dated 01 July 1985 shall be followed.

SECTION 6. WHO MAY INSPECT MOTOR VEHICLES - The physical inspection of all types and classes of motor vehicles under the laws of the Philippines is a primary function of the Commission. However, for purposes of registration thereof with the Commission, shops duly accredited as defined and prescribed in these regulations, shall likewise be authorized and tasked to do such inspection.

SECTION 7. INSPECTION FEE - The physical inspection of taxicabs, PU's, rental cars and other passenger cars used on for-hire basis shall be charged an Inspection Fee of FIFTY PESOS (P50.00).

When the actual inspection work is made by the shop, same inspection fee shall be collected. Under no circumstances should accredited shops charge higher than the Commission's inspection station.

A reinspection fee similar to the inspection fee shall be collected from those which failed on the third try in any one of the inspection stages. However, reinspection shall only be done on the failed items.

SECTION 8. ACCREDITATION OF CAR/MOTOR REPAIR SHOPS - In order to supplement and complement the existing facilities and equipment of the Commission, Five Star, Four Star and Three Star Repair Shops, defined in Administrative Order No. 3, Series of 1975, as amended, of the Ministry of Trade and Industry, shall be accredited. Such auto repair shops shall for a certain fee, be empowered to inspect motor vehicles pursuant to these regulations, after being accredited by the Commission. These types of shops are as follows:

SECTION 9. VISITORIAL POWERS OF THE CHAIRMAN OR HIS AUTHORIZED REPRESENTATIVES - The Commission or a duly authorized representative, shall be empowered to make ocular inspection of the facilities, equipment, instruments and gadgets essential and necessary for adequate inspection work, and to determine their adequacy to perform efficiently and adequately the inspection of motor vehicles. The shops found to have conformed with the requirements of the Commission under these regulations shall be issued the necessary permit of authority to inspect motor vehicles valid within the calendar year it was issued and may be renewed from year to year.

SECTION 10. APPLICATION FOR ACCREDITATION - The application for accreditation may be made by any of the shops mentioned in Section 8 hereof, through the proprietor thereof, if single proprietorship, or the Manager or Assistant Manager in case of partnership, or the official so authorized by the Board of Directors, in case of corporation. The application shall be supported by the following documents:

- 1) Certificate of Registration of the Business issued by the Ministry of Trade and Industry;
- 2) A permit from the Office of the Mayor of the city or municipality where the repair shop is located;
- 3) Proof of payment of the repair shop's business license and all other taxes due thereon, as provided for under the National Internal Revenue Code;
- 4) Financial Statement by the applicant showing that it is capable to handle and maintain the shop;
- 5) Listings and photographs of the equipment necessary for the inspection and testing of the safety devices and parts of a motor vehicle that are subject to inspection as provided for in the Check List of the Motor Vehicle Inspection Report;
- 6) Names of the personnel who will do the actual inspection work and who shall duly accomplish the inspection report; and
- 7) Photograph (size 4" x 8") showing the location of the shop and the working stalls or space for the inspection of motor vehicles.

1. FIVE-STAR "A" SHOP - is a factory-authorized representative, or a franchised car dealer, or a franchised car dealer branch, or an authorized car sub-dealer, which has at least twenty one (21) working stalls, which meets the other requirements of the Board.
2. FIVE-STAR "B" SHOP - is a factory-authorized representative, or a franchised car dealer, or a franchised car dealer branch, or an authorized car sub-dealer, having a maximum of twenty (20) and a minimum of eleven (11) working stalls, which meets the requirements of the Board mentioned in No. 1 hereof prescribed for a Five-Star "B" Shop.
3. FIVE-STAR "C" SHOP - is a factory-authorized representative, or a franchised car dealer, or a franchised car dealer branch, or an authorized car sub-dealer and has ten (10) working stalls which meets the other requirements prescribed by the Board mentioned in Nos. 1 and 2 hereof, for a Five-Star "C" Shop.
4. FOUR-STAR SHOP - is a non-franchised dealer, a non-authorized car sub-dealer, has at least twenty (20) working stalls, meets the other requirements prescribed by the Board mentioned in Nos. 1, 2 and 3 hereof, for a Four-Star Shop.
5. A THREE STAR SHOP - is an Independent Shop which has ten (10) working stalls (minimum) which meets the other requirements prescribed by the Board for a Three Star Shop.

It is understood that the repair shops hereinabove mentioned shall be duly licensed to operate such business under the laws of the Republic of the Philippines and shall possess the following inspection equipment:

- 1) Pit or lifter
- 2) Side slip or wheel alignment tester
- 3) Brake tester
- 4) Exhaust emission tester either for gasoline or diesel fed motor vehicles or both.

SECTION 11. ACCREDITATION FEE - Any shop shall be charged an accreditation fee of TWO HUNDRED PESOS (P200.00) valid for one (1) year.

SECTION 12. INSPECTION FEE - All LTC accredited shops shall be authorized to charge the same inspection fee stipulated in Section 7 of this Order.

SECTION 13. CERTIFICATE - Upon approval of an application, the Commission shall issue a Certificate of Accreditation showing that the applicant has complied with the requirements for accreditation.

SECTION 14. REPORTS OF SHOPS TO THE COMMISSION - At the end of each month but not later than the fifth day of the succeeding month, all shops are required to submit and render a report of their activities during such month to the LTC Central Office. The report shall be made in a "Columnar Form" transmitted officially, giving the following information:

- a) Certificate of Inspection Number so issued;
- b) Make of the Vehicle;
- c) Engine Number;
- d) Chassis/Serial Number;
- e) Plate Number;
- f) File Number;
- g) Name of the Registered Owner; and
- h) Remarks.

SECTION 15. CERTIFICATE OF INSPECTION - The Certificate of Inspection (Motor Vehicle Inspection Report) shall be prepared at the time of actual inspection of the motor vehicle. This form shall be supplied by the Commission upon the presentation of an approved Requisition and Issue Voucher (RIV). This is serially numbered for purposes of control. Each shop shall keep a Log of Record of these forms, identifying the vehicle for which it was issued using the identifying features mentioned in Section 14 immediately preceding.

SECTION 16. DISPLAY OF SIGNBOARD, ETC.

- a) Every accredited shop shall, within thirty (30) days after receipt of its Certificate, install and display a signboard in a conspicuous place inside or outside its business premises, whichever is practicable.

- b) The signboard shall be at least 0.60 meters high and 1.50 meters long. It shall contain in legible letters the name of the shop, Accreditation Number and the statement - LTC Accredited Motor Vehicle Inspection Station.

SECTION 17. PROCEDURE TO BE OBSERVED IN THE USE OF THE CERTIFICATE OF INSPECTION (MOTOR VEHICLE INSPECTION REPORT) -  
The Certificate of Inspection shall be prepared on the Motor Vehicle Inspection Report (MVIR) to be supplied by the Commission upon presentation of an approved Requisition and Issue Voucher. These forms shall be serially numbered for purposes of control. The shop, in order to identify the vehicle and the person to whom the Motor Vehicle Inspection Report is issued, shall keep a Record Book (Log Book) and shall indicate the File Number assigned to the vehicle and the registered owner thereof and his address.

When the motor vehicle is presented for inspection, the Docket Clerk of the LTC Agency or the shop, as the case may be, shall assign an Inspection Slip (Motor Vehicle Inspection Report) to the MV Inspector (TIFS), and shall record the serial number of the MVIR and the File Number, Make, Motor Number of the vehicle and the corresponding plate number so issued to the vehicle.

The motor vehicle shall then be inspected physically to attain the objectives of these regulations. The aforementioned Inspection Slip (MVIR) shall serve as a guide during the performance of the inspection function and that all the items appearing therein shall be ocularly inspected and tested for compliance until the said MVIR shall have been fully accomplished and signed by the MV Inspector and the Registrar or any other authorized official of the shop.

In case a motor vehicle is rejected for failure to conform to and with the inspection standard and/or the registration requirements of these regulations and of other existing laws and regulations, the motor vehicle owner or his authorized representative shall be advised accordingly of such defects or failure of the registration requirements. Should the owner agree for the replacement of the necessary parts, then he shall pay accordingly, or shall supply the necessary replacement parts. The reason for the rejection, if such be the course taken, shall be indicated or noted on the MVIR. In the latter instance, the MVIR shall be kept on the files of the LTC Agency or the shop, as the case may be.

SECTION 18. SUSPENSION - The Commission, after due notice and hearing, may suspend the validity of the Certificate in any violation by the shop or shop inspector of any provision of this Order and other implementing directives.

SECTION 19. CANCELLATION OF THE CERTIFICATE - The Commission, after due notice and hearing, shall cancel the Certificate of Accreditation of any shop or shop inspector after repeated violations of this Order and other implementing directives.

SECTION 20. NOTICE OF SUSPENSION OR REVOCATION OF CERTIFICATE - The Commission may publish a notice of the suspension or revocation of the Certificate of Accreditation of any shop when public interest requires.

SECTION 21. OFFICIAL REPORTS TO BE SUBMITTED BY THE LTC AGENCY AND THE SHOP - The LTC Agency and the shop shall submit to the LTC Central Office at the end of each calendar month but not later than the fifth day of the succeeding month, their inspection activities during the month. Such Monthly Report shall, among other things, be in the nature of a columnar report, and should contain the following information:

- a) Certificate of Inspection (MVIR) Report;
- b) Make and Year Model of the vehicle;
- c) Motor Number;
- d) Serial/Chassis Number;
- e) Plate Number and Year Series;
- f) LTC File Number;
- g) Name and Address of Owner; and
- h) Remarks (The remarks shall contain the information whether the Certificate of Inspection (MVIR) was so issued on the 1st, 2nd or 3rd trial of inspection.)

SECTION 22. CHANGE OF LOCATION OF A SHOP - No shop duly accredited to the Commission under this Order shall change the location of its site or change the personnel thereof except upon the written notice of the Commission and prior to its approval. Failure to do so shall be sufficient ground for the suspension, revocation or cancellation of the permit so granted by the Commission.

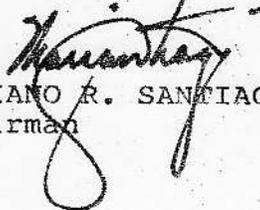
SECTION 23. APPLICABILITY - The provisions of this Order shall apply only insofar as the testing equipment of the Commission are available.

SECTION 24. POWER TO PROMULGATE RULES AND REGULATIONS  
The LTC Chairman shall be empowered to promulgate rules and regulations for the effective implementation of this Order.

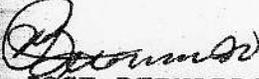
SECTION 25. REPEALING CLAUSE - The provisions of this Order shall amend, modify, repeal or supersede other rules and regulations which are inconsistent herewith. The rest of the inspection regulations shall be suppletory thereto.

SECTION 26. EFFECTIVITY - These regulations shall take effect within thirty (30) days after its publication.

FOR THE COMMISSION:

  
MARIANO R. SANTIAGO  
Chairman

Attested:

  
JOSE BERNARDO  
LTC Secretary