

[LTO ADMINISTRATIVE ORDER NO. AVT-2014-023, January 23, 2014]

REVISED RULES AND REGULATIONS ON THE ACCREDITATION AND STOCK REPORTING OF MANUFACTURERS, ASSEMBLERS, IMPORTERS, REBUILDERS, DEALERS AND OTHER ENTITIES AUTHORIZED TO IMPORT MOTOR VEHICLES AND/OR ITS COMPONENTS

Adopted: 23 January 2014

Date Filed: 05 February 2014

In accordance with Republic Act No. 4136, otherwise known as "The Land Transportation and Traffic Code," as amended, and Republic Act No. 6539, otherwise known as the "Anti-Carnapping Act of 1972," the rules and regulations on accreditation and stock reporting of Manufacturers, Assemblers, Importers, Rebuilders, Dealers and Other Entities Authorized To Import Motor Vehicles and/or its Components (MAIRDOEs) are hereby promulgated for the compliance, information and guidance of all concerned.

1. SCOPE

- 1.1 This Order revises all rules and regulations governing the accreditation and stock reporting of MAIRDOEs.
- 1.2 This Order defines the objectives, structure, guidelines and procedure in order to ensure the efficient implementation of accreditation and stock reporting of MAIRDOEs.
- 1.3 The following shall also be included in the coverage of other individuals/entities that may be accredited:
 - 1.3.1 A returning resident or immigrant who owns a motor vehicle for personal use and who is covered by an authority to import under the No-Dollar Importation Program.
 - 1.3.2 Officials and members of the Administrative and Technical Staff of the different embassies, consulates, legation and different international organizations in the Philippines.
 - 1.3.3 Tax-exempt imported motor vehicles or motor vehicles under Written Commitment indorsed by the Department of Finance for use in various projects in the Philippines.
 - 1.3.4 Government agencies authorized to import motor vehicles.
 - 1.3.5 Individual persons authorized to import motor vehicles for the purpose of personal use, provided that the same shall be covered by a written undertaking not to sell the vehicle for a period of three (3) years from the time of importation.

2. DEFINITION OF TERMS

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

- 2.1 **Applicant** - a natural or juridical person seeking accreditation to engage in manufacturing, assembling, importing, rebuilding, and dealership of motor vehicles and/or components.
- 2.2 **Application Fee** - shall mean the amount to be collected upon filing of an application for accreditation.
- 2.3 **Accreditation Fee** - shall mean the amount to be collected upon approval of the application for accreditation.
- 2.4 **Authorized Representative** - the person/s duly authorized by the applicant/grantee to represent the MAIRDOEs in all of its transactions with the Land Transportation Office (LTO). He is the official contact person of the MAIRDOEs.
- 2.5 **Certificate of Accreditation** - is an authority granted by LTO for MAIRDOEs to transact with the former relative to stock reporting, sales reporting and registration of motor vehicles and/or its components.
- 2.6 **Validity of Accreditation** - shall mean the period of effectivity of the accreditation from approval until expiration.
- 2.7 **Operations Division (Central Office)** - refers to the division of the LTO Central Office responsible for the receipt, evaluation and recommendation of applications for accreditation, including its suspension or revocation of accreditation after due notice and hearing.
- 2.8 **Operations Division (Regional Office)** - refers to the division of the LTO Regional Office responsible for the initial receipt, inspection, evaluation and recommendation of all new applications of MAIRDOEs within their territorial jurisdiction, including monitoring its continuing compliance with all relevant laws, rules and regulations.
- 2.9 **Component** - refers to the engine/motor, chassis and/or body of a motor vehicle.
- 2.10 **Manufacturer** - refers to an LTO accredited natural or juridical person engaged in the local manufacture of chassis and/or body of a motor vehicle.
- 2.11 **Assembler** - refers to an LTO accredited natural or juridical person engaged in the local assembly of a brand new motor vehicle engine/motor, chassis and/or body to make brand new motor vehicles, and is a member of the Motor Vehicle Development Program (MVDP) of the Department of Trade and Industry (DTI).
- 2.12 **Importer** - refers to an LTO accredited natural or juridical person engaged in the importation of motor vehicles and/or its components.
- 2.13 **Rebuilder** - refers to an LTO accredited natural or juridical person engaged in the business of assembly of motor vehicles with one or more used major components, duly accredited by the DTI.
- 2.14 **Dealer** - refers to an LTO accredited natural or juridical person engaged in selling of motor vehicles and/or its components.
- 2.15 **Other Entities** - refers to an LTO accredited person authorized to import motor vehicles for purposes of personal use, and not intended for sale.
- 2.16 **e-CP** - refers to the electronic transmission of Certificate of Payment

by the Bureau of Custom (BOC).

- 2.17 **Manufacturers, Assemblers, Importers, Rebuilders, Dealers and Other Entities Reporting System** - refers to the system that processes stock reports of LTO accredited MAIRDOEs.
- 2.18 **Certificate of Stock Reported** - refers to the certificate issued for each unit of motor vehicle and/or its components reported to the LTO.

3. ACCREDITATION

- 3.1 Applicants shall comply with all the requirements provided in this Order.
- 3.2 All applications for accreditation, together with the complete documentary requirements, shall be submitted to the LTO. The Checklist of Requirements (MAIRDOEs- Form No. 1, Form No. 2, and Form No. 3) are attached herewith and made an integral part hereof as Annexes "A," "B" and "C".
- 3.3 A Certificate of Accreditation shall be issued to a MAIRDOE that meets all the requirements for accreditation.
- 3.4 The Operations Division-Regional Office is responsible for the initial review and evaluation of all applications within their respective areas of jurisdiction and the renewal thereof as well as the inspection of all new applications within their area of jurisdiction.
- 3.5 The Operations Division-Central Office is responsible for the final review and evaluation of all applications for accreditation and renewal thereof.

4. DUTIES AND RESPONSIBILITIES

4.1 LTO OPERATIONS DIVISION - CENTRAL OFFICE

The LTO Operations Division CO shall have the following functions:

- 4.1.1 Formulates and prescribe policy guidelines for the transparent, efficient and effective implementation of the MAIRDOEs Accreditation Program.
- 4.1.2 Evaluates, reviews and validates all applications for accreditation of MAIRDOEs.
- 4.1.3 Issues Certificates of Accreditation to applicants who comply with all the requirements for accreditation.
- 4.1.4 Monitors the performance of all accredited MAIRDOEs.
- 4.1.5 Maintains a Registry of all accredited MAIRDOEs.
- 4.1.6 Performs other duties and functions relevant to MAIRDOEs accreditation.

4.2 LTO OPERATIONS DIVISION - REGIONAL OFFICE

- 4.2.1 Evaluates applications for accreditation of MAIRDOEs within their respective regions.
- 4.2.2 Inspects new applications for accreditation of MAIRDOEs and/or its branches within their respective regions.

- 4.2.3 Recommend MAIRDOEs applications for approval/disapproval.
- 4.2.4 Monitors the performance of all accredited MAIRDOEs within their respective regions.
- 4.2.5 Performs other duties and functions relevant to MAIRDOEs accreditation.

5. REQUIREMENTS FOR MAIRDOEs ACCREDITATION

Application requirements shall be as follows:

5.1 QUALIFICATIONS OF AN APPLICANT

- 5.1.1 Any natural person who is at least 18 years old of age or any juridical person who is not disqualified by any existing law or regulation to engage in the manufacturing, assembly, importation, sale and rebuilding of motor vehicle shall be qualified to apply for accreditation.

5.2 DOCUMENTARY REQUIREMENTS

5.2.1 New Applications

- 5.2.1.1 Duly accomplished application form, under oath. Only one (1) application shall be filed for each natural or juridical person, indicating the branch/es applied for.
- 5.2.1.2 Certified true copy/ies of the following for each natural or juridical person:
 - a. For sole proprietorships, Certificate of Business Name Registration (DTI);
 - b. For corporations/partnerships, Securities and Exchange Commission Certificate of Registration, , Articles of Incorporation/Partnership and By-Laws, and Board Resolution issued by the Corporate Secretary, specifying the name of, authorized representative who must be an officer of the corporation/ partnership;
 - c. For cooperatives, Cooperative Development Authority Certificate of Registration, Articles of Cooperation and By-Laws, and Board Resolution, issued by the Corporate Secretary, specifying the name of authorized representative who must be an officer of the cooperative.
- 5.2.1.3 Certified true copy/ies of Mayor's Permit/s in all the places applied for by the person, firm, partnership, corporation or cooperative, specifying the classification of business or Business Permit for:
 - 5.2.1.3.1 Plant, if applying for manufacturer, assembler and rebuilder
 - 5.2.1.3.2 Warehouse, if applying for importer
 - 5.2.1.3.3 Display Center, if applying for dealer

- 5.2.1.4 BIR Certificate of Registration
- 5.2.1.5 SSS Certificate of Membership of Corporation/ Partnership/ Single Proprietorship in the name of company.
- 5.2.1.6 Statement of Assets and Liabilities or Financial Statement duly certified by a Certified Public Accountant (If corporation, consolidated FS is applicable to all branches)
- 5.2.1.7 Location Map/s of establishment/s.
- 5.2.1.8 Picture/s of establishment/s
- 5.2.1.9 Contract/s of Lease, if the establishment/s is not owned by the applicant.
- 5.2.1.10 Undertaking under oath by sole proprietor or highest ranking company official in the Philippines that all stocks to be reported and sold are compliant with all Philippine laws, rules and regulations relating to manufacture, assembly, importation, sale, registration and/or use in the Philippines.

Additional requirement/s if applying for:

- 5.2.1.11 Assemblers - Certified true copy/ies of DTI Board of Investment (BOI) Certificate of Membership.
- 5.2.1.12 Rebuilders - Certified true copy/ies of DTI Certificate of Accreditation of Rebuilding Center.

5.2.2 Renewal

- 5.2.2.1 Duly accomplished application form, under oath.
- 5.2.2.2 Original LTO Certificate of Accreditation
- 5.2.2.3 Latest certified true copy/ies of Mayor's Permit/s of the establishment/s in the place/s where it is doing business.
- 5.2.2.4 Duly notarized Affidavit attesting to its continuing compliance with all the requirements for accreditation, stock and sales reporting and registration, unless there are changes thereto in which case the applicant shall submit the applicable documents.

5.3 DOCUMENTARY REQUIREMENTS FOR OTHER ENTITIES AUTHORIZED TO IMPORT MOTOR VEHICLES AND OR ITS COMPONENTS

- 5.3.1 Duly accomplished application form, under oath
- 5.3.2 Commercial Invoice of the vehicle from the country of origin/ Certificate of Title
- 5.3.3 Certificate of Payment (BOC)
- 5.3.4 Packing List
- 5.3.5 Import Entry Declaration