[DTI-DOTC JOINT ADMINISTRATIVE ORDER NO. 001, SERIES OF 2002, April 25, 2002]

CLARIFICATION ON THE IMPLEMENTATION OF THE PROCEDURE ON THE ACCREDITATION AND AUTHORIZATION OF MOTOR VEHICLE EMISSION TESTING CENTER (PETC)

Whereas, the accreditation and authorization of PETC is confronted by several concerns over the number of actual providers versus profitable operation.

Whereas, there is a need to unify the inspection capability required of a PETC lane.

Whereas, there is a need to rationalize the number of PETC providers considering the area of operation vis-a-vis the number of vehicles that will require inspection in order that cutthroat competition which may lead to degradation of level of service may be avoided.

Whereas, the applications received are concentrated in lucrative areas only, therefore, may result to partial implementation of vehicle inspection which is deemed unacceptable.

Therefore and in pursuance to RA 8749 and DTI-DOTC Joint Administrative Order (JAO) No. 01 Series of 2001 "Guidelines for Accreditation and Authorization of Motor Vehicle Emission Testing Center," the following clarifications are hereby provided.

1. The number of PETC that shall be accredited and authorized is in accordance with the required number of lanes as determined by the number of registered vehicles.

2. To ensure nationwide operation of PETC, the required number of lanes per service areas as determined by the number of registered vehicles in the area shall be the basis in the accreditation/authorization of PETC. A "service area" consist of several PETC lane requirements clustered into a specific operational area based on acceptable distance traveled by a motorist seeking emission testing of his vehicle.

A PETC lane is an emission test facility with at least one (1) opacimeter and one (1) gas analyzer.

3. A prequalification test which requires submission of location map, number of proposed lane(s); Business Name Registration for sole proprietorship, SEC Registration for Corporation/Partnership or Cooperative Development Authority Registration for Cooperative; Income Tax Return (ITR); and financial statement/pre-operating statement which asset value is consistent with the required amount stated in the classification of enterprises specified under Annex B of JAO No. 1 Series of 2001 shall be pursued. Actual site inspection may be conducted jointly by DTI and DOTC, if warranted.

All application for pre-qualification shall be processed at the one-stop processing center for accreditation and authorization of PETC presently located at the BTRCP/DTI Office. All application shall be duly recorded in a logbook, jointly attested by DTI/DOTC representatives.

4. In cases when two or more equally qualified applicants (for pre-qualification) for a particular service area are received "**first come first serve**" basis shall be enforced. To break the tie of equally situated applications for pre-qualification, the hereunder criteria shall be observed in selecting the best proposal:

4.1 "Minimum Path" distance from the specific LTO District Office. Priority shall be given to proposal which is within one (1) kilometer radial distance from the LTO District Office in the service area of choice.

4.2 Availability of adequate service area and parking area to ensure that traffic situation within the tributary area is not affected by the operation of the PETC. Traffic impact/analyses of traffic circulation plan shall serve as basis in the evaluation.

4.3 Adequate access to and from the PETC shall be considered such as availability of public road and/or rail based transport services.

4.4 Capability for expansion of facility such as adequate space to accommodate future expansion of PETC lane (expansion capability in addition to the minimum requirements of 6m x 6m per PETC lane).

4.5 Technical know how/familiarity of the proponent to emission test procedure.

5. Pre-qualified-PETC proponent/s shall file its application within 10 days from the date of receipt of notice of approval for the proposed site, otherwise other applicants shall be entertained. It shall comply the accreditation and authorization processes within thirty (30) days.

To avoid ruinous cutthroat competition, "**one operator one service area**" concept shall be promoted. Multiple operators shall only be allowed after due exhaustion of possibility for "one operator one service area" concept.

6. Consistent with Section 12 of JAO 01 Series of 2001, the test result conducted by a PETC on a specific vehicle shall be reflected in a Certificate of Emission Compliance (CEC). To ensure the veracity of CECs, only authenticated CEC shall be honored as and/or renewal registration basis in the registration of of subject vehicle. Authentication shall be done by an Information Technology service provider, of choice by the PETC operator, with nationwide capability and with the following features:

6.1 System link with DOTC and DTI with the capability to a nationwide system of verification of all CEC issued by PETC with comprehensive "real time" reporting to preserve the integrity of the program.

6.2 A database center and related systems that are completely independent and solely built for the emission testing activity of PETC.