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TANGGAPAN NG KALIHIM
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September 13, 2000

DEPARTMENT ORDER)

SUBJECT: Implementing Rules and Regulations
(IRR) of Republic Act No. 8794

No.

161

Series of 2000 9/13/2000

Enclosed, for the guidance of and compliance by all concerned, are copies of (a) R.A. 8794 (An Act Imposing A Motor Vehicle User's Charge on All Types of Motor Vehicles And For Other Purposes), (b) the Implementing Rules and Regulations (IRR) of the said Act, and (c) Amendment No. 1 of the said IRR dated 22 August 2000.


GREGORIO R. VIGILAR
Secretary

07.12.03

**DEPARTMENT OF PUBLIC WORKS
AND HIGHWAYS**

**DEPARTMENT OF TRANSPORTATION
AND COMMUNICATIONS**

**IMPLEMENTING RULES AND REGULATIONS OF REPUBLIC ACT NO. 8794 (AN ACT
IMPOSING A MOTOR VEHICLE USER'S CHARGE ON OWNERS OF ALL TYPES OF
MOTOR VEHICLES AND FOR OTHER PURPOSES)**

The following joint Implementing Rules and Regulations, herein after referred to as IRR, are hereby issued by the Department of Public Works and Highways, hereinafter referred to as DPWH, and the Department of Transportation and Communications, hereinafter referred to as DoTC, pursuant to the provisions of Section 9 of Republic Act (R.A.) No. 8794, which provides, among others, for the imposition of a motor vehicle user's charge as well as the creation of a Board.

Article I. Common Provisions

1. **Declaration of Policy.** Pursuant to Section 2 of R.A. 8794, it is the policy of the State to provide for and ensure the adequate maintenance of national and provincial roads, as well as minimizing air pollution from motor vehicles, through sufficient funding for the purpose. The achievement of this policy shall be undertaken in the following manner:

- (a) To provide adequate maintenance of the national and provincial roads so as to ensure satisfactory service to road users, economic road transport operations, and the preservation of road assets;
- (b) To determine the physical and financial maintenance needs of the national road network, as optimized in a multi-year program within projected funding resources to meet ongoing and backlog requirements, and inclusive of road safety requirements;
- (c) To determine optimal medium-term funding needs and allocations for the national and local road networks in relation to the economic and functional performance of the road networks, as a basis for evaluating the equity burden of road user charges;
- (d) To establish priorities for action in attending to current road maintenance need as well as redressing and resolving maintenance backlogs, inclusive of road safety requirements;
- (e) To provide for a system of contracting maintenance work through competitive bidding;
- (f) To organize regular monitoring of the road networks and road works, inclusive of road safety requirements and local road maintenance, to ensure prompt objective assessment and feedback of system performance and quality;
- (g) To formulate and implement a comprehensive program for the prevention, control and management of air pollution from mobile sources consistent with R.A. 8749,

the Philippine Clean Air Act of 1999 and its Implementing Rules and Regulations;
and

- (h) To establish and implement the appropriate structural and procedural improvements to carry out these policies.

2. **Establishment of Special Accounts.** Pursuant to Section 7 of R.A. 8794, there shall be established four separate Special Trust Accounts in the National Treasury. DPWH shall, through the Department of Budget and Management (DBM), establish one separate Special Trust Account for each of the Special Road Support Fund, Special Local Road Fund and Special Road Safety Fund. DoTC shall, through DBM, establish one Special Trust Account for the Special Vehicle Pollution Control Fund.

3. **Establishment and Composition of the Road Board.** Pursuant to Section 7 of R.A. 8794, there has been established a Road Board (the Board) to manage in a prudent and efficient manner the various Special Road Funds, which Board shall be composed of the following seven persons:

The Secretary of Public Works and Highways, as ex-officio Chairperson;

The Secretary of Finance, as ex-officio member;

The Secretary of Budget and Management, as ex-officio member;

The Secretary of Transportation and Communications, as ex-officio member; and

Three other members, who each shall be appointed for a term of two (2) years by the President of the Philippines upon the recommendation of the DPWH Secretary and the DoTC Secretary, selected from among persons nominated by transport and motorists organizations which have been active and in existence during the past five (5) years. Such members shall be appointed in their individual capacities and may be reappointed upon the end of their terms, upon re-nomination by their organization and recommendation of the two above-mentioned Secretaries.

4. **Operationality of the Road Board.** The Board shall be considered operational once the majority of the appointed members and majority of the ex-officio members shall have been designated, including the Chairperson of the Board.

5. **Functions, Duties and Responsibilities of the Road Board.** The Board shall have the following functions, duties and responsibilities:

- (a) **Operation of Special Funds.** To establish the necessary procedures, including appropriate controls, for (i) the collection of monies, (ii) the deposits to the special trust accounts in the National Treasury, and (iii) such disbursements as may be authorized from such accounts, as well as (iv) the appropriate accounting, auditing, and reporting arrangements, in accordance with the accounting and auditing regulations of the government.
- (b) **Management of Special Funds.** To monitor the income and expenditure to the four Special Funds provided for under Section 7 of R.A. 8794, ensure that the distribution of the monies collected is in accordance with the provisions of that

section, and approve withdrawals from the Special Funds in accordance with the provisions of that section and approved work programs.

- (c) **Approval of Work Programs.** To approve on an annual basis, prior to the beginning of the financial year:
 - 1) For road maintenance works on National primary and secondary roads, to be implemented by DPWH and financed in part from the Special Road Support Fund:
 - (i) A rolling multiyear work program (MWP), comprising work sub-programs and such individual projects as may require multi-year implementation, together with supporting details as the Board may require (such as cost estimates, treatment class, and justification); and
 - (ii) An Annual Work Program (AWP), comprising the various projects to be implemented in the financial year, with such supporting details as the Board may require.
 - 2) The apportionment of the Special Local Road Fund to provincial and city governments, and the basis for ensuring that the funds are used in compliance with the stated purpose of the Fund.
 - 3) For road safety works on National and Local roads to be financed from the Special Road Safety Fund:
 - (i) A rolling MWP; and
 - (ii) An AWP;as described in (c) 1) above.
 - 4) For Motor Vehicle Pollution Control work to be financed from the Special Vehicle Pollution Control Fund:
 - (i) A rolling MWP; and
 - (ii) An AWP;as described in (c) 1) above.
- (d) **Approval of Special Budgets.** To approve a Special Budget for each Special Fund based on the approved Work Program and covering either an annual or multi-year period as may be applicable; also to submit the four Special Budgets to DBM for the release of funds.
- (e) **Review of Work Programs.** To review and approve revisions of the annual work programs in accordance with updated estimates of income to the Special Funds and work achievement; to establish an operating margin above which the Implementing Agencies (DPWH and DoTC) can modify or make variations in the individual work project or the total program only with prior approval of the Board.
- (f) **Complementary Work Programs under Other Funding.** To consider, in their approval of the Annual Work Programs in (c) above, such other work programs to

be implemented by DPWH and DoTC as are to be financed through other sources, including:

- 1) the continuing appropriations by Congress for road maintenance, road safety and Local roads;
 - 2) the continuing appropriations by Congress for vehicle emissions control; and
 - 3) any grants and other funding from external agencies, donors and private financing.
- (g) **Procedures for Monitoring Performance and Managing Programs.** To require DPWH and DoTC to provide and perform acceptable and systematic procedures for measuring conditions; maintaining a database; determining treatments, priorities, cost estimates and quantified benefits on a life-cycle basis; and managing the implementation of programs in conformity with planned costs and time.
- (h) **Approval of Contracting Methods.** To approve competitive bidding procedures for execution of road maintenance and road safety projects.
- (i) **Utilization of the Special Funds.** To continually monitor the utilization and deployment of the four Special Funds, to ensure that the same are allocated and used effectively and efficiently in accordance with the approved programs. For this purpose, the Board may require DPWH and DoTC to submit periodic reports at interval not longer than three (3) months presenting physical and financial progress in relation to approved programs and projection of expenditures.
- (j) **Public Awareness and Reports.** To raise public awareness on the use of the Special Funds and the activities of the Board, thus making the road users' involvement better informed; as soon as possible and not more than four (4) months after the end of the fiscal year, to publish an Annual Report which shall include, among others, (a) a statement of the Board's activities during the year, (b) the annual financial statements and audit reports of the Board, including a separate accounting of each of the four Special Funds, and (c) an evaluation of the Board's performance in comparison with its statements of intent made at the beginning of the fiscal year; to make the Annual Report publicly available and widely disseminated in a popular form; to prepare or cause to be prepared such other reports as may provide for greater transparency and clarity in the operations of the Board.
- (k) **Supervisory Authority.** To exercise supervision and control over all substantive activities that are funded by and emanate from the use of the four Special Funds above-mentioned, including activities undertaken by DPWH and DoTC.
- (l) **Manual of Operating Procedures.** Within six (6) months after the effectivity of this IRR, to develop a Manual of Operating Procedures to provide administrative guidance on all matters.
- (m) **Meetings.** To determine the frequency of its meetings, provided that in no case shall its meetings be less than once every three (3) months; to establish procedures for the satisfactory conduct of its business.

- (n) **Remuneration.** To provide for such reasonable per diems and allowances as may be necessary for its members to function effectively.
- (o) **Committees and Consultants.** To constitute and dissolve such technical committees as may be of assistance in its work, as well as engage consultants, in accordance with appropriate regulations on such matters.

6. **Establishment and Operation of Road Fund Secretariat.**

- (a) The Board will be assisted by a Secretariat headed by an Executive Officer. The Secretariat shall be responsible for the day-to-day management of the Funds and for implementation of the decisions of the Board.
- (b) The Executive Officer shall be appointed by the Board and shall perform such functions as the Board may direct or delegate. The Executive Officer will also act as secretary to the Board.
- (c) The terms and conditions of employment of the Secretariat shall be decided by the Board based on a comparison of best practices in other similar organizations.
- (d) The Secretariat will consist of a minimal number of regular staff who shall be appointed by the Board on the recommendation of the Executive Officer. Consultants may be appointed to assist the Secretariat.
- (e) Without prejudice to the generality of these regulations, the Secretariat shall be responsible for:
 - (i) keeping proper accounts and records in respect of the Funds;
 - (ii) preparing and submitting for audit in respect of each financial year a balance sheet, a statement of income and expenditure, and a statement of cash flow in such forms and manners as the Commission on Audit (COA) may prescribe;
 - (iii) preparing the Annual Report of the Fund in such form and with such content as may be prescribed by the Board; and
 - (iv) arranging the business for meetings of the Board and its sub-committees.
- (f) The Secretariat shall, at such intervals as any oversight agency may require, submit reports and financial statements in such form as the agency may determine, regarding the operations and activities of the Secretariat and the Fund.

7. **Collection of Revenues from Road Users.** Revenues shall be collected from road users pursuant to the provisions of Sections 3 to 6 of R.A. 8794 in the scale of charges set out hereunder for the period from the date of effectivity of R.A. 8794, 16 July 2000, and adjusted annually from 01 January 2001 to 31 December 2004; and thereafter shall be adjusted by order of the President of the Philippines on the recommendation of the Board.

- (a) **Motor Vehicle User's Charge:** The MVUC shall be collected by LTO from road users as part of the annual vehicle registration in accordance with Schedule 1, which is an integral part of this IRR, pursuant to the provisions of Section 3 of R.A. 8794.

- (b) **Prohibition Against the Imposition of Similar Charge on Users of Motor Vehicles:** Pursuant to Section 10 of R.A. 8794, no other tax, fee or any other charge of similar nature, as the Motor Vehicle User's Charge shall be imposed by any political subdivision or unit in the country. This provision shall apply to all motor vehicles, including tricycles, motorized pedicabs and "trisikads".
- (c) **Penalty for Overloading:** The Land Transportation Office (LTO) or its deputized officer shall require the owner of a truck or trailer which is loaded in excess of the maximum allowable gross vehicle weight (GVW) to pay a penalty in the amount equivalent to twenty-five percent (25%) of the MVUC applicable to the vehicle at the time of infringement, provided that the penalty shall be waived for loadings exceeding the GVW by a tolerance of less than five percent (5%), and that no vehicle shall be permitted to proceed on the roadway if either a dual-wheel axle load exceeds 13,500 kgs or the vehicle load exceeds one hundred fifty percent (150%) of the maximum allowable GVW.

8. **Deposits of Revenues into Road Funds**

- (a) **Deposits of MVUC into Special Trust Accounts.** All MVUC and overloading penalty revenues shall be deposited into the special trust accounts in the National Treasury per Section 7 of R. A. 8794 in a timely manner after their receipt in accordance with the provisions of Presidential Decree No. 1234 by the designated collection authority of the LTO, as follows:
- (1) Eighty percent (80%) shall be allotted to and placed in the Special Road Support Fund;
 - (2) Five percent (5%) shall be allotted to and placed in the Special Local Road Fund;
 - (3) Seven and one-half percent (7.5%) shall be allotted to and placed in the Special Road Safety Fund; and
 - (4) Seven and one-half percent (7.5%) shall be allotted to and placed in the Special Vehicle Pollution Control Fund.

9. **Expenditures from Special Funds**

- (a) **Expenditures from Special Trust Accounts.** Expenditures from the special trust accounts shall be made only by or as authorized by the Board and such expenditures shall be made only in accordance with the provisions of R.A. 8794 and this IRR.
- (b) **Expenditures by the Board.** Each year, there shall be payable out of the special trust accounts all costs and expenses of the Board arising out of the performance of its functions and duties and the exercise of its powers under R.A. 8794 and this IRR. The Board is hereby authorized to allocate not more than one per cent (1%) of the Special Road Funds for the annual administrative and other overhead expenses of the Board and its secretariat, in addition to any allocations for such purposes from regular DPWH and DoTC funds as the DPWH and DoTC Secretaries may deem appropriate.
- (c) **Board Approval of Projects and Activities.**
 - (1) The Board may approve any project or activity as part of the AWP qualifying for payments from the special trust accounts if:
 - (i) The project or activity has been evaluated to the satisfaction of the Board in accordance with the standard evaluation procedures adopted by the Board; and
 - (ii) The Board considers that the budgeted expenditure on approved projects and activities included in the program for the year concerned will not exceed the income available in the relevant Special Fund.
 - (2) Where the Board decides not to approve under this section a project or activity contained in the national road program submitted by DPWH or the vehicle pollution control program submitted by DoTC, the Board shall:
 - (i) So advise in writing the department submitting that program; and
 - (ii) Give reasons for its decisions
 - (3) Notwithstanding any other provisions of this section, the Board may approve any project or activity where the opinion of the Board the project or activity is:
 - (i) In the urgent interest of public safety; or
 - (ii) Necessary to effect immediate or temporary repair of damage caused by a sudden and unexpected event.
 - (4) Every approved project or activity until completed, suspended, or abandoned, shall be incorporated in and form part of the approved AWP. No approved project or activity shall be suspended or abandoned without the prior written approval of the Board
- (d) **Expenditure by DPWH and DoTC.** The Board shall authorize expenditure by DPWH out of the Special Road Support Fund and the Special Road Safety Fund and by DoTC out of the Special Vehicle Pollution Control Fund in accordance with the payment profiles for execution of the work.

Whenever the Board is satisfied that the amount of expenditure from the special funds in respect of any approved project or activity in any year is based upon a factor which is incorrect for any reason, the Board may make such adjustments to the amounts authorized under this subsection as it thinks reasonable.

If any authorization received by DPWH or DoTC under this subsection is not expended or not fully expended in the year in which it is received, the unexpended portion shall, unless the Board otherwise agrees, be cancelled and remain in the relevant special trust account.

- (e) **DPWH and DoTC to Maintain Records of Expenditures.** DPWH and DoTC shall each establish, maintain and operate a financial management system to record details of all expenditures from the special road funds. The details recorded shall be as prescribed by the Board from time to time in accordance with the relevant accounting and auditing regulations.

- (f) **Payments to Local Governments.** The Board shall authorize payment to each provincial and city government, from the Special Local Road Fund, of the proportion of that Fund as determined by the Board in accordance with Section 7 of R.A. 8794. The payment profile shall be determined by the Board based on its assessment of the revenues into the Special Local Road Fund. The monies shall be authorized exclusively for road maintenance and road safety of local roads, as defined in Section 10 of this IRR.

Whenever the Board is satisfied that the amount of the payment to any provincial or city government is based upon a factor which is proved to the satisfaction of the Board to be incorrect for any reason, the Board may make such adjustments to the amount to be paid under this section as it thinks reasonable and are in accordance with the provisions of applicable laws.

- (g) **Local Governments to Operate Road Fund Disbursements Accounts.** All monies received by any provincial or city government from the Special Local Road Fund shall be deposited into a separate trust account of the said LGU to be known as the Road Fund Disbursement Account, and shall be used exclusively for road maintenance on local roads and road safety, as defined in Section 10 of this IRR.

All expenditures from a Road Fund Disbursement Account shall be recorded in that account in a form that contains such details as are prescribed by the Board from time to time in accordance with relevant accounting and auditing regulations.

The Board may from time to time reduce the amount of any payments made by it to a provincial or city government, by such amount as it considers appropriate, if the Board considers that the provincial or city government has been or is, or will be likely to be, in breach of any of the provisions of R.A. 8794 or this IRR with respect to payments by the provincial or city government from its Road Fund Disbursement Account.

- (h) **Expenditure by DPWH Subject to Competitive Bidding Procedure.** No expenditure in respect of any project or activity carried out by DPWH under R.A. 8794 shall be made unless the expenditure relates to an approved project or activity, the price of which has

been determined by a competitive bidding procedure approved by the Board, except for those projects or activities to be implemented by departmental staff within a ceiling amount to be set in the AWP.

- (i) **Board Approval of Competitive Bidding Procedure.** In approving a competitive bidding procedure, the Board will ensure it complies with existing laws and regulations and may:

- (1) Specify particular terms and conditions that shall be included in any contract formed under that procedure; and/or
- (2) Specify particular terms and conditions that shall be excluded from any contract formed under that procedure.

In exercising its powers under this section, the Board shall have regard to:

- (1) The efficient application of the Special Road Funds;
 - (2) The safety and other interests of the public in respect of the project or activity or the class of project or activity;
 - (3) The desirability of encouraging competition in the sector of industry likely to supply goods or services in relation to the project or activity or the class of project or activity;
 - (4) The undesirability of excluding from competition for the project or activity or the class of project or activity of any party who might otherwise be willing and able to complete; and
 - (5) The costs of administration associated with the pricing procedure or of any contract formed under that procedure.
- (j) **Information from DPWH, DoTC and Local Governments.** The Board may from time to time require DPWH, DoTC or a provincial or city government to provide such information as the Board considers appropriate to enable the Board to determine whether the department or the provincial or city government, as the case may be, is complying, and will continue to comply, with the provisions of R.A. 8794 and this IRR relating to expenditures made by DPWH or DoTC from the Special Road Funds or by the provincial or city government from its Road Fund Disbursement Account.

The department or provincial or city government shall promptly satisfy any requirement of the Board under this section.

- (k) **Expenditures Conditional on Projects Carried Out to Satisfactory Standards.** Notwithstanding anything to the contrary in this IRR, the Board, after consultation with DPWH may refuse or withhold authorization for the whole or part of the expenditure for any approved project or activity that has been constructed or undertaken or is proposed to be constructed or undertaken to standards that in the opinion of the Board are excessively high or unsatisfactory.

Article II. Provisions Pertaining to DPWH

10. Pursuant to Section 9 of R.A. 8794, the following provisions pertain to the functions, duties and responsibilities of DPWH with respect to the management and implementation of the Special Road Support Fund, the Special Local Road Fund, and the Special Road Safety Fund.

11. Definition of Terms

(a) **National Roads** - roads which have been classified through Laws, Executive Orders and Department Orders, as falling under the responsibility of the national government, and are further classified as either national primary (arterial) or national secondary roads.

(b) **National Primary Roads** – roads which comprise the primary (arterial) highway system of the country which interconnects the regions, provinces and major urban centers. The system is composed of a north-south backbone, east-west laterals and other roads of strategic importance. These are roads identified as leading to planned growth centers in areas of significant economic development potentials, roads leading to regional, industrial and tourist centers, roads leading to national ports and airports, roads traversing the principal agricultural production areas, roads connecting regional and provincial capitals and other major urban areas, and other roads of strategic importance to provide immediate and direct access to population centers in case of national and regional emergencies.

(c) **National Secondary Roads** - other national roads which complement the national primary (arterial) roads to provide access to other main population and production centers of the country.

(d) **Provincial and City Roads** - roads under the responsibility of the provincial and city governments, and which have been classified as such.

(e) **Road Maintenance** - the process of preserving road infrastructure in serviceable condition. Road maintenance refers to all activities preserving satisfactory structural performance and safe surface properties of road pavements and road bridges within the existing roadway space, including repair and replacement, regravelling of gravel roads, improvement of drainage, pothole repair, patching of defects, crack and joint resealing, the resealing, resurfacing, structural overlay or rehabilitation of pavements, and vegetation control. Generally, the term does not include capacity expansion, such as major widening and addition of lanes.

(f) **Road Safety** - activities related to the effective implementation of traffic controls and localized roadway improvements and repairs designed to reduce conflicts in traffic flow and the likelihood and severity of accidents. The term also refers to activities such as traffic signals, signs, markings, lane and channelization techniques, traffic calming and management measures, and road safety education and training programs.

12. **Establishment of the DPWH Road Program Office.** Pursuant to the provisions of Section 9 of R.A. 8794 which authorizes the DPWH Secretary to undertake such structural and procedural improvements in the systems and agencies concerned as may be necessary to ensure the prudent, wise, effective and efficient utilization of the Special Funds, DPWH shall establish a Road Program Office.

The head of the Road Program Office shall be appointed by the DPWH Secretary. He may attend the meetings of the Board as a non-voting resource person. Staff of the Road Program Office would be drawn from the Bureau of Maintenance and other DPWH offices and units, and the private sector (subject to approval by the DPWH Secretary). The DPWH Secretary may also assign personnel, either on a temporary or permanent basis as the case may be, from other office and units of DPWH.

The functions, duties and responsibilities of the DPWH Road Program Office include:

- (a) To determine the annual needs of adequate road maintenance and road safety, and to formulate multi-year plans and programs, with a view to ensuring an ultimately current situation with no backlog in national road maintenance and road safety projects. In preparing the AWP and rolling MWPs, both the Special Road Funds and the regular maintenance fund shall be taken into account. As much as possible, determinate or recurring maintenance projects shall first be sourced from the regular maintenance fund, while indeterminate projects shall be assigned to the Special Road Funds. Such work shall be made in coordination with the DPWH Planning Service.
- (b) To prepare AWP and rolling MWPs of road maintenance and road safety utilizing the Special Road Support Fund and the Special Road Safety Fund for the consideration of the Board, as well as a report on the status of funds under the Special Local Road Fund available for transfer to the various local governments pursuant to Section 7 of R.A. 8794.
- (c) To prepare AWP and rolling MWPs of road maintenance utilizing the regular DPWH maintenance fund (under the General Appropriations Act or GAA) for the consideration and ultimate approval of the DPWH Secretary, after which copies shall be made available to the Board.
- (d) To install and operate: (1) an approved budget tracking system for the purpose of monitoring and reporting on the disbursement and efficient utilization of project funds; (2) a field implementation performance tracking system to monitor and report on the progress and quality of the funded works, and to reconcile them with the budget utilization data; and (3) an effective Quality Assurance Program.
- (e) To submit annual reports to the Board on the status of funds and progress of work on the Special Road Support Fund and the Special Road Safety Fund for the consideration of the Board, as well as such accomplishment reports as may be submitted by the various local governments.

- (f) To review and update the standards and procedures required of all local governments in their road maintenance operations, and to submit the findings and recommendations to the Board for appropriate action; and to provide technical assistance to local governments in preparing an inventory of the existing local road network and their conditions.
- (g) To coordinate its program of work at all times with such other units within and outside of DPWH undertaking activities which may be related to road maintenance and road safety.
- (h) To maintain the separate and distinct nature and accountabilities of monies received from each of the Special Road Funds, namely, the Special Road Support Fund, the Special Local Road Fund and the Special Road Safety Fund. The regular maintenance (GAA) fund shall likewise remain separate and distinct in nature and accountability from the Special Road Funds.
- (i) To expedite implementation of the approved road maintenance and road safety programs and projects through the appropriate district units, and in inter-district cases, through the relevant regional office. The Road Program Office itself shall not engage in direct physical implementation of maintenance projects, much less enter into direct contract negotiations, except as may be otherwise explicitly stipulated by the DPWH Secretary in individual inter-regional cases.
- (j) To expedite all substantive road maintenance and road safety operations within DPWH, while administrative services of the Road Program Office will continue to be provided by the appropriate DPWH administrative units.

Article III. Provisions Pertaining to DoTC

13. Pursuant to Section 9 of R.A. 8794, the following provisions pertain to the functions, duties and responsibilities of DoTC with respect to the collection of the Motor Vehicle User's Charge, and the disposition of the monies accruing to the Special Vehicle Pollution Control Fund.

14. **Definition of Terms.** For purposes of this IRR, the term "DoTC" shall refer to the Department of Transportation and Communications, and shall be inclusive of all its subordinate units, including the LTO.

15. **Designation of Implementing DoTC Units.** Pursuant to the provisions of Section 9 of R.A. No. 8794 which authorizes the DoTC Secretary to undertake such structural and procedural improvements in the agencies concerned as may be necessary to ensure the prudent, wise, effective and efficient utilization of the Special Vehicle Pollution Control Fund, a Vehicle Pollution Control Fund Committee (hereinafter known as the Committee) is established that shall, subject to the supervision of the Board, administer and manage the fund, provide directions to the projects or activities utilizing the fund and, in general, supervise, monitor and ensure the proper implementation of the approved Vehicle Pollution Control Program.

The Committee shall be headed by the DoTC Secretary, and shall be assisted by a Technical Working Group headed by the DoTC Director for Planning, and a DoTC Secretariat. The membership of the Committee, the Working Group and the Secretariat shall be determined by the

DoTC Secretary. The DoTC Secretary may also assign personnel, either on a temporary or permanent basis as the case may be, from other offices and units of DoTC.

16. **Functions, Duties and Responsibilities of the Vehicle Pollution Control Fund Committee.** The Committee, with the technical assistance of the Technical Working Group and the DoTC Secretariat, shall have the following functions, duties and responsibilities:

- (a) Prepare for submission to the Board, for possible modification and approval and subsequent implementation, an AWP and rolling MWP of DoTC identifying the specific programs, projects and activities aimed at preventing, controlling, and managing air pollution from motor vehicles, including the resources and funding requirements therefor, and setting the timetable for their accomplishment.
- (b) Coordinate closely with the Department of Environment and Natural Resources to ensure that the program and its implementation are consistent with the Philippine Clean Air Act of 1999.
- (c) Undertake consultations, where appropriate, with affected stakeholders in the public and private sectors.
- (d) Conduct such studies and surveys as may be necessary relative to air pollution by vehicles.
- (e) Monitor, manage and administer the Special Vehicle Pollution Control Fund in accordance with such guidelines as may be promulgated by the Board.
- (f) Prepare and submit such reports as may be required by the Board.

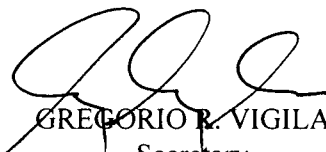
Article IV. Miscellaneous Provisions

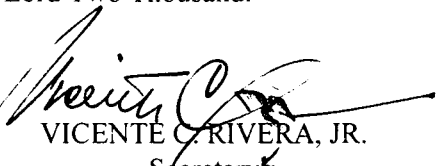
17. **Interpretation or Clarification.** In the event that it is necessary to interpret or clarify the meaning of any provision or provisions of R.A. 8794 or this IRR, such interpretation or clarification shall be made by the Board.

18. **Annual Review.** The DPWH Secretary and the DoTC Secretary shall jointly undertake an annual review of this IRR for the purpose of effecting modifications or amendments thereto as may be deemed proper or necessary.

19. **Effectivity.** This IRR shall take effect after fifteen (15) days following its publication in at least two newspapers of general circulation.

Issued this 16th day of August in the year of our Lord Two Thousand.


GREGORIO R. VIGILAR
Secretary
Department of Public Works and Highways


VICENTE C. RIVERA, JR.
Secretary
Department of Transportation and Communications

SCHEDULE 1

1. PRIVATE PASSENGER CARS REGISTERED AS OF 16 JULY 2000:

CATEGORIES	RATES IN PESOS				
	2000	2001	2002	2003	2004 & thereafter
I. PRIVATE VEHICLES					
A. PASSENGER CARS (Registered as of 16 July 2000)					
Light (GVW up to 1600 kg)					
Current (up to 5-years old)	1000	1250	1500	1750	2000
Over 5 years old	700	875	1050	1225	1400
Medium (GVW 1601-2300 kg)					
Current (up to 3-years old)	3000	3750	4500	5250	6000
Over 3 and up to 5 years old	2400	3000	3600	4200	4800
Over 5 years old	1200	1500	1800	2100	2400
Heavy (GVW > 2300 kg)					
Current (up to 5-years old)	6000	7500	9000	10500	12000
Over 5 years old	2800	3500	4200	4900	5600

Note: 1. GVW = gross vehicle weight, kg.

2. Aging of the passenger cars stops upon the date of effectivity of R.A. 8794, i.e., 16 July 2000.

The base rate is the rate on the age and type of car as of the said date of effectivity.

3. The rates are effective from January 1 of the stated year.

SCHEDULE 1(Continuation)**2. ALL MOTOR VEHICLES OTHER THAN THOSE COVERED BY SCHEDULE 1 (1) ABOVE:**

CATEGORIES	RATES IN PESOS				
	2000	2001	2002	2003	2004 & thereafter
I. PRIVATE AND GOVERNMENT VEHICLES					
A. PASSENGER CARS					
Light (GVW up to 1600 kg)	800	1000	1200	1400	1600
Medium (GVW >1600 to 2300 kg)	1800	2250	2700	3150	3600
Heavy (GVW > 2300 kg)	4000	5000	6000	7000	8000
B1. UTILITY VEHICLES					
GVW up to 2700 kg	1000	1250	1500	1750	2000
GVW >2700 to 4500 kg	1000 + 0.20 x GVW in excess of 2700 kg	1250 + 0.25 x GVW in excess of 2700 kg	1500 + 0.30 x GVW in excess of 2700 kg	1750 + 0.35 x GVW in excess of 2700 kg	2000 + 0.40 x GVW in excess of 2700 kg
B2. SPORTS UTILITY VEHICLES					
GVW up to 2700 kg	1150	1440	1725	2015	2300
GVW >2700 to 4500 kg	1150 + 0.23 x GVW in excess of 2700 kg	1440 + 0.29 x GVW in excess of 2700 kg	1725 + 0.35 x GVW in excess of 2700 kg	2015 + 0.40 x GVW in excess of 2700 kg	2300 + 0.46 x GVW in excess of 2700 kg
C. MOTORCYCLES					
Without Sidecars	120	150	180	210	240
With Sidecars	150	190	225	265	300
D. BUSES and E. TRUCKS					
GVW > 4500 kg	900 + 0.12 x GVW in excess of 2700 kg	1125 + 0.15 x GVW in excess of 2700 kg	1350 + 0.18 x GVW in excess of 2700 kg	1575 + 0.21 x GVW in excess of 2700 kg	1800 + 0.24 x GVW in excess of 2700 kg
F. TRAILERS					
GVW > 4500 kg	0.12 x GVW	0.15 x GVW	0.18 x GVW	0.21 x GVW	0.24 x GVW

(Continued Over)

SCHEDULE 1 (Continuation)

2. ALL MOTOR VEHICLES OTHER THAN THOSE COVERED BY SCHEDULE 1 (1) ABOVE (CONTINUATION)

CATEGORIES	RATES IN PESOS				
	2000	2001	2002	2003	2004 & thereafter
II. FOR HIRE					
A. PASSENGER CARS					
Light (GVW up to 1600 kg)	450	565	675	790	900
Medium (GVW > 1600 to 2300 kg)	900	1125	1350	1575	1800
Heavy (GVW > 2300 kg)	2500	3125	3750	4375	5000
B1. UTILITY VEHICLES					
GVW up to 4500 kg	0.15 x GVW	0.19 x GVW	0.22 x GVW	0.26 x GVW	0.30 x GVW
B2. SPORTS UTILITY VEHICLES					
GVW up to 2700 kg	1150	1440	1725	2015	2300
GVW > 2700 to 4500 kg	1150 + 0.23 x GVW in excess of 2700 kg	1440 + 0.29 x GVW in excess of 2700 kg	1725 + 0.35 x GVW in excess of 2700 kg	2015 + 0.40 x GVW in excess of 2700 kg	2300 + 0.46 x GVW in excess of 2700 kg
C. MOTORCYCLES					
Without Sidecars	150	190	225	265	300
With Sidecars	240	300	300	300	300
D. BUSES					
GVW > 4500 kg	0.15 x GVW	0.19 x GVW	0.22 x GVW	0.26 x GVW	0.30 x GVW
E. TRUCKS					
GVW > 4500 kg	900 + 0.12 x GVW in excess of 2700 kg	1125 + 0.15 x GVW in excess of 2700 kg	1350 + 0.18 x GVW in excess of 2700 kg	1575 + 0.21 x GVW in excess of 2700 kg	1800 + 0.24 x GVW in excess of 2700 kg
F. TRAILERS					
GVW > 4500 kg	0.12 x GVW	0.15 x GVW	0.18 x GVW	0.21 x GVW	0.24 x GVW

Note: 1. GVW = gross vehicle weight, kg

2. > more than

3. The rates are effective from January 1 of the stated year.

ANNEX "A"

COMPUTATIONS FOR SECTION 3.5 OF THE GUIDELINES

P/A/P No. (1)	P/A/P Description (2)	Total Appropriations in GAA (3)	Portion of GAA Appropriation to be charged to Fund 151 (SRSuF)	
			Unadjusted (4)	Adjusted (5)
III.a.1.d	Preventive Maintenance of National Roads and Bridges	P 32,310,000	P 26,000,000	P 26,000,000
III.b.1	Maintenance, Repair and Rehabilitation of Infrastructure Facilities, National Roads and Bridges	P 4,846,710,000	P 3,895,000,000	P 3,969,000,000
III.b.3	Maintenance, Repair and Rehabilitation of Infrastructure Facilities, Flood Control and Drainage Systems, Structures and Related Facilities	P 98,013,000	P 79,000,000	P 5,000,000
		P 4,977,033,000	P 4,000,000,000	P 4,000,000,000

Notes:

Column (4): The distribution of the P4 B among the three P/A/Ps is based on the proportions of the GAA appropriations for the same P/A/Ps in Column (3).

Column (5): The distribution in Column (3) has been adjusted in Column (4) by limiting to P5 M the allocation for P/A/P III.b.3 chargeable to Fund 151 to be used solely for drainage along national roads only. This is because (a) Fund 151 is derived from Motor Vehicle User's Charge and, as such, can be used for road drainage only which is related to road use, (b) the bulk of the P98,013,000 for P/A/P III.b.3 is intended for non-road flood control (e.g., river dikes, esteros/river dredging, pumping stations, etc.), and (c) P/A/P III.b.1 for maintenance of national roads and bridges already includes an allocation for drainage along these roads. The P74 M (P79 M-5 M) deducted from III.b.3 is added to III.b.1, bringing it to P3,969 M.