



Republic of the Philippines
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April 17, 2023

MEMORANDUM

FOR : **The Regional Executive Director**
DENR Region IV-B (MIMAROPA)

FROM : **The Director**
Administrative Service
DENR Central Office

SUBJECT : **REQUEST FOR SERVICE VEHICLE**

Relative to both your Memoranda dated April 3, 2023 requesting for second hand service vehicles for PENRO Oriental Mindoro and CENRO Roxas, Palawan to augment the mobility requirements of said Offices, please be informed that in as much as we want to accede to your request, there are no vehicles available for deployment.

Rest assured that your request shall be prioritized as soon as vehicles are available. In the meantime, you may submit a request for new service vehicles to the DENR Central Office, for inclusion in the proposed DENR fleet program for Calendar Year (CY) 2024. Attached for reference are Department of Budget and Management (DBM) Budget Circular No. 2022-1 dated February 11, 2022 on the "*Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Government Motor Vehicles*" and Department of Budget and Management (DBM) Budget Circular No. 2022-1A dated March 1, 2023 on the "*Supplemental Guidelines on the Acquisition, Use, Rental, and Replacement of Government Motor Vehicles*".

For information.


ROLANDO R. CASTRO



Republic of the Philippines
Department of Environment and Natural Resources
MIMAROPA Region

8744

MEMORANDUM

TO : ROLAND R. CASTRO
Director, Administrative Service

FROM : THE REGIONAL EXECUTIVE DIRECTOR

SUBJECT : REQUEST FOR A SECOND-HAND SERVICE VEHICLE FOR
OFFICIAL USE OF THE FIELD OFFICE OF DENR MIMAROPA
REGION

DATE : APR 03 2023



We would like to request from your Office a second-hand service vehicle for the official use of PENRO Oriental Mindoro. Said vehicle will be used for the monitoring of the response and rehabilitation activities in the oil spill-affected areas.

For your consideration, please.


LORMELYN E. CLAUDIO, CESO IV



Department of Environment
and Natural Resources
MIMAROPA Region



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REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

BUDGET CIRCULAR

No. 2022 - 1
February 11, 2022

To : All Heads of Departments and Agencies in the National Government, Including State Universities and Colleges (SUCs), Government-Owned or -Controlled Corporations (GOCCs) and their Subsidiaries, Government Financial Institutions (GFIs), and Local Water Districts (LWDs); Local Chief Executives of Local Government Units (LGUs); and All Others Concerned

Subject : **OMNIBUS GUIDELINES ON THE ACQUISITION, USE, RENTAL, AND REPLACEMENT OF GOVERNMENT MOTOR VEHICLES**

1.0 Rationale and Purpose

It is recognized that motor vehicles are indispensable for the efficient and effective performance and delivery of essential government services. Currently, the guidelines on the acquisition, use, rental, and replacement of motor vehicles are contained in various circulars issued by the Department of Budget and Management (DBM). The issuances, as well as the recent developments in the automotive industry, make it imperative to consolidate and update the same to ensure the effective and efficient management and prudent use of government resources.

This Circular is being issued to harmonize and update these DBM issuances and provide an omnibus guidelines on the acquisition, use, rental, and replacement of government motor vehicles as a single reference document.

2.0 Policy Statement

It is the policy of the government to ensure the prudent and judicious acquisition, use, rental, and replacement of government motor vehicles. Motor vehicles to be acquired and/or rented by the government shall be:

- a) limited to those necessary and appropriate for the officials authorized to use official transport vehicles;
- b) for the performance by government personnel of official functions or activities requiring transport mobility; and

- c) cost-effective, fuel-efficient, environment-friendly, and at par with the improvements and developments in the automotive industry and relevant technology.

3.0 Coverage

- 3.1 This Circular shall apply to all National Government Agencies (NGAs) under the Executive Branch, including SUCs, GOCCs, GFIs, LWDs, and the LGUs.
- 3.2 The Legislature, the Judiciary, Constitutional Commissions, and Office of the Ombudsman are encouraged to adopt the provisions of this Circular, as may be necessary and applicable.
- 3.3 As provided under Administrative Order (AO) No. 14, s. 2018, the acquisition of the following motor vehicles shall not be covered by this Circular:
 - a. Vehicles used for security reasons and purposes for the President and the Vice President;
 - b. Vehicles donated in kind to the Philippine Government or any of its agencies and instrumentalities by foreign governments, and bilateral and multilateral institutions;
 - c. Vehicles used for visiting foreign dignitaries maintained by the Office of the President (OP)-Proper and the Department of Foreign Affairs; and
 - d. Vehicles acquired using funds from existing official development assistance programs according to the terms thereof.

4.0 Officials Authorized to Use Government Motor Vehicles

- 4.1 Under the pertinent section in the General Provisions of the annual General Appropriations Act (GAA), government motor vehicles may be used by the following officials with costs chargeable to the appropriations authorized for their respective offices:
 - a. The President of the Philippines;
 - b. The Vice President of the Philippines;
 - c. The President of the Senate;
 - d. The Speaker of the House of Representatives;
 - e. The Chief Justice and Associate Justices of the Supreme Court;
 - f. The Presiding Justices of the Court of Appeals, Court of Tax Appeals, and the Sandiganbayan;
 - g. The Department Secretaries, Undersecretaries, Assistant Secretaries and officials of equivalent rank;
 - h. Ambassadors, Ministers Plenipotentiary and Consuls in charge of consulates, in their respective stations abroad;
 - i. The Chief of Staff, the Vice Chief of Staff, and the Commanding Generals of the Major Services of the Armed Forces of the Philippines;
 - j. Heads of Constitutional Commissions and the Ombudsman;

- k. Bureau Directors, Department Regional Directors and Bureau Regional Directors; and
 - l. Those who may be specifically authorized by the President of the Philippines, with respect to the Executive; the Senate President, with respect to the Senate; the Speaker, with respect to the House of Representatives; and the Chief Justice, in the case of the Judiciary.
- 4.2 As a general rule, an official who is authorized to use an official transport vehicle shall be allowed only one (1) motor vehicle. However, the President, the Vice President, the Department Secretaries or officials of equivalent rank may be allowed a back-up vehicle for security personnel, as deemed necessary, in the performance of their functions.
- The acquisition of additional vehicle/s for the aforesaid security personnel is subject to the recommendation of the Director-General of the Philippine National Police and the approval by the Secretary of the Interior and Local Government on the need by the official concerned of a security detail.
- 4.3 For this purpose, the rank equivalence of civilian positions shall be based primarily on salary grade and applies to officials occupying positions identified in the:
- a. Personnel Services Itemization containing the list of regular positions, or DBM-approved list of contractual positions, in the case of the NGAs;
 - b. Staffing pattern approved by the DBM or the Governance Commission for Government-Owned or -Controlled Corporations, under their respective coverages, in the case of GOCCs; and
 - c. Index of Occupational Services for the LGUs.
- 4.4 For the LGUs, the following positions are allowed to be assigned motor vehicles for their transportation services, subject to the financial capability of the procuring LGU:

Position Title	Salary Grade
<i>Provincial Government</i>	
Provincial Governor	30
Provincial Vice Governor	28
Sangguniang Panlalawigan Member	27
Provincial Government Department Head	26
<i>City Government</i>	
City Mayor	30
City Vice Mayor I/II	26/28
City Government Department Head I/II/III	25/26/27

Position Title	Salary Grade
City Government Office Head	26
Sangguniang Panlungsod Member I/II	25/27
<i>Municipal Government</i>	
Municipal Mayor I/II	27/28
Municipal Vice Mayor I/II	25/26
Municipal Government Department Head I/II	24/25
Sangguniang Bayan Member I/II	24/25

- 4.5 Other personnel of the departments, agencies, and other government entities concerned who are not authorized to use government vehicles as abovementioned are entitled to common use of motor vehicles in the exercise of their core functions as may be prescribed under ***Annex A (Updated Motor Vehicle Description, Classifications, and Specifications Guide)*** of this Circular. Priority shall be given to personnel who are not entitled to Transportation Allowance.

5.0 Classifications and Specifications of Motor Vehicles

- 5.1 As used in this issuance, a motor vehicle shall refer to a power-driven vehicle which is normally used for carrying persons or goods, either by land, water or air; and has a provision of at least one (1) seat, i.e., at least for the driver.
- 5.2 The types of motor vehicles that may be authorized for the agencies and instrumentalities of the Executive Branch, GOCCs/GFIs, LWDs, SUCs, and the LGUs shall be guided by the descriptive definition and information prescribed in Annex A of this Circular.

Annex A shall apply to all purchases and rentals of motor vehicles that may be authorized for the purpose.

- 5.3 As provided under AO No. 14¹, s. 2018, all government entities covered under this Circular are prohibited from acquiring and/or using luxury vehicles for their operations. A luxury vehicle shall refer to any of the following:
- Car (sedan or hatchback) with an engine displacement exceeding 2500cc, if gasoline-fed; or 3500cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders;
 - Passenger van or pick-up type vehicle with an engine displacement exceeding 2500cc, if gasoline-fed; or 3000cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders;

¹ Consolidating and Rationalizing the Rules on the Acquisition of Government Motor Vehicles, Adopting a Centralized System of Procurement Therefor, and for Other Purposes.

- c. Multi-purpose vehicle (MPV) and van (formerly AUV/CUV and MPV, respectively) with an engine displacement exceeding 2500cc, if gasoline-fed; or 2800cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders; or
 - d. SUV with an engine displacement exceeding 2700cc, if gasoline-fed; or 3000cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders.
- 5.4 As a general rule, only the acquisition of base model vehicles, which are already complete per the manufacturer's specifications in terms of the basic vehicle components and essential aspects of construction and design without loss of functionality, shall be allowed.

For customized or assembled vehicles, optional accessories or equipment shall be limited to those essential to meet the functional requirements, and those that would have been installed as part of the basic vehicle components.

- 5.5 As prescribed under AO No. 14, s. 2018, all government agencies are encouraged to dedicate a percentage of their vehicular requirements to the purchase of motor vehicle types using alternative fuels or source of power, such as electric vehicles, subject to the guidelines prescribed under this Circular, and taking into consideration the sustainability of fuel or power supply in the area of operation.
- 5.6 For motor vehicles to be used in foreign posts, the engine displacement of motor vehicles to be acquired for the purpose shall be consistent with the guidelines prescribed in this Circular, as far as feasible.

For this purpose, the requesting agency shall include in its request a justification on the more economical mode of acquiring a motor vehicle, i.e., either through outright purchase or rental/lease for an identified period, subject to existing rules on the rental of motor vehicles, as well as a market research indicating the available motor vehicles in the country of assignment and the prevailing prices for the same.

- 5.7 Motor vehicles to be acquired by the government shall comply with pertinent guidelines of the Department of Environment and Natural Resources (DENR) and the Department of Energy on motor vehicles, e.g., issuance by the DENR of Certificate of Conformity to ensure that an assembled motor vehicle complies with the numerical emission standards.

6.0 Approving Authority for the Purchase of Motor Vehicles

6.1 The respective approving authority for the following vehicle types and from the following requesting government entities and funding source shall be:

Requesting Government Entity	Vehicle Type	Approving Authority
NGAs, GOCCs and GFIs including their subsidiaries, LWDs, SUCs, Other Executive Offices (OEOs), except the OP, chargeable against their respective appropriations authorized for the purpose LGUs- using funds under the GAA	a.1 Specific-purpose vehicles, such as medical ambulances, military and police patrol vehicles, armored vehicles, prisoners' vans, and fire trucks; a.2 Heavy equipment, such as road construction equipment, cargo transport equipment, farm machinery, waste management/ environmental sanitation equipment, and similar vehicles/equipment; a.3 Locally-assembled owner- or passenger-type jeeps; a.4 Motorized bancas/boats; a.5 Vehicles for mass transport when necessary in the interest of public service; and a.6 Motorcycles and tri-wheel vehicles.	Secretary of Budget and Management
LGUs – using local funds		Local Chief Executive
NGAs, GOCCs and GFIs including their subsidiaries, LWDs, SUCs, except the OEOs and OP, chargeable against their respective appropriations authorized for the purpose	Vehicle types not included above, e.g., cars, MPVs, vans, passenger vans, SUVs, pick-ups	Secretary of Budget and Management
LGUs – regardless of source of funds		Secretary of the Interior and Local Government
OEOs		Office of the President, upon recommendation of the DBM
All abovementioned government entities, including the Office of the President	Vehicle types not under the approving authority of the DBM, DILG, or LCEs, e.g., all types of aircraft and seacraft	

Requesting Government Entity	Vehicle Type	Approving Authority
Senate	All vehicle types	Senate President
House of Representatives	All vehicle types	Speaker of the House of Representatives
Judicial Branch	All vehicle types	Supreme Court Chief Justice
Constitutional Commissions and other Offices enjoying fiscal autonomy	All vehicle types	Respective heads of agencies

- 6.2 The proposed acquisition of motor vehicles to be charged from sources other than the GAA, e.g., grants and agency income, except for vehicles directly provided under foreign-assisted projects, shall also be subject to approval by the relevant authority, to ensure their consistency with the DBM-prescribed specifications and costs, and rules on the use of income, as applicable.

7.0 Authority to Purchase Motor Vehicles (APMV)

- 7.1 The APMV issued by the appropriate approving authority shall serve as the basis of agencies in acquiring motor vehicles. Said document (template attached as **Annex B**) shall contain the following information, among others:
- Intended use and/or user;
 - Quantity;
 - Cost;
 - Funding source; and
 - Motor vehicle classification and specifications.
- 7.2 For requests for acquisition which are subject to the approval by the DBM, the confirmation letters being issued by the DBM to the agencies to confirm their inclusion in their respective budgets under the National Expenditure Program (NEP) shall serve as their APMV, provided that said letter, or its attachment, contains the same information as in the APMV, as indicated under Item 7.1 above. The confirmation letters issued by the DBM to the LGUs for the acquisition of motor vehicles funded under the Local Government Support Fund shall also serve as the LGU's APMV, provided that said letter, or its attachment, contains the same information as in the APMV.
- 7.2.1 On the other hand, for those with confirmation letters with the same information as the APMV subject to OP approval, the DBM shall secure such approval within a reasonable time from passage of the GAA.

7.2.2 Moreover, an APMV from the DBM shall still be required in the following cases during budget execution:

- a. The funding sources of the motor vehicle to be acquired are either the Department of Public Works and Highways' Engineering and Administrative Overhead, SUCs' income, retained income or prior years' appropriations;
- b. The confirmation letter does not provide the details of the motor vehicle/s for acquisition, such as those issued to GOCCs without budgetary support from the National Government, and SUCs;
- c. There are agency-specific funds for the purchase of motor vehicles without confirmation letters, such as new items under the GAA or in the case of LGUs; and
- d. The acquisition of motor vehicle/s by the agency will deviate from the details in the confirmation letter, e.g., change in type, quantity, intended use and/or user, and/or specifications.

8.0 Modes of Acquisition

8.1 In general, motor vehicles shall be acquired through any of the following modes:

- a. Outright purchase; or
- b. Assembly.

8.2 Motor vehicle acquisition through outright purchase involves the procurement of brand-new units that are paid for on a single, lump sum basis.

8.3 Motor vehicles may also be assembled (usually owner- or passenger-type jeepneys).

However, acquisition by assembly shall be subject to the approval by the Secretary of Budget and Management and may be resorted to only in cases of any of the following:

- a. Where a brand-new vehicle is not available in the locality, or if available, the cost is prohibitive because of the distance from the nearest market source; or
- b. Where an assembled vehicle is deemed more durable as the design and type of parts used are made suitable to the road condition/terrain in the locality such as in remote barangays/municipalities.

Further, the assembled motor vehicles shall not use surplus/reconditioned engines.

- 8.4 For the purpose of this Circular, assembly shall mean that the major parts of the vehicle, e.g., engine, body, seats and chassis are put together to come up with a new vehicle. It is not similar to a customized vehicle, which shall refer to a unit which has minor modifications to suit the purpose it is intended for, e.g., additional accessories.
- 8.5 In accordance with the implementing rules and regulations (IRR) of Republic Act (RA) No. 9184², which considers lease purchase or lease-to-own as a variant of lease which involves procurement as defined under Section 5(aa) of the IRR of RA No. 9184, lease purchase or lease-to-own may be considered as an alternative mode of acquisition. The justification for this alternative mode, e.g., it is more advantageous to the government, shall be included by the agency concerned in its request for APMV.

Agencies proposing the use of lease purchase or lease-to-own mode and which will require multi-year funding from the GAA shall likewise request for the issuance of a Multi-year Contractual Authority.

9.0 Policy on the Acquisition of Secondhand/Reconditioned Motor Vehicles

- 9.1 For purposes of economy and efficiency and to ensure the prudent and judicious use of government resources, the acquisition of all secondhand/reconditioned motor vehicles, except for aircraft and seacraft, regardless of the source of funds and approving authority, shall be prohibited.
- 9.2 The acquisition of secondhand aircraft and seacraft shall be subject to recommendation by the DBM and approval by the OP, consistent with Item 6.1 hereof.

10.0 Rental of Motor Vehicles

- 10.1 As a general policy, the rental of motor vehicles shall be resorted to only if said mode is deemed more economical, expedient and convenient than outright purchase, such as but not limited to:
- a. Where the motor vehicle will be used in the performance of agency functions that are temporary or ad hoc in nature which require transportation services for agency personnel and official guests/visitors;
 - b. Where the motor vehicle will be used in conventions, seminars, athletic/sports events and similar gatherings wherein the nature of the gathering requires the travel or transport of participants, whether agency personnel or official guests/visitors, from one location to another;
 - c. Where the motor vehicle will be used by a Presidential ad hoc body/agency mandated to perform a specific task; and
 - d. Where the motor vehicle will be used in urgent and/or emergency cases such as in search and rescue operations during natural or man-made disasters or calamities.

² The Revised Implementing Rules and Regulations (Updated as of 31 March 2021) of Republic Act No. 9184 (Government Procurement Reform Act)

- 10.2 As mandated in Sec. 76, Chapter 7, Book VI of Executive Order No. 292, s. 1987 (*The Administrative Code of 1987*), no appropriations authorized in the GAA shall be used for renting motor vehicles for a continuous period of more than fifteen (15) days, except as may be authorized by the Secretary of Budget and Management. The rental for a continuous period of more than 15 days shall require the issuance of an authority to rent motor vehicle (ARMV) from the DBM (ARMV template attached as **Annex C**).

For this purpose, continuous period of more than 15 days shall mean that the *i*) motor vehicle shall be rented for more than 15 days for a particular program, project or activity, including weekends and holidays; or *ii*) the rent is through a contract with a single service provider for a period of more than 15 days, regardless of the number of days of actual use, for the same program, project or activity.

In evaluating requests for rental for a continuous period of more than 15 days, the primary consideration should be if said rental will be advantageous to the government than outright purchase of motor vehicles.

On the other hand, heads of agencies are authorized to rent motor vehicles for a **continuous period not exceeding 15 days**, including weekends and holidays, chargeable against agency appropriations.

- 10.3 The rental of motor vehicles by national government agencies for a continuous period more than 15 days and to be sourced from their respective income shall likewise be subject to the approving authority by the DBM.
- 10.4 Local Chief Executives, including *Punong Barangays*, are authorized to approve the requests for rental of motor vehicles of their respective LGUs regardless of the number of days of the rental if the budgetary source thereof is the LGU's local funds and said mode is deemed more economical, expedient and convenient than outright purchase.

11.0 **Costing Parameters for Acquisition or Rental**

- 11.1 The cost of motor vehicles to be purchased or rented shall be based on the type and specifications approved for the purpose as contained in the APMV.
- 11.2 The purchase or rental of the motor vehicle shall be subject to pertinent procurement, budgeting, accounting, and auditing laws, rules and regulations.

12.0 **Re-fleeting and Replacement of Government Motor Vehicles**

- 12.1 All NGAs under the Executive Branch and its instrumentalities, including SUCs, GOCCs and GFIs, are required to prepare a three-year vehicle re-fleeting program using the **Motor Vehicle Inventory and Re-fleeting Program Form in Annex D** of this Circular. Said form shall be updated and submitted to the DBM during the budget preparation phase for the year.

12.2 The said re-fleeting program should consider the following conditions for replacement:

Motor vehicles for land transportation may be replaced under the following conditions:

- a. For service vehicles – if the motor vehicle is at least seven (7) years old or has travelled at least 105,000 kilometers; and
- b. For other vehicles – if at least five (5) years old or has travelled at least 75,000 kilometers.

For this purpose, service vehicles shall refer to motor vehicles assigned to agency officials for the exercise of executive functions.

On the other hand, other vehicles shall refer to those which are used for purposes other than executive functions, e.g., those used by the agency to transport its personnel, such as passenger vans, and in the provision of services such as patrol cars, medical ambulances, among others.

12.3 Generally, the replacements of all types of motor vehicles may also be allowed if the following conditions are satisfied, and in the case of motor vehicles for land transportation even before the conditions under Item 12.2 hereof are met:

- a. The vehicle, for justifiable reasons, is declared as unserviceable, in which case, a duly accomplished ***Inventory and Inspection Report of Unserviceable Property (IIRUP)*** shall be submitted together with the request for replacement (refer to ***Annex E*** for the IIRUP template);
- b. The average annual cost of recurring repair/reconditioning during the immediate past two (2) years is at least 30% of the current price of a new similar unit. In this case, a statement of the recurring repair/reconditioning expenses for the two-year period prepared by the chief accountant and certified by the agency head shall accompany the request; or
- c. The motor vehicle, despite proper care and maintenance, did not pass the emission testing requirement for motor vehicle registration as prescribed under RA No. 8749 (*The Philippine Clean Air Act of 1999*).

13.0 Supporting Documents for Requests to Purchase, Replace and Rent Motor Vehicles

13.1 All requests for authority to purchase motor vehicles submitted to the DBM shall be accompanied by the following:

- a. Letter from the head of the requesting entity containing the following information:
 1. Justification for the acquisition of the vehicle(s) disclosing the number, type, quantity, specifications and comparative costing of the requested vehicle;
 2. User-official, deployment by organizational unit, and/or activities/purposes for which the vehicle will be used; and
 3. Proof of authorization, fund source and its availability, as follows:
 - For NGAs – for fund sources other than the GAA such as trust receipts, special accounts in the general fund and/or other authorized appropriation source: **1)** certification by its Chief Accountant that funds for the acquisition are available; and **2)** Bureau of the Treasury certification of deposited collection;
 - For GOCCs, LWDs and SUCs - **1)** Board resolution approving or authorizing the purchase of the motor vehicle/s; and **2)** certification by its Chief Accountant that funds are included and available under the operating budget approved by the Board; and
 - For LGUs - a certification from the local chief executive attesting that **1)** a Sanggunian Resolution has been approved endorsing the purchase of motor vehicles; **2)** the request for acquisition is part of the Local Development Investment Plan and Annual Investment Plan; and **3)** funds are available for the purpose.
- b. Duly accomplished Motor Vehicle Inventory and Re-fleeting Program Form (MVIRUP), as prescribed in Annex D of this Circular, if not yet submitted during the year;
- c. For replacements under Item 12.3 hereof, the following, as applicable, shall be submitted: **1)** Duly accomplished IIRUP (Annex E); **2)** a statement of the recurring repair/reconditioning expenses for the two-year period prepared by the General Services Division personnel or equivalent and certified by the agency head; and/or **3)** certification of emission testing results by accredited providers.
- d. Approved Annual Procurement Plan for the year showing inclusion of the procurement of the motor vehicle; and

- e. Endorsement letter from the Department Secretary, in the case of the attached NGAs, and the Local Water Utilities Authority in the case of LWDs.

13.2 On the other hand, requests for authority to rent motor vehicles for a period exceeding 15 days shall be accompanied by the following:

- a. Detailed justification for the rental, including the duration of the specific program, project or activity for which the motor vehicle(s) will be rented;
- b. The number, type and specifications of vehicle(s) to be rented, and the proposed rate(s);
- c. Period of rental; and
- d. Certification of availability of funds.

14.0 Submission of Requests for APMVs and ARMVs to the DBM

Agencies shall submit their request for APMVs and ARMVs that are subject to the recommendation and/or approval by the DBM Secretary to the following:

14.1 The DBM Central Office, for agencies, GOCCs, and SUCs (e.g., University of the Philippines and Mindanao State University) under its coverage.

14.2 The DBM Regional Offices, for the LGUs, other SUCs, LWDs, and decentralized government agencies under their respective coverage.

15.0 Reference to the General Appropriations Act

Any reference to the GAA in this Circular shall pertain to the equivalent provision in the applicable GAA for the year.

16.0 Transitory Guidelines

These guidelines shall not apply to all requests for authority to purchase or rent motor vehicles which were authorized by the appropriate approving authority prior to the effectivity of this Circular, unless the agency concerned requests for a revised APMV/ARMV.

17.0 Repealing Clause

National Budget Circular (NBC) No. 438³ dated January 11, 1995, NBC No. 446⁴ dated November 24, 1995, NBC No. 446-A⁵ dated 30 January 1998 BC No. 2010-2⁶ dated March 1, 2010, BC No. 2017-1⁷ dated April 26, 2017, BC No. 2019-2⁸ dated March 4, 2019, and BC No. 2019-3⁹ dated May 16, 2019 are hereby rescinded and repealed accordingly.

In addition, provisions of other existing guidelines that are not consistent with this Circular are revised, modified, and/or repealed accordingly.

18.0 Resolution of Issues

Issues and concerns that may arise in the implementation of this Circular shall be resolved by the DBM.

19.0 Separability Clause

If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

20.0 Effectivity

This Circular shall take effect upon its publication in the Official Gazette or in a newspaper of general circulation. Three (3) certified true copies of this Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.


TINA ROSE MARIE L. CANDA
Officer-in-Charge



³ Prescribing the Guidelines on the Purchase of Equipment

⁴ Guidelines on the Acquisition and Rental of Motor Vehicles

⁵ Amending National Budget Circular (NBC) No. 446 dated November 24, 1995, on the Subject, "Guidelines on the Acquisition and Rental of Motor Vehicles"

⁶ Guidelines on the Acquisition and Use of Government Motor Vehicles

⁷ Amending Budget Circular (BC) No. 2016-5 Entitled, "Revised Guidelines on the Acquisition and Use of Government Motor Vehicles" dated August 22, 2016

⁸ Guidelines Implementing Certain Provisions of Administrative Order No. 14, s. 2018

⁹ Guidelines to Implement the Centralized Procurement of Government Motor Vehicles Pursuant to Administrative Order No. 14, s. 2018

Annex A

UPDATED MOTOR VEHICLE DESCRIPTION, CLASSIFICATIONS, AND SPECIFICATIONS GUIDE

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
A. FOR THE EXERCISE OF EXECUTIVE FUNCTIONS		
1. For a Department Secretary/Salary Grade (SG)-31 and other officials of equivalent rank in National Government Agencies (NGAs), Government-Owned or –Controlled Corporations (GOCCs) and Local Government Units (LGUs)	a. Car (Sedan or Hatchback) -or-	A four-wheel enclosed automobile having four (4) side doors. It can accommodate four (4) to five (5) passengers, including the driver, on two (2) rows of seats. A common configuration includes a split front seat and a rear bench seat. The passenger cabin is separate from the limited luggage compartment or trunk located at the rear. Engine displacement not exceeding 2500 cc for gasoline or 3500 cc for diesel; or alternative fuel vehicle (AFV) under Item 5.5 of the Guidelines
	b. Multi-purpose Vehicle (MPV) -or-	A four-wheel enclosed vehicle having dual side doors and a fifth rear door or lift-up tailgate. It has a maximum seating capacity of 10 passengers, including the driver, with its two (2) rows of front seats and foldable rear seats (optional). Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	c. Sports Utility Vehicle (SUV)	a type of passenger vehicle which combines the load-hauling and passenger-carrying capacity of an MPV with features designed for off-road driving. It is a high-performance two-wheel/four-wheel drive car built on a truck chassis and a suspension designed for giving ground clearance for off-road driving. Its seating capacity varies from five (5) to 10 passengers. Engine displacement not exceeding 2700 cc for gasoline or 3000 cc for diesel; or AFV As a general rule, the Department Secretary-level official concerned may use a 4x2 SUV. A 4x4 SUV shall only be allowed for use by Department Secretary-level officials with functions that require regular and frequent travel to rural and remote areas with generally rugged road condition, mountainous and rugged terrain.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
2. For an Ambassador or Chief-of-Mission of Philippine embassies/ consulates abroad for exclusive use in the country where the embassy/ consulate is located	Car (Sedan), MPV or SUV	Engine displacement should be based on the available vehicle models in the country of assignment; or AFV
3. For a Department Undersecretary/SG-30 and other officials of equivalent rank in NGAs, GOCCs and LGUs	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1800 cc for gasoline or diesel; or AFV
4. For a Chief of Staff of the Armed Forces of the Philippines (AFP)	b. MPV	Engine displacement not exceeding 2000 cc for gasoline or 2800 cc for diesel; or AFV
5. For a Department Assistant Secretary/SG-29 and other officials of equivalent rank in NGAs, GOCCs and LGUs	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1600 cc for gasoline or diesel; or AFV
6. For a Vice Chief of Staff and the Commanding Generals of the Major Services of the AFP	b. MPV	Engine displacement not exceeding 1800 cc for gasoline or 2800 cc for diesel; or AFV
7. For a Head of a Bureau/SG-28 or organization equivalent to a Bureau, Department Regional Director/SG-28, Department Service Chief/SG-28 or Head of a Bureau Regional Office/SG-26 or organization equivalent to a Bureau Regional Office and other officials of equivalent rank in NGAs, GOCCs and LGUs	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1500 cc for gasoline or diesel; or AFV
	b. MPV	Engine displacement not exceeding 1600 cc for gasoline or 2800 cc for diesel; or AFV
B. FOR THE TRANSPORT OF PERSONNEL, EQUIPMENT, SUPPLIES, PRODUCTS AND MATERIALS		
1. For general urban use where road conditions are generally good	a. Passenger van -or-	A large four-wheel enclosed vehicle intended for conveying passengers and/or hauling cargo, traditionally having four (4) doors [two side doors for the driver and front passengers, one (1) or two (2) passenger side sliding doors, and a tailgate]. The seating capacity ranges from eight (8) to 18 passengers, including the driver. It has several rows of folding or removable seats behind the front passenger seat. It has no luggage compartment but an expandable area at the rear which can be used for luggage, cargoes, etc.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
	b. Van -or-	A fully or partially enclosed four-wheel general purpose utility vehicle with two (2) compartments: (i) the front cabin/cab with two (2) side doors seating three (3) passengers, including the driver, on a full width seat, and (ii) the rear deck accommodating eight (8) to 16 passengers with facing collapsible bench seats accessible through rear door(s). A multi-cab is considered a van. Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	c. Tri-wheel vehicle	A three-wheel light vehicle with a prefabricated enclosed posterior cab, having two (2) wheels and rear door(s), fitted/attached to a reconfigured/reinforced motorcycle, for hauling packages/cargoes and/or transport of minimal number of passengers. A tri-wheel vehicle is distinct from a tricycle (a motorcycle fitted with a sidecar). Tri-wheel vehicles include e-trikes. Engine displacement not exceeding 200 cc; or AFV
2. For heavy field use in rural and remote areas with generally rugged road condition, mountainous and rugged terrain	a. Pick-up -or-	A four-wheel compact truck with a low-sided open cargo hauler, and a passenger cab (regular/single or extended/crew cab type) accommodating two (2) to six (6) passengers on split and/or bench seats with two (2) or four (4) side doors. A pick-up truck is designed to carry both passengers and cargoes. Engine displacement not exceeding 2500 cc for gasoline or 3000cc for diesel; or AFV
	b. SUV -or-	Engine displacement not exceeding 2700 cc for gasoline or 3000 cc for diesel; or AFV
	c. All-Terrain Vehicle (ATV)	A four-wheel motor vehicle used exclusively on rugged, mountainous and off-road terrain. It usually has low-pressure tires and either a steering wheel or handlebars for steering. Engine displacement not exceeding 800 cc
3. For use in semi-rugged roads in rural areas	a. "Assembled" Owner-Type Jeep -or-	A fully or partially enclosed four-wheel assembled general-purpose utility vehicle with locally assembled chassis and body, and fitted with a reconditioned engine.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		An owner-type jeep can accommodate five (5) to seven (7) passengers on the split type or full width front seat and the two (2) to three (3) folding or removable rear bench seats. Engine displacement not exceeding 1800 cc for gasoline or 2500 cc for diesel
	b. "Assembled" Passenger Jeepney-Type Vehicle	Passenger type jeepney/jitney has two (2) compartments: (i) the front cab seating two (2) to three (3) passengers, including the driver, on a full width seat or split front seat, and (ii) the rear deck accommodating 12-18 passengers with facing rear bench seats. Side and rear doors are optional. Engine displacement not exceeding 2000 cc for gasoline or 3000 cc for diesel
4. For use of field personnel/ workers who by the nature of their functions have to travel to remote areas not normally accessible by ordinary transport vehicles	Motorcycle	A two-wheel vehicle having one (1) or two (2) riding saddles and sometimes a third wheel to support a side-car, if present. This is used by field workers assigned in rural areas not normally accessible to four-wheel vehicles, or for police and/or highway patrol operations or similar purposes. Engine displacement not exceeding 200 cc
5. For transport of personnel/ visitors for activities related to education, tourism, trade and investment promotions, banking and finance, foreign affairs, and other official functions	Passenger van	Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
6. For mass transportation of personnel/visitors for activities related to education, tourism, trade and investment promotions, banking and finance, foreign affairs, and other official functions	a. Bus -or-	a four- or six-wheel heavy and long bodied motor vehicle with locally assembled or fully imported chassis and body. It is primarily designed to carry a comparatively large number of passengers. A bus for government use varies from full size bus with a seating capacity of a maximum 47 passengers, including the driver, to a mini bus with a seating capacity of a maximum 36 passengers, including the driver. Engine displacement not exceeding 10000 cc for diesel
	b. Mini bus	Engine displacement not exceeding 6500 cc for diesel

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
C. FOR THE TRANSPORT OF SICK AND/OR INJURED PERSONS		
1. For transport of sick and/or injured persons in hospitals, and for government agencies where an ambulance may be needed on stand-by at all times in case of emergency	a. Van [for conversion into an ambulance and fitted with the necessary medical equipment and apparatus based on the Department of Health (DOH) guidelines] -or-	An ambulance is a vehicle designed and equipped with medical/life-saving apparatus or equipment used for transporting sick and/or injured patients to, from, and between places of treatment by land, water or air, affording safety and comfort to the patients to avoid aggravation of illness or injury. For the purpose of this Circular, an ambulance shall refer to a land ambulance. Sea and air ambulances are considered customized seacrafts and aircrafts, respectively. Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	b. Passenger van (for conversion into an ambulance and fitted with the necessary medical equipment and apparatus based on the DOH guidelines) -or-	Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
	c. Original ambulance, designed, built and equipped as such by the manufacturer and complies with the DOH guidelines	Specifications may vary according to manufacturer and the sophistication of the desired units
D. FOR PATROL OPERATIONS		
1. For patrol operations where speed and stability are critical when pursuing other speedy vehicles	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 2000 cc for gasoline or diesel; or AFV
	b. MPV -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
	c. Van -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	d. Pick-up -or-	Engine displacement not exceeding 2500 cc for gasoline or 3000cc for diesel; or AFV
	e. Motorcycle	Specifications may vary according to the intended use of the agency and in consideration of the minimum specifications of motorcycles allowed in certain areas
E. FOR DISASTER RESPONSE AND RESCUE/RELIEF OPERATIONS		
1. For mobility purposes and immediate response during disasters and calamities	a. Van (for conversion into a rescue vehicle equipped with the necessary equipment and apparatus) -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	b. Pick-up (for conversion into a rescue vehicle equipped with the necessary equipment and apparatus) -or-	Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
	c. Motorcycle -or-	Specifications may vary according to the intended use of the agency and in consideration of the minimum specifications of motorcycles allowed in certain areas.
	d. Heavy equipment such as bulldozers graders, payloaders, dump trucks, compactors, amphibian trucks, and related equipment -or-	A large and heavy-fabricated automotive vehicle used in the construction, improvement, rehabilitation and maintenance of roads and bridges and other infrastructure, waste management and environmental sanitation, and related activities. Heavy equipment may be sub-classified as: (i) earth moving equipment for moving soil or other analogous materials from one location to another which are relatively near each other for levelling uneven earth surfaces, and for similar projects; (ii) compaction equipment used to make the soil rigid or well compacted in preparation for asphaltting or paving (cementing); (iii) lifting

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		equipment which include crane/hoists with boom and forklifts; (iv) excavating equipment for digging ditches, canals, waterways, and the like; (v) asphaltting/concreting equipment used in transporting ready mixed asphalt/cement, as well as those used for applying/levelling asphalt/cement on the prepared soil; (vi) hauling equipment, which include dump trucks, garbage trucks, cargo trucks and trailers; and (vii) other types of equipment such as pile driving, air pumping and shop equipment. Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed heavy equipment must be supplied by the requesting agency.
	e. Specific-purpose vehicle	All pertinent data/specifications about the proposed specific-purpose vehicle must be supplied by the requesting agency.
	f. Motorized Boat	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about proposed water transport must be supplied by the requesting agency
F. FOR THE TRANSPORT OF CASH OR VALUABLE ITEMS		
1. For transport of large quantities of cash and highly valuable items such as gold and the like. Generally, only a bank or agency performing quasi-judicial functions that would require the transport of large amounts of money and valuables may be authorized an armored vehicle	a. Armored Vehicle	A four-wheel motor vehicle, armored with metal protective covering, and used in transporting large quantities of cash and/or highly valuable items such as gold, among others. A bank or agency performing quasi-banking functions that would require the transport of large amounts of money and valuables may be authorized to acquire an armored vehicle. Most locally available armored vehicles are built by truck/body builders utilizing chassis cab units and fitting them with armored plate and other necessary armored vehicle accessories. Engine displacement not exceeding 2500 cc for gasoline or 4500 cc for diesel; other desired features/specifications must be supplied by the requesting agency

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
G. FOR FIREFIGHTING OPERATIONS		
1. To provide basic firefighting, disaster response, and rescue capability to the Bureau of Fire Protection, and other government agencies whose functions and operations necessitate the maintenance of a firefighting and rescue unit	Automotive Fire Apparatus	A vehicle designed to be used under emergency conditions to transport personnel and equipment or to support the suppression of fires or mitigation of other hazardous situations. Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed automotive fire apparatus must be supplied by the requesting agency.
H. FOR ROAD CONSTRUCTION AND WASTE MANAGEMENT		
1. For construction, improvement, rehabilitation and maintenance of roads, bridges and other infrastructure, and for use in waste management and environmental sanitation	Heavy equipment such as graders, payloaders, dump trucks, road rollers, cement mixers, compactors, cranes, and related equipment	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed heavy equipment must be supplied by the requesting agency.
I. FOR CARGO TRANSPORT AND DELIVERY OF EQUIPMENT		
1. For cargo transport/delivery of equipment and other cargoes, the weights of which are beyond the load capacity of the aforementioned vehicles which are for transport of personnel, equipment, supplies, products and materials, provided that the transport/delivery of cargoes is part of the regular function or operation of the agency	a. Delivery Truck -or-	Truck with up to 6 wheels with gross vehicle weight not exceeding 16,880 kilograms
	b. Cargo Truck -or-	Truck with up to 10 wheels gross vehicle weight not exceeding 27,250 kilograms
	c. Heavy Cargo Truck	Truck with up to 14 wheels with gross vehicle weight not exceeding 29,700 kilograms
J. FOR AGRICULTURAL USE AND/OR SOIL CULTIVATION		
1. For cultivating agricultural farms as experiment or demonstration stations such as those in state universities and colleges (SUCs) and other educational institutions offering agricultural courses 2. For distribution to farmer beneficiaries of agencies concerned	a. Farm tractor -or-	Since the methods of cultivation to be applied vary, the specifications and other features of the proposed farm tractor and harvester must be supplied by the requesting agency.
	b. Harvester	

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
K. FOR USE IN TECHNICAL/VOCATIONAL AND OTHER EDUCATIONAL/TRAINING PURPOSES, AND LICENSING OF DRIVERS		
1. For training students in technical/vocational institutions and SUCs in courses in automotive mechanics, mechanical engineering, marine engineering, and other related courses	Classification depends on the course of study	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the vehicle must be supplied by the requesting agency.
2. For use in practical driving examination by the Land Transportation Office	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1500 cc for gasoline or diesel; or AFV
	b. Motorcycle -or-	Engine displacement not exceeding 200 cc
	c. Van -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 for diesel; or AFV
	d. Delivery truck	Truck with up to 6 wheels with gross vehicle weight not exceeding 16,680 kilograms
L. FOR WATER TRANSPORT		
1. For inland waters and limited off-shore and inter-island transportation	Motorized Banca	A small locally-manufactured boat with a wooden hull having a passenger capacity not exceeding 15, with RH and LH rigs, roof, stainless steel propellers and engines Inboard engine not exceeding 80 horsepower
2. For off-shore patrol and inter-island operations	Motorized Boat	A motorized boat is a small and open vessel which is engine-powered and made of wood, steel, rubber or fiberglass for use on water to complement off-shore/inter-island transport and control operations.
3. For inter-island water/sea transport	All types of sea vessel except the aforesaid motorized banca and boat	A seacraft is an engine-powered vessel intended for navigation on rivers, seas, oceans or other navigable waters Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed water transport must be supplied by the requesting agency.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
M. FOR AIR TRANSPORT		
1. For air transport	All types of aircraft such as airplanes, helicopters, etc.	A vehicle or carrier which is able to fly by gaining support from the air, or in general, the atmosphere of the planet. This type includes airplanes, helicopters, gliders and other vehicles capable of atmospheric flight, except drones. Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed air transport must be supplied by the requesting agency.
N. FOR SPECIAL FUNCTIONS/PURPOSE		
1. For agency's special functions/ purpose	Custom-built for special function/purpose	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed motor vehicle must be supplied by the requesting agency.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

APMV No. _____

[Leave blank for the date stamp]

[POSITION TITLE + COMPLETE NAME (with middle initial)]

[Agency/Office/Organization Name]

[Address]

[COMPLETE NAME (with middle initial)]

President

[Name of State University or College]

[Address]

For SUCs

AUTHORITY TO PURCHASE MOTOR VEHICLE/S

Qty.	Type	Intended Use and/or User, and Specifications	Cost
1	Pick-up	Use and/or User: e.g. For the transport of personnel, equipment, supplies, products and materials [Quote directly from Annex A of the Omnibus Guidelines] Specifications: e.g. Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel [Quote directly from Annex A of the Omnibus Guidelines] The detailed specifications of the motor vehicle/s to be purchased are in Annex A hereof, as provided by the [cite name of agency/University/College].	P 2,000,000.00
1	TOTAL		P 2,000,000.00
TOTAL AMOUNT IN WORDS		: **TWO MILLION PESOS ONLY**	
FUNDING SOURCE		: FY 2022 General Appropriations Act	

Note: The vehicle specifications must be quoted verbatim from Annex A of the Omnibus Guidelines on the Acquisition, Use, Rental and Replacement of Motor Vehicles, as applicable.

The detailed specifications of the motor vehicle/s as provided by the requesting agency is to be attached to this Authority.

CONDITIONS:

1. The motor vehicle/s shall be used only for official purpose, the intended use and/or by the intended user, for which the motor vehicle/s was requested as herein authorized. The acquisition/purchase of subject motor vehicle/s shall be in accordance with the provisions of the Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles. Further, the classification/s and specifications of subject motor vehicle/s shall be consistent with the provisions of Annex A of the guidelines.
2. Moreover, it is understood that the acquisition of said motor vehicle/s shall be in accordance with the Republic Act No. 9184 (*Government Procurement Reform Act*) and

Annex B

its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.

3. The purchase of motor vehicle/s shall in no case be used as justification to request for additional driver positions. (This condition shall only be cited in the APMVs of departments and agencies, as well as state universities and colleges whose personnel services budgets are sourced from the General Appropriations Act, and whose creation of positions is subject to the approval by the DBM.)
4. The herein approved heavy equipment must be among the equipment needed for the implementation of infrastructure projects. Moreover, funds for Engineering and Administrative Overhead Expenses for the purchase of heavy equipment shall be treated as capital expenditure, and shall form part of the project cost, as well as comply with the requirements provided in the FY ____ General Appropriations Act. (This condition shall only be cited in the requests of the DPWH for the acquisition of heavy equipment which are chargeable against the agency's budget for Engineering and Administrative Overhead Expenses.)
5. Notwithstanding this issuance, disbursement and expenditure of funds shall be subject to the provisions embodied in the Omnibus Election Code and other pertinent laws, rules and regulations. (To be reflected ONLY during the election period.)

APPROVED:

TINA MARIE ROSE L. CANDA

Officer-in-Charge, DBM

cc: [Position Title + Name]
[Agency]



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 GENERAL SOLANO STREET, SAN MIGUEL, MANILA

ARMV No. _____

[Leave blank for the date stamp]

[**POSITION TITLE + COMPLETE NAME** (with middle initial)]
 [Agency/Office/Organization Name]
 [Address]

AUTHORITY TO RENT MOTOR VEHICLE/S

Qty.	Type	Intended Use and/or User, and Specifications		Cost
1	Bus or Mini-bus	To transport 100 scholars to and from the rented dormitory and campus, pending completion of the permanent Student Dormitory	P	550,000.00
1	TOTAL		P	550,000.00
TOTAL AMOUNT IN WORDS		: **FIVE HUNDRED AND FIFTY THOUSAND PESOS ONLY**		
FUNDING SOURCE		: FY 2022 General Appropriations Act		
RENTAL PERIOD		: January to May 2022		

CONDITIONS:

1. The motor vehicle/s shall be used only for official purpose/s, and by the intended user for which the motor vehicle/s was requested as herein authorized. The rental of subject motor vehicle/s shall be in accordance with the provisions of the Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles.
2. Notwithstanding this authority, all disbursements and expenditures shall be subject to existing budgeting, accounting, and auditing rules and regulations.

APPROVED:

[**NAME OF DBM SECRETARY**]
 Secretary

cc: [Position Title + Name]
 [Agency]

Annex B

its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.

3. The purchase of motor vehicle/s shall in no case be used as justification to request for additional driver positions. (This condition shall only be cited in the APMVs of departments and agencies, as well as state universities and colleges whose personnel services budgets are sourced from the General Appropriations Act, and whose creation of positions is subject to the approval by the DBM.)
4. The herein approved heavy equipment must be among the equipment needed for the implementation of infrastructure projects. Moreover, funds for Engineering and Administrative Overhead Expenses for the purchase of heavy equipment shall be treated as capital expenditure, and shall form part of the project cost, as well as comply with the requirements provided in the FY ____ General Appropriations Act. (This condition shall only be cited in the requests of the DPWH for the acquisition of heavy equipment which are chargeable against the agency's budget for Engineering and Administrative Overhead Expenses.)
5. Notwithstanding this issuance, disbursement and expenditure of funds shall be subject to the provisions embodied in the Omnibus Election Code and other pertinent laws, rules and regulations. (To be reflected ONLY during the election period.)

APPROVED:

[NAME OF DBM SECRETARY]

Secretary

cc: [Position Title + Name]
[Agency]

Annex D
(Sample filled out form)

Motor Vehicle Inventory and Re-fleeting Program

Agency: Department of Budget and Management
Date: January 2, 2022

No.	Purpose	User or Office of Deployment	Brand and Model, Engine Displacement and Plate Number	Vehicle Classification	Date Acquired	Mileage and Status	Proposed Action	Year of Replacement		
								Year 1 (2022)	Year 2 (2023)	Year 3 (2024)
1	For the exercise of executive functions of the Department Secretary	Office of the Secretary	O Brand P Model, 2800 cc (diesel), ABC 1245	MPV	Sept. 1, 2017	70,000 / in good working condition	Retention	N/A	N/A	N/A
2	For the exercise of executive functions of the ABCS Director	ABCS Director	Y Brand X Model, 2000 cc (gas), ABC 6789	MPV	March 10, 2010	150,000 kms / Beyond repair	Replacement	✓	N/A	N/A
3	For the exercise of executive functions of the EFGB Director	EFGB Director	Y Brand X Model, 2000 cc (gas), ABC 0123	MPV	March 10, 2010	110,000 kms / serviceable	Replacement	N/A	N/A	✓
Total No. of Vehicles: 3										

Legend: N/A - not applicable

Prepared by:

Approved by:

Name
Position/Designation (Property/Supply Officer or equivalent)

Name of Agency Head
Position/Designation (Agency Head)

INVENTORY AND INSPECTION REPORT OF UNSERVICEABLE PROPERTY

As of

Fund Cluster : _____

(Station)

(Name of Accountable Officer)	(Designation)
-------------------------------	---------------

(Name of Accountable Officer)

1

[illegible]



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

BUDGET CIRCULAR

No. 2022 - 1A
March 1, 2023

To : All Heads of Departments and Agencies in the National Government, including State Universities and Colleges (SUCs), Government-Owned or -Controlled Corporations (GOCCs) and their Subsidiaries, Government Financial Institutions (GFIs), and Local Water Districts (LWDs); Local Chief Executives of Local Government Units (LGUs); and All Others Concerned

Subject : **SUPPLEMENTAL GUIDELINES ON THE ACQUISITION, USE, RENTAL, AND REPLACEMENT OF GOVERNMENT MOTOR VEHICLES**

1.0 BACKGROUND

Budget Circular (BC) No. 2022-1 dated 11 February 2022¹ was issued to harmonize the various circulars issued, and to provide the omnibus guidelines on the acquisition, use, rental, and replacement of government motor vehicles as a single reference document.

Annex A (Updated Motor Vehicle Description, Classifications, and Specifications Guide) of said BC provides the motor vehicle types, vehicle description, and allowed specifications for the intended uses and/or users of the same.

2.0 PURPOSE

This Circular is being issued to provide additional motor vehicle type options for Department Secretary-level and Undersecretary-level positions and other officials of equivalent rank, as well as the Chief of Staff of the Armed Forces of the Philippines (AFP), that are necessary and appropriate in the exercise of their executive functions, and would create economical value in reducing the number of motor vehicles that may be needed to transport the accompanying immediate support staff and/or security personnel.

¹ Guidelines on the Acquisition, Use, Rental, and Replacement of Government Motor Vehicles

3.0 **POLICY STATEMENT**

Consistent with BC No. 2022-1, it is the policy of the government to ensure the prudent and judicious acquisition, use, rental, and replacement of government motor vehicles, thus, the motor vehicles to be acquired and/or rented by the government shall be:

- a. Limited to those necessary and appropriate for the officials authorized to use official transport vehicles;
- b. For the performance by government personnel of official functions or activities requiring transport mobility; and
- c. Cost-effective, fuel efficient, environment-friendly, and at par with the improvements and developments in the automotive industry and relevant technology.

4.0 **COVERAGE**

- 4.1 This Circular shall apply to all National Government Agencies (NGAs) under the Executive Branch, including SUCs, GOCCs, GFIs, LWDs, and the LGUs.
- 4.2 The Legislature, Judiciary, Constitutional Commissions, and Office of the Ombudsman are encouraged to adopt the provisions of this Circular, as may be necessary and applicable.
- 4.3 As provided under Administrative Order (AO) No. 14, s. 2018,² the acquisition of the following motor vehicles shall not be covered by this Circular:
 - a. Vehicles used for security purposes for the President and the Vice-President;
 - b. Vehicles donated in kind to the Philippine Government or any of its agencies and instrumentalities by foreign governments, and bilateral and multilateral institutions;
 - c. Vehicles used for visiting foreign dignitaries maintained by the Office of the President (OP)-Proper and the Department of Foreign Affairs; and
 - d. Vehicles acquired using funds from existing official development assistance programs according to the terms thereof.

² Consolidating and Rationalizing the Rules on the Acquisition of Government Motor Vehicles, Adopting a Centralized System of Procurement Therefor, and for Other Purposes

5.0 ADDITIONAL MOTOR VEHICLE TYPES FOR THE EXERCISE OF EXECUTIVE FUNCTIONS

5.1 In order to provide additional motor vehicle types that may be necessary and appropriate for certain officials in the exercise of executive functions, the following motor vehicle types are hereby included in the vehicle classifications that may be used by the corresponding officials:

- a. **Passenger Van** – for a Department Secretary and other officials of equivalent rank in NGAs, SUCs, GOCCs, and GFIs; and
- b. **Sports Utility Vehicle (SUV)** – for a Department Undersecretary and other officials of equivalent rank in NGAs, SUCs, GOCCs, GFIs, and LGUs, as well as the Chief of Staff of the AFP.

5.2 Accordingly, **Annex A** (Updated Motor Vehicle Description, Classifications, and Specifications Guide) of BC No. 2022-1 is hereby updated to include the aforementioned motor vehicles to those that may be purchased for the exercise of executive functions, to wit:

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
For a Department Secretary/Salary Grade (SG)-31 and other officials of equivalent rank in NGAs, SUCs, GOCCs, and GFIs	a. Car (Sedan or Hatchback) -or-	A four-wheel enclosed automobile having four (4) side-doors. It can accommodate four (4) to five (5) passengers, including the driver, on two (2) rows of seats. A common configuration includes a split front seat and a rear bench seat. The passenger cabin is separate from the limited luggage compartment or trunk located at the rear. Engine displacement not exceeding 2500 cc for gasoline or 3500 cc for diesel; or alternative fuel vehicle (AFV) under Item 5.5 of BC No. 2022-1
	b. Multi-purpose Vehicle (MPV) -or-	A four-wheel enclosed vehicle having dual side doors and a fifth rear door or lift-up tailgate. It has a maximum seating capacity of 10 passengers, including the driver, with its two (2) rows of front seats and foldable rear seats (optional). Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	c. Sports Utility Vehicle (SUV) -or-	A type of passenger vehicle which combines the load-hauling and passenger-carrying capacity of an MPV with features designed for off-road driving. It is a high-performance two-

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		wheel/four-wheel drive car built on a truck chassis and a suspension designed for giving ground clearance for off-road driving. Its seating capacity varies from five (5) to 10 passengers Engine displacement not exceeding 2700 cc for gasoline or 3000 cc for diesel; or AFV As a general rule, the Department Secretary-level official concerned may use a 4x2 SUV. A 4x4 SUV shall only be allowed for use by Department Secretary-level officials with functions that require regular and frequent travel to rural and remote areas with generally rugged road condition, mountainous and rugged terrain.
	d. Passenger van	A large four-wheel enclosed vehicle intended for conveying passengers and/or hauling cargo, traditionally having four (4) doors [two side doors for the driver and front passengers, one (1) or two (2) passenger side sliding doors, and a tailgate]. The seating capacity ranges from eight (8) to 18 passengers, including the driver. It has several rows of folding or removable seats behind the front passenger seat. It has no luggage compartment but an expandable area at the rear which can be used for luggage, cargoes, etc. Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
For a Department Undersecretary/SG-30 and other officials of equivalent rank in NGAs, SUCs, GOCCs, GFIs, and LGUs For the Chief of Staff of the AFP	a. Car (Sedan or Hatchback)	Engine displacement not exceeding 1800 cc for gasoline or diesel; or AFV
	b. MPV	Engine displacement not exceeding 2000 cc for gasoline or 2800 cc for diesel; or AFV
	c. SUV	Engine displacement not exceeding 2700 cc for gasoline or 3000 cc for diesel; or AFV As a general rule, the Department Undersecretary-level official concerned, as well as the Chief of Staff of the AFP, may use a 4x2 SUV.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		A 4x4 SUV shall only be allowed for use by Department Undersecretary-level officials, as well as the Chief of Staff of the AFP, with functions that require regular and frequent travel to rural and remote areas with generally rugged road condition, mountainous and rugged terrain.

6.0 PRUDENCE IN ACQUIRING MOTOR VEHICLES FOR THE EXERCISE OF EXECUTIVE FUNCTIONS

Notwithstanding the inclusion of a passenger van and an SUV as among the motor vehicle types that the Department Secretary-level officials, and Undersecretary-level officials, as well as the Chief of Staff of the AFP, respectively, may use in the exercise of their executive functions, the agencies concerned shall determine which motor vehicle type is the most appropriate and beneficial for the government for the purpose, taking into consideration the cost of acquisition and maintenance, among others.

7.0 REITERATION ON THE PROHIBITION ON THE ACQUISITION OF LUXURY VEHICLES

All government entities covered under this Circular are prohibited from acquiring and/or using luxury vehicles for their operations, consistent with the description/definition of a luxury vehicle under AO No. 14, s. 2018 and BC No. 2022-1. Agencies are prohibited from acquiring or using the following passenger vans and SUVs:

- a. Passenger van that has an engine displacement exceeding 2500 cc, if gasoline-fed; or 3000 cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders; and
- b. SUV that has an engine displacement exceeding 2700 cc, if gasoline-fed; or 3000 cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders.

8.0 TRANSITORY GUIDELINES

These guidelines shall not apply to all requests for authority to purchase or rent motor vehicles which were authorized by the appropriate approving authority prior to the effectivity of this Circular, unless the agency concerned requests for a revised Authority to Purchase Motor Vehicles/Authority to Rent Motor Vehicles, supported by valid justification as may be accepted by the approving authority.

9.0 **RESOLUTION OF ISSUES**

Issues and concerns that may arise in the implementation of this Circular shall be referred to the Department of Budget and Management for resolution.

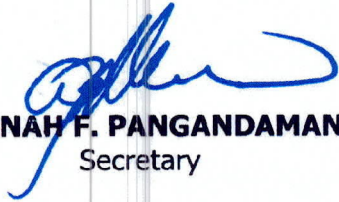
10.0 **SEPARABILITY**

If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

Other provisions of BC No. 2022-1 that are not affected by these supplemental guidelines shall remain in full force and effect.

11.0 **EFFECTIVITY**

This Circular shall take effect immediately.


AMENAH F. PANGANDAMAN
Secretary





REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

BUDGET CIRCULAR

No. 2022 - 1
February 11, 2022

To : All Heads of Departments and Agencies in the National Government, Including State Universities and Colleges (SUCs), Government-Owned or -Controlled Corporations (GOCCs) and their Subsidiaries, Government Financial Institutions (GFIs), and Local Water Districts (LWDs); Local Chief Executives of Local Government Units (LGUs); and All Others Concerned

Subject : **OMNIBUS GUIDELINES ON THE ACQUISITION, USE, RENTAL, AND REPLACEMENT OF GOVERNMENT MOTOR VEHICLES**

1.0 Rationale and Purpose

It is recognized that motor vehicles are indispensable for the efficient and effective performance and delivery of essential government services. Currently, the guidelines on the acquisition, use, rental, and replacement of motor vehicles are contained in various circulars issued by the Department of Budget and Management (DBM). The issuances, as well as the recent developments in the automotive industry, make it imperative to consolidate and update the same to ensure the effective and efficient management and prudent use of government resources.

This Circular is being issued to harmonize and update these DBM issuances and provide an omnibus guidelines on the acquisition, use, rental, and replacement of government motor vehicles as a single reference document.

2.0 Policy Statement

It is the policy of the government to ensure the prudent and judicious acquisition, use, rental, and replacement of government motor vehicles. Motor vehicles to be acquired and/or rented by the government shall be:

- a) limited to those necessary and appropriate for the officials authorized to use official transport vehicles;
- b) for the performance by government personnel of official functions or activities requiring transport mobility; and

- c) cost-effective, fuel-efficient, environment-friendly, and at par with the improvements and developments in the automotive industry and relevant technology.

3.0 Coverage

- 3.1 This Circular shall apply to all National Government Agencies (NGAs) under the Executive Branch, including SUCs, GOCCs, GFIs, LWDs, and the LGUs.
- 3.2 The Legislature, the Judiciary, Constitutional Commissions, and Office of the Ombudsman are encouraged to adopt the provisions of this Circular, as may be necessary and applicable.
- 3.3 As provided under Administrative Order (AO) No. 14, s. 2018, the acquisition of the following motor vehicles shall not be covered by this Circular:
 - a. Vehicles used for security reasons and purposes for the President and the Vice President;
 - b. Vehicles donated in kind to the Philippine Government or any of its agencies and instrumentalities by foreign governments, and bilateral and multilateral institutions;
 - c. Vehicles used for visiting foreign dignitaries maintained by the Office of the President (OP)-Proper and the Department of Foreign Affairs; and
 - d. Vehicles acquired using funds from existing official development assistance programs according to the terms thereof.

4.0 Officials Authorized to Use Government Motor Vehicles

- 4.1 Under the pertinent section in the General Provisions of the annual General Appropriations Act (GAA), government motor vehicles may be used by the following officials with costs chargeable to the appropriations authorized for their respective offices:
 - a. The President of the Philippines;
 - b. The Vice President of the Philippines;
 - c. The President of the Senate;
 - d. The Speaker of the House of Representatives;
 - e. The Chief Justice and Associate Justices of the Supreme Court;
 - f. The Presiding Justices of the Court of Appeals, Court of Tax Appeals, and the Sandiganbayan;
 - g. The Department Secretaries, Undersecretaries, Assistant Secretaries and officials of equivalent rank;
 - h. Ambassadors, Ministers Plenipotentiary and Consuls in charge of consulates, in their respective stations abroad;
 - i. The Chief of Staff, the Vice Chief of Staff, and the Commanding Generals of the Major Services of the Armed Forces of the Philippines;
 - j. Heads of Constitutional Commissions and the Ombudsman;

- k. Bureau Directors, Department Regional Directors and Bureau Regional Directors; and
 - l. Those who may be specifically authorized by the President of the Philippines, with respect to the Executive; the Senate President, with respect to the Senate; the Speaker, with respect to the House of Representatives; and the Chief Justice, in the case of the Judiciary.
- 4.2 As a general rule, an official who is authorized to use an official transport vehicle shall be allowed only one (1) motor vehicle. However, the President, the Vice President, the Department Secretaries or officials of equivalent rank may be allowed a back-up vehicle for security personnel, as deemed necessary, in the performance of their functions.
- The acquisition of additional vehicle/s for the aforesaid security personnel is subject to the recommendation of the Director-General of the Philippine National Police and the approval by the Secretary of the Interior and Local Government on the need by the official concerned of a security detail.
- 4.3 For this purpose, the rank equivalence of civilian positions shall be based primarily on salary grade and applies to officials occupying positions identified in the:
- a. Personnel Services Itemization containing the list of regular positions, or DBM-approved list of contractual positions, in the case of the NGAs;
 - b. Staffing pattern approved by the DBM or the Governance Commission for Government-Owned or -Controlled Corporations, under their respective coverages, in the case of GOCCs; and
 - c. Index of Occupational Services for the LGUs.
- 4.4 For the LGUs, the following positions are allowed to be assigned motor vehicles for their transportation services, subject to the financial capability of the procuring LGU:

Position Title	Salary Grade
<i>Provincial Government</i>	
Provincial Governor	30
Provincial Vice Governor	28
Sangguniang Panlalawigan Member	27
Provincial Government Department Head	26
<i>City Government</i>	
City Mayor	30
City Vice Mayor I/II	26/28
City Government Department Head I/II/III	25/26/27

Position Title	Salary Grade
City Government Office Head	26
Sangguniang Panlungsod Member I/II	25/27
<i>Municipal Government</i>	
Municipal Mayor I/II	27/28
Municipal Vice Mayor I/II	25/26
Municipal Government Department Head I/II	24/25
Sangguniang Bayan Member I/II	24/25

- 4.5 Other personnel of the departments, agencies, and other government entities concerned who are not authorized to use government vehicles as abovementioned are entitled to common use of motor vehicles in the exercise of their core functions as may be prescribed under ***Annex A (Updated Motor Vehicle Description, Classifications, and Specifications Guide)*** of this Circular. Priority shall be given to personnel who are not entitled to Transportation Allowance.

5.0 Classifications and Specifications of Motor Vehicles

- 5.1 As used in this issuance, a motor vehicle shall refer to a power-driven vehicle which is normally used for carrying persons or goods, either by land, water or air; and has a provision of at least one (1) seat, i.e., at least for the driver.
- 5.2 The types of motor vehicles that may be authorized for the agencies and instrumentalities of the Executive Branch, GOCCs/GFIs, LWDs, SUCs, and the LGUs shall be guided by the descriptive definition and information prescribed in Annex A of this Circular.

Annex A shall apply to all purchases and rentals of motor vehicles that may be authorized for the purpose.

- 5.3 As provided under AO No. 14¹, s. 2018, all government entities covered under this Circular are prohibited from acquiring and/or using luxury vehicles for their operations. A luxury vehicle shall refer to any of the following:
- Car (sedan or hatchback) with an engine displacement exceeding 2500cc, if gasoline-fed; or 3500cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders;
 - Passenger van or pick-up type vehicle with an engine displacement exceeding 2500cc, if gasoline-fed; or 3000cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders;

¹ Consolidating and Rationalizing the Rules on the Acquisition of Government Motor Vehicles, Adopting a Centralized System of Procurement Therefor, and for Other Purposes.

- c. Multi-purpose vehicle (MPV) and van (formerly AUV/CUV and MPV, respectively) with an engine displacement exceeding 2500cc, if gasoline-fed; or 2800cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders; or
 - d. SUV with an engine displacement exceeding 2700cc, if gasoline-fed; or 3000cc, if diesel-fed; and/or with an engine exceeding four (4) cylinders.
- 5.4 As a general rule, only the acquisition of base model vehicles, which are already complete per the manufacturer's specifications in terms of the basic vehicle components and essential aspects of construction and design without loss of functionality, shall be allowed.

For customized or assembled vehicles, optional accessories or equipment shall be limited to those essential to meet the functional requirements, and those that would have been installed as part of the basic vehicle components.

- 5.5 As prescribed under AO No. 14, s. 2018, all government agencies are encouraged to dedicate a percentage of their vehicular requirements to the purchase of motor vehicle types using alternative fuels or source of power, such as electric vehicles, subject to the guidelines prescribed under this Circular, and taking into consideration the sustainability of fuel or power supply in the area of operation.
- 5.6 For motor vehicles to be used in foreign posts, the engine displacement of motor vehicles to be acquired for the purpose shall be consistent with the guidelines prescribed in this Circular, as far as feasible.

For this purpose, the requesting agency shall include in its request a justification on the more economical mode of acquiring a motor vehicle, i.e., either through outright purchase or rental/lease for an identified period, subject to existing rules on the rental of motor vehicles, as well as a market research indicating the available motor vehicles in the country of assignment and the prevailing prices for the same.

- 5.7 Motor vehicles to be acquired by the government shall comply with pertinent guidelines of the Department of Environment and Natural Resources (DENR) and the Department of Energy on motor vehicles, e.g., issuance by the DENR of Certificate of Conformity to ensure that an assembled motor vehicle complies with the numerical emission standards.

6.0 Approving Authority for the Purchase of Motor Vehicles

6.1 The respective approving authority for the following vehicle types and from the following requesting government entities and funding source shall be:

Requesting Government Entity	Vehicle Type	Approving Authority
NGAs, GOCCs and GFIs including their subsidiaries, LWDs, SUCs, Other Executive Offices (OEOs), except the OP, chargeable against their respective appropriations authorized for the purpose	a.1 Specific-purpose vehicles, such as medical ambulances, military and police patrol vehicles, armored vehicles, prisoners' vans, and fire trucks;	Secretary of Budget and Management
LGUs- using funds under the GAA	a.2 Heavy equipment, such as road construction equipment, cargo transport equipment, farm machinery, waste management/ environmental sanitation equipment, and similar vehicles/equipment;	
	a.3 Locally-assembled owner- or passenger-type jeeps;	
	a.4 Motorized bancas/boats;	
	a.5 Vehicles for mass transport when necessary in the interest of public service; and	
LGUs – using local funds	a.6 Motorcycles and tri-wheel vehicles.	Local Chief Executive
NGAs, GOCCs and GFIs including their subsidiaries, LWDs, SUCs, except the OEOs and OP, chargeable against their respective appropriations authorized for the purpose	Vehicle types not included above, e.g., cars, MPVs, vans, passenger vans, SUVs, pick-ups	Secretary of Budget and Management
LGUs – regardless of source of funds		Secretary of the Interior and Local Government
OEOs		Office of the President, upon recommendation of the DBM
All abovementioned government entities, including the Office of the President		

Requesting Government Entity	Vehicle Type	Approving Authority
Senate	All vehicle types	Senate President
House of Representatives	All vehicle types	Speaker of the House of Representatives
Judicial Branch	All vehicle types	Supreme Court Chief Justice
Constitutional Commissions and other Offices enjoying fiscal autonomy	All vehicle types	Respective heads of agencies

- 6.2 The proposed acquisition of motor vehicles to be charged from sources other than the GAA, e.g., grants and agency income, except for vehicles directly provided under foreign-assisted projects, shall also be subject to approval by the relevant authority, to ensure their consistency with the DBM-prescribed specifications and costs, and rules on the use of income, as applicable.

7.0 Authority to Purchase Motor Vehicles (APMV)

- 7.1 The APMV issued by the appropriate approving authority shall serve as the basis of agencies in acquiring motor vehicles. Said document (template attached as **Annex B**) shall contain the following information, among others:
- Intended use and/or user;
 - Quantity;
 - Cost;
 - Funding source; and
 - Motor vehicle classification and specifications.
- 7.2 For requests for acquisition which are subject to the approval by the DBM, the confirmation letters being issued by the DBM to the agencies to confirm their inclusion in their respective budgets under the National Expenditure Program (NEP) shall serve as their APMV, provided that said letter, or its attachment, contains the same information as in the APMV, as indicated under Item 7.1 above. The confirmation letters issued by the DBM to the LGUs for the acquisition of motor vehicles funded under the Local Government Support Fund shall also serve as the LGU's APMV, provided that said letter, or its attachment, contains the same information as in the APMV.
- 7.2.1 On the other hand, for those with confirmation letters with the same information as the APMV subject to OP approval, the DBM shall secure such approval within a reasonable time from passage of the GAA.

7.2.2 Moreover, an APMV from the DBM shall still be required in the following cases during budget execution:

- a. The funding sources of the motor vehicle to be acquired are either the Department of Public Works and Highways' Engineering and Administrative Overhead, SUCs' income, retained income or prior years' appropriations;
- b. The confirmation letter does not provide the details of the motor vehicle/s for acquisition, such as those issued to GOCCs without budgetary support from the National Government, and SUCs;
- c. There are agency-specific funds for the purchase of motor vehicles without confirmation letters, such as new items under the GAA or in the case of LGUs; and
- d. The acquisition of motor vehicle/s by the agency will deviate from the details in the confirmation letter, e.g., change in type, quantity, intended use and/or user, and/or specifications.

8.0 Modes of Acquisition

8.1 In general, motor vehicles shall be acquired through any of the following modes:

- a. Outright purchase; or
- b. Assembly.

8.2 Motor vehicle acquisition through outright purchase involves the procurement of brand-new units that are paid for on a single, lump sum basis.

8.3 Motor vehicles may also be assembled (usually owner- or passenger-type jeepneys).

However, acquisition by assembly shall be subject to the approval by the Secretary of Budget and Management and may be resorted to only in cases of any of the following:

- a. Where a brand-new vehicle is not available in the locality, or if available, the cost is prohibitive because of the distance from the nearest market source; or
- b. Where an assembled vehicle is deemed more durable as the design and type of parts used are made suitable to the road condition/terrain in the locality such as in remote barangays/municipalities.

Further, the assembled motor vehicles shall not use surplus/reconditioned engines.

- 8.4 For the purpose of this Circular, assembly shall mean that the major parts of the vehicle, e.g., engine, body, seats and chassis are put together to come up with a new vehicle. It is not similar to a customized vehicle, which shall refer to a unit which has minor modifications to suit the purpose it is intended for, e.g., additional accessories.
- 8.5 In accordance with the implementing rules and regulations (IRR) of Republic Act (RA) No. 9184², which considers lease purchase or lease-to-own as a variant of lease which involves procurement as defined under Section 5(aa) of the IRR of RA No. 9184, lease purchase or lease-to-own may be considered as an alternative mode of acquisition. The justification for this alternative mode, e.g., it is more advantageous to the government, shall be included by the agency concerned in its request for APMV.

Agencies proposing the use of lease purchase or lease-to-own mode and which will require multi-year funding from the GAA shall likewise request for the issuance of a Multi-year Contractual Authority.

9.0 Policy on the Acquisition of Secondhand/Reconditioned Motor Vehicles

- 9.1 For purposes of economy and efficiency and to ensure the prudent and judicious use of government resources, the acquisition of all secondhand/reconditioned motor vehicles, except for aircraft and seacraft, regardless of the source of funds and approving authority, shall be prohibited.
- 9.2 The acquisition of secondhand aircraft and seacraft shall be subject to recommendation by the DBM and approval by the OP, consistent with Item 6.1 hereof.

10.0 Rental of Motor Vehicles

- 10.1 As a general policy, the rental of motor vehicles shall be resorted to only if said mode is deemed more economical, expedient and convenient than outright purchase, such as but not limited to:
- a. Where the motor vehicle will be used in the performance of agency functions that are temporary or ad hoc in nature which require transportation services for agency personnel and official guests/visitors;
 - b. Where the motor vehicle will be used in conventions, seminars, athletic/sports events and similar gatherings wherein the nature of the gathering requires the travel or transport of participants, whether agency personnel or official guests/visitors, from one location to another;
 - c. Where the motor vehicle will be used by a Presidential ad hoc body/agency mandated to perform a specific task; and
 - d. Where the motor vehicle will be used in urgent and/or emergency cases such as in search and rescue operations during natural or man-made disasters or calamities.

² The Revised Implementing Rules and Regulations (Updated as of 31 March 2021) of Republic Act No. 9184 (Government Procurement Reform Act)

- 10.2 As mandated in Sec. 76, Chapter 7, Book VI of Executive Order No. 292, s. 1987 (*The Administrative Code of 1987*), no appropriations authorized in the GAA shall be used for renting motor vehicles for a continuous period of more than fifteen (15) days, except as may be authorized by the Secretary of Budget and Management. The rental for a continuous period of more than 15 days shall require the issuance of an authority to rent motor vehicle (ARMV) from the DBM (ARMV template attached as **Annex C**).

For this purpose, continuous period of more than 15 days shall mean that the *i*) motor vehicle shall be rented for more than 15 days for a particular program, project or activity, including weekends and holidays; or *ii*) the rent is through a contract with a single service provider for a period of more than 15 days, regardless of the number of days of actual use, for the same program, project or activity.

In evaluating requests for rental for a continuous period of more than 15 days, the primary consideration should be if said rental will be advantageous to the government than outright purchase of motor vehicles.

On the other hand, heads of agencies are authorized to rent motor vehicles for a **continuous period not exceeding 15 days**, including weekends and holidays, chargeable against agency appropriations.

- 10.3 The rental of motor vehicles by national government agencies for a continuous period more than 15 days and to be sourced from their respective income shall likewise be subject to the approving authority by the DBM.
- 10.4 Local Chief Executives, including *Punong Barangays*, are authorized to approve the requests for rental of motor vehicles of their respective LGUs regardless of the number of days of the rental if the budgetary source thereof is the LGU's local funds and said mode is deemed more economical, expedient and convenient than outright purchase.

11.0 **Costing Parameters for Acquisition or Rental**

- 11.1 The cost of motor vehicles to be purchased or rented shall be based on the type and specifications approved for the purpose as contained in the APMV.
- 11.2 The purchase or rental of the motor vehicle shall be subject to pertinent procurement, budgeting, accounting, and auditing laws, rules and regulations.

12.0 **Re-fleeting and Replacement of Government Motor Vehicles**

- 12.1 All NGAs under the Executive Branch and its instrumentalities, including SUCs, GOCCs and GFIs, are required to prepare a three-year vehicle re-fleeting program using the **Motor Vehicle Inventory and Re-fleeting Program Form in Annex D** of this Circular. Said form shall be updated and submitted to the DBM during the budget preparation phase for the year.

12.2 The said re-fleeting program should consider the following conditions for replacement:

Motor vehicles for land transportation may be replaced under the following conditions:

- a. For service vehicles – if the motor vehicle is at least seven (7) years old or has travelled at least 105,000 kilometers; and
- b. For other vehicles – if at least five (5) years old or has travelled at least 75,000 kilometers.

For this purpose, service vehicles shall refer to motor vehicles assigned to agency officials for the exercise of executive functions.

On the other hand, other vehicles shall refer to those which are used for purposes other than executive functions, e.g., those used by the agency to transport its personnel, such as passenger vans, and in the provision of services such as patrol cars, medical ambulances, among others.

12.3 Generally, the replacements of all types of motor vehicles may also be allowed if the following conditions are satisfied, and in the case of motor vehicles for land transportation even before the conditions under Item 12.2 hereof are met:

- a. The vehicle, for justifiable reasons, is declared as unserviceable, in which case, a duly accomplished ***Inventory and Inspection Report of Unserviceable Property (IIRUP)*** shall be submitted together with the request for replacement (refer to ***Annex E*** for the IIRUP template);
- b. The average annual cost of recurring repair/reconditioning during the immediate past two (2) years is at least 30% of the current price of a new similar unit. In this case, a statement of the recurring repair/reconditioning expenses for the two-year period prepared by the chief accountant and certified by the agency head shall accompany the request; or
- c. The motor vehicle, despite proper care and maintenance, did not pass the emission testing requirement for motor vehicle registration as prescribed under RA No. 8749 (*The Philippine Clean Air Act of 1999*).

13.0 **Supporting Documents for Requests to Purchase, Replace and Rent Motor Vehicles**

13.1 All requests for authority to purchase motor vehicles submitted to the DBM shall be accompanied by the following:

- a. Letter from the head of the requesting entity containing the following information:
 1. Justification for the acquisition of the vehicle(s) disclosing the number, type, quantity, specifications and comparative costing of the requested vehicle;
 2. User-official, deployment by organizational unit, and/or activities/purposes for which the vehicle will be used; and
 3. Proof of authorization, fund source and its availability, as follows:
 - For NGAs – for fund sources other than the GAA such as trust receipts, special accounts in the general fund and/or other authorized appropriation source: **1)** certification by its Chief Accountant that funds for the acquisition are available; and **2)** Bureau of the Treasury certification of deposited collection;
 - For GOCCs, LWDs and SUCs - **1)** Board resolution approving or authorizing the purchase of the motor vehicle/s; and **2)** certification by its Chief Accountant that funds are included and available under the operating budget approved by the Board; and
 - For LGUs - a certification from the local chief executive attesting that **1)** a Sanggunian Resolution has been approved endorsing the purchase of motor vehicles; **2)** the request for acquisition is part of the Local Development Investment Plan and Annual Investment Plan; and **3)** funds are available for the purpose.
- b. Duly accomplished Motor Vehicle Inventory and Re-fleeting Program Form (MVIRUP), as prescribed in Annex D of this Circular, if not yet submitted during the year;
- c. For replacements under Item 12.3 hereof, the following, as applicable, shall be submitted: **1)** Duly accomplished IIRUP (Annex E); **2)** a statement of the recurring repair/reconditioning expenses for the two-year period prepared by the General Services Division personnel or equivalent and certified by the agency head; and/or **3)** certification of emission testing results by accredited providers.
- d. Approved Annual Procurement Plan for the year showing inclusion of the procurement of the motor vehicle; and

- e. Endorsement letter from the Department Secretary, in the case of the attached NGAs, and the Local Water Utilities Authority in the case of LWDs.

13.2 On the other hand, requests for authority to rent motor vehicles for a period exceeding 15 days shall be accompanied by the following:

- a. Detailed justification for the rental, including the duration of the specific program, project or activity for which the motor vehicle(s) will be rented;
- b. The number, type and specifications of vehicle(s) to be rented, and the proposed rate(s);
- c. Period of rental; and
- d. Certification of availability of funds.

14.0 Submission of Requests for APMVs and ARMVs to the DBM

Agencies shall submit their request for APMVs and ARMVs that are subject to the recommendation and/or approval by the DBM Secretary to the following:

14.1 The DBM Central Office, for agencies, GOCCs, and SUCs (e.g., University of the Philippines and Mindanao State University) under its coverage.

14.2 The DBM Regional Offices, for the LGUs, other SUCs, LWDs, and decentralized government agencies under their respective coverage.

15.0 Reference to the General Appropriations Act

Any reference to the GAA in this Circular shall pertain to the equivalent provision in the applicable GAA for the year.

16.0 Transitory Guidelines

These guidelines shall not apply to all requests for authority to purchase or rent motor vehicles which were authorized by the appropriate approving authority prior to the effectivity of this Circular, unless the agency concerned requests for a revised APMV/ARMV.

17.0 Repealing Clause

National Budget Circular (NBC) No. 438³ dated January 11, 1995, NBC No. 446⁴ dated November 24, 1995, NBC No. 446-A⁵ dated 30 January 1998 BC No. 2010-2⁶ dated March 1, 2010, BC No. 2017-1⁷ dated April 26, 2017, BC No. 2019-2⁸ dated March 4, 2019, and BC No. 2019-3⁹ dated May 16, 2019 are hereby rescinded and repealed accordingly.

In addition, provisions of other existing guidelines that are not consistent with this Circular are revised, modified, and/or repealed accordingly.

18.0 Resolution of Issues

Issues and concerns that may arise in the implementation of this Circular shall be resolved by the DBM.

19.0 Separability Clause

If any provision of this Circular is declared invalid or unconstitutional, the other provisions not affected thereby shall remain valid and subsisting.

20.0 Effectivity

This Circular shall take effect upon its publication in the Official Gazette or in a newspaper of general circulation. Three (3) certified true copies of this Circular shall be filed with the University of the Philippines Law Center - Office of the National Administrative Register.


TINA ROSE MARIE L. CANDA
Officer-in-Charge



³ Prescribing the Guidelines on the Purchase of Equipment

⁴ Guidelines on the Acquisition and Rental of Motor Vehicles

⁵ Amending National Budget Circular (NBC) No. 446 dated November 24, 1995, on the Subject, "Guidelines on the Acquisition and Rental of Motor Vehicles"

⁶ Guidelines on the Acquisition and Use of Government Motor Vehicles

⁷ Amending Budget Circular (BC) No. 2016-5 Entitled, "Revised Guidelines on the Acquisition and Use of Government Motor Vehicles" dated August 22, 2016

⁸ Guidelines Implementing Certain Provisions of Administrative Order No. 14, s. 2018

⁹ Guidelines to Implement the Centralized Procurement of Government Motor Vehicles Pursuant to Administrative Order No. 14, s. 2018

Annex A

UPDATED MOTOR VEHICLE DESCRIPTION, CLASSIFICATIONS, AND SPECIFICATIONS GUIDE

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
A. FOR THE EXERCISE OF EXECUTIVE FUNCTIONS		
1. For a Department Secretary/Salary Grade (SG)-31 and other officials of equivalent rank in National Government Agencies (NGAs), Government-Owned or –Controlled Corporations (GOCCs) and Local Government Units (LGUs)	a. Car (Sedan or Hatchback) -or-	A four-wheel enclosed automobile having four (4) side doors. It can accommodate four (4) to five (5) passengers, including the driver, on two (2) rows of seats. A common configuration includes a split front seat and a rear bench seat. The passenger cabin is separate from the limited luggage compartment or trunk located at the rear. Engine displacement not exceeding 2500 cc for gasoline or 3500 cc for diesel; or alternative fuel vehicle (AFV) under Item 5.5 of the Guidelines
	b. Multi-purpose Vehicle (MPV) -or-	A four-wheel enclosed vehicle having dual side doors and a fifth rear door or lift-up tailgate. It has a maximum seating capacity of 10 passengers, including the driver, with its two (2) rows of front seats and foldable rear seats (optional). Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	c. Sports Utility Vehicle (SUV)	a type of passenger vehicle which combines the load-hauling and passenger-carrying capacity of an MPV with features designed for off-road driving. It is a high-performance two-wheel/four-wheel drive car built on a truck chassis and a suspension designed for giving ground clearance for off-road driving. Its seating capacity varies from five (5) to 10 passengers. Engine displacement not exceeding 2700 cc for gasoline or 3000 cc for diesel; or AFV As a general rule, the Department Secretary-level official concerned may use a 4x2 SUV. A 4x4 SUV shall only be allowed for use by Department Secretary-level officials with functions that require regular and frequent travel to rural and remote areas with generally rugged road condition, mountainous and rugged terrain.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
2. For an Ambassador or Chief-of-Mission of Philippine embassies/ consulates abroad for exclusive use in the country where the embassy/ consulate is located	Car (Sedan), MPV or SUV	Engine displacement should be based on the available vehicle models in the country of assignment; or AFV
3. For a Department Undersecretary/SG-30 and other officials of equivalent rank in NGAs, GOCCs and LGUs	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1800 cc for gasoline or diesel; or AFV
4. For a Chief of Staff of the Armed Forces of the Philippines (AFP)	b. MPV	Engine displacement not exceeding 2000 cc for gasoline or 2800 cc for diesel; or AFV
5. For a Department Assistant Secretary/SG-29 and other officials of equivalent rank in NGAs, GOCCs and LGUs	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1600 cc for gasoline or diesel; or AFV
6. For a Vice Chief of Staff and the Commanding Generals of the Major Services of the AFP	b. MPV	Engine displacement not exceeding 1800 cc for gasoline or 2800 cc for diesel; or AFV
7. For a Head of a Bureau/SG-28 or organization equivalent to a Bureau, Department Regional Director/SG-28, Department Service Chief/SG-28 or Head of a Bureau Regional Office/SG-26 or organization equivalent to a Bureau Regional Office and other officials of equivalent rank in NGAs, GOCCs and LGUs	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1500 cc for gasoline or diesel; or AFV
	b. MPV	Engine displacement not exceeding 1600 cc for gasoline or 2800 cc for diesel; or AFV
B. FOR THE TRANSPORT OF PERSONNEL, EQUIPMENT, SUPPLIES, PRODUCTS AND MATERIALS		
1. For general urban use where road conditions are generally good	a. Passenger van -or-	A large four-wheel enclosed vehicle intended for conveying passengers and/or hauling cargo, traditionally having four (4) doors [two side doors for the driver and front passengers, one (1) or two (2) passenger side sliding doors, and a tailgate]. The seating capacity ranges from eight (8) to 18 passengers, including the driver. It has several rows of folding or removable seats behind the front passenger seat. It has no luggage compartment but an expandable area at the rear which can be used for luggage, cargoes, etc.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
	b. Van -or-	A fully or partially enclosed four-wheel general purpose utility vehicle with two (2) compartments: (i) the front cabin/cab with two (2) side doors seating three (3) passengers, including the driver, on a full width seat, and (ii) the rear deck accommodating eight (8) to 16 passengers with facing collapsible bench seats accessible through rear door(s). A multi-cab is considered a van. Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	c. Tri-wheel vehicle	A three-wheel light vehicle with a prefabricated enclosed posterior cab, having two (2) wheels and rear door(s), fitted/attached to a reconfigured/reinforced motorcycle, for hauling packages/cargoes and/or transport of minimal number of passengers. A tri-wheel vehicle is distinct from a tricycle (a motorcycle fitted with a sidecar). Tri-wheel vehicles include e-trikes. Engine displacement not exceeding 200 cc; or AFV
2. For heavy field use in rural and remote areas with generally rugged road condition, mountainous and rugged terrain	a. Pick-up -or-	A four-wheel compact truck with a low-sided open cargo hauler, and a passenger cab (regular/single or extended/crew cab type) accommodating two (2) to six (6) passengers on split and/or bench seats with two (2) or four (4) side doors. A pick-up truck is designed to carry both passengers and cargoes. Engine displacement not exceeding 2500 cc for gasoline or 3000cc for diesel; or AFV
	b. SUV -or-	Engine displacement not exceeding 2700 cc for gasoline or 3000 cc for diesel; or AFV
	c. All-Terrain Vehicle (ATV)	A four-wheel motor vehicle used exclusively on rugged, mountainous and off-road terrain. It usually has low-pressure tires and either a steering wheel or handlebars for steering. Engine displacement not exceeding 800 cc
3. For use in semi-rugged roads in rural areas	a. "Assembled" Owner-Type Jeep -or-	A fully or partially enclosed four-wheel assembled general-purpose utility vehicle with locally assembled chassis and body, and fitted with a reconditioned engine.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		An owner-type jeep can accommodate five (5) to seven (7) passengers on the split type or full width front seat and the two (2) to three (3) folding or removable rear bench seats. Engine displacement not exceeding 1800 cc for gasoline or 2500 cc for diesel
	b. "Assembled" Passenger Jeepney-Type Vehicle	Passenger type jeepney/jitney has two (2) compartments: (i) the front cab seating two (2) to three (3) passengers, including the driver, on a full width seat or split front seat, and (ii) the rear deck accommodating 12-18 passengers with facing rear bench seats. Side and rear doors are optional. Engine displacement not exceeding 2000 cc for gasoline or 3000 cc for diesel
4. For use of field personnel/ workers who by the nature of their functions have to travel to remote areas not normally accessible by ordinary transport vehicles	Motorcycle	A two-wheel vehicle having one (1) or two (2) riding saddles and sometimes a third wheel to support a side-car, if present. This is used by field workers assigned in rural areas not normally accessible to four-wheel vehicles, or for police and/or highway patrol operations or similar purposes. Engine displacement not exceeding 200 cc
5. For transport of personnel/ visitors for activities related to education, tourism, trade and investment promotions, banking and finance, foreign affairs, and other official functions	Passenger van	Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
6. For mass transportation of personnel/visitors for activities related to education, tourism, trade and investment promotions, banking and finance, foreign affairs, and other official functions	a. Bus -or-	a four- or six-wheel heavy and long bodied motor vehicle with locally assembled or fully imported chassis and body. It is primarily designed to carry a comparatively large number of passengers. A bus for government use varies from full size bus with a seating capacity of a maximum 47 passengers, including the driver, to a mini bus with a seating capacity of a maximum 36 passengers, including the driver. Engine displacement not exceeding 10000 cc for diesel
	b. Mini bus	Engine displacement not exceeding 6500 cc for diesel

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
C. FOR THE TRANSPORT OF SICK AND/OR INJURED PERSONS		
1. For transport of sick and/or injured persons in hospitals, and for government agencies where an ambulance may be needed on stand-by at all times in case of emergency	a. Van [for conversion into an ambulance and fitted with the necessary medical equipment and apparatus based on the Department of Health (DOH) guidelines] -or-	An ambulance is a vehicle designed and equipped with medical/life-saving apparatus or equipment used for transporting sick and/or injured patients to, from, and between places of treatment by land, water or air, affording safety and comfort to the patients to avoid aggravation of illness or injury. For the purpose of this Circular, an ambulance shall refer to a land ambulance. Sea and air ambulances are considered customized seacrafts and aircrafts, respectively. Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	b. Passenger van (for conversion into an ambulance and fitted with the necessary medical equipment and apparatus based on the DOH guidelines) -or-	Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
	c. Original ambulance, designed, built and equipped as such by the manufacturer and complies with the DOH guidelines	Specifications may vary according to manufacturer and the sophistication of the desired units
D. FOR PATROL OPERATIONS		
1. For patrol operations where speed and stability are critical when pursuing other speedy vehicles	a. Car (Sedan Hatchback) or -or-	Engine displacement not exceeding 2000 cc for gasoline or diesel; or AFV
	b. MPV -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
	c. Van -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	d. Pick-up -or-	Engine displacement not exceeding 2500 cc for gasoline or 3000cc for diesel; or AFV
	e. Motorcycle	Specifications may vary according to the intended use of the agency and in consideration of the minimum specifications of motorcycles allowed in certain areas
E. FOR DISASTER RESPONSE AND RESCUE/RELIEF OPERATIONS		
1. For mobility purposes and immediate response during disasters and calamities	a. Van (for conversion into a rescue vehicle equipped with the necessary equipment and apparatus) -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 cc for diesel; or AFV
	b. Pick-up (for conversion into a rescue vehicle equipped with the necessary equipment and apparatus) -or-	Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel; or AFV
	c. Motorcycle -or-	Specifications may vary according to the intended use of the agency and in consideration of the minimum specifications of motorcycles allowed in certain areas.
	d. Heavy equipment such as bulldozers graders, payloaders, dump trucks, compactors, amphibian trucks, and related equipment -or-	A large and heavy-fabricated automotive vehicle used in the construction, improvement, rehabilitation and maintenance of roads and bridges and other infrastructure, waste management and environmental sanitation, and related activities. Heavy equipment may be sub-classified as: (i) earth moving equipment for moving soil or other analogous materials from one location to another which are relatively near each other for levelling uneven earth surfaces, and for similar projects; (ii) compaction equipment used to make the soil rigid or well compacted in preparation for asphaltting or paving (cementing); (iii) lifting

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
		equipment which include crane/hoists with boom and forklifts; (iv) excavating equipment for digging ditches, canals, waterways, and the like; (v) asphaltting/concreting equipment used in transporting ready mixed asphalt/cement, as well as those used for applying/levelling asphalt/cement on the prepared soil; (vi) hauling equipment, which include dump trucks, garbage trucks, cargo trucks and trailers; and (vii) other types of equipment such as pile driving, air pumping and shop equipment. Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed heavy equipment must be supplied by the requesting agency.
	e. Specific-purpose vehicle	All pertinent data/specifications about the proposed specific-purpose vehicle must be supplied by the requesting agency.
	f. Motorized Boat	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about proposed water transport must be supplied by the requesting agency
F. FOR THE TRANSPORT OF CASH OR VALUABLE ITEMS		
1. For transport of large quantities of cash and highly valuable items such as gold and the like. Generally, only a bank or agency performing quasi-judicial functions that would require the transport of large amounts of money and valuables may be authorized an armored vehicle	a. Armored Vehicle	A four-wheel motor vehicle, armored with metal protective covering, and used in transporting large quantities of cash and/or highly valuable items such as gold, among others. A bank or agency performing quasi-banking functions that would require the transport of large amounts of money and valuables may be authorized to acquire an armored vehicle. Most locally available armored vehicles are built by truck/body builders utilizing chassis cab units and fitting them with armored plate and other necessary armored vehicle accessories. Engine displacement not exceeding 2500 cc for gasoline or 4500 cc for diesel; other desired features/specifications must be supplied by the requesting agency

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
G. FOR FIREFIGHTING OPERATIONS		
1. To provide basic firefighting, disaster response, and rescue capability to the Bureau of Fire Protection, and other government agencies whose functions and operations necessitate the maintenance of a firefighting and rescue unit	Automotive Fire Apparatus	A vehicle designed to be used under emergency conditions to transport personnel and equipment or to support the suppression of fires or mitigation of other hazardous situations. Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed automotive fire apparatus must be supplied by the requesting agency.
H. FOR ROAD CONSTRUCTION AND WASTE MANAGEMENT		
1. For construction, improvement, rehabilitation and maintenance of roads, bridges and other infrastructure, and for use in waste management and environmental sanitation	Heavy equipment such as graders, payloaders, dump trucks, road rollers, cement mixers, compactors, cranes, and related equipment	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed heavy equipment must be supplied by the requesting agency.
I. FOR CARGO TRANSPORT AND DELIVERY OF EQUIPMENT		
1. For cargo transport/delivery of equipment and other cargoes, the weights of which are beyond the load capacity of the aforementioned vehicles which are for transport of personnel, equipment, supplies, products and materials, provided that the transport/delivery of cargoes is part of the regular function or operation of the agency	a. Delivery Truck -or-	Truck with up to 6 wheels with gross vehicle weight not exceeding 16,880 kilograms
	b. Cargo Truck -or-	Truck with up to 10 wheels gross vehicle weight not exceeding 27,250 kilograms
	c. Heavy Cargo Truck	Truck with up to 14 wheels with gross vehicle weight not exceeding 29,700 kilograms
J. FOR AGRICULTURAL USE AND/OR SOIL CULTIVATION		
1. For cultivating agricultural farms as experiment or demonstration stations such as those in state universities and colleges (SUCs) and other educational institutions offering agricultural courses	a. Farm tractor -or-	Since the methods of cultivation to be applied vary, the specifications and other features of the proposed farm tractor and harvester must be supplied by the requesting agency.
2. For distribution to farmer beneficiaries of agencies concerned	b. Harvester	

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
K. FOR USE IN TECHNICAL/VOCATIONAL AND OTHER EDUCATIONAL/TRAINING PURPOSES, AND LICENSING OF DRIVERS		
1. For training students in technical/vocational institutions and SUCs in courses in automotive mechanics, mechanical engineering, marine engineering, and other related courses	Classification depends on the course of study	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the vehicle must be supplied by the requesting agency.
2. For use in practical driving examination by the Land Transportation Office	a. Car (Sedan or Hatchback) -or-	Engine displacement not exceeding 1500 cc for gasoline or diesel; or AFV
	b. Motorcycle -or-	Engine displacement not exceeding 200 cc
	c. Van -or-	Engine displacement not exceeding 2500 cc for gasoline or 2800 for diesel; or AFV
	d. Delivery truck	Truck with up to 6 wheels with gross vehicle weight not exceeding 16,680 kilograms
L. FOR WATER TRANSPORT		
1. For inland waters and limited off-shore and inter-island transportation	Motorized Banca	A small locally-manufactured boat with a wooden hull having a passenger capacity not exceeding 15, with RH and LH rigs, roof, stainless steel propellers and engines Inboard engine not exceeding 80 horsepower
2. For off-shore patrol and inter-island operations	Motorized Boat	A motorized boat is a small and open vessel which is engine-powered and made of wood, steel, rubber or fiberglass for use on water to complement off-shore/inter-island transport and control operations.
3. For inter-island water/sea transport	All types of sea vessel except the aforesaid motorized banca and boat	A seacraft is an engine-powered vessel intended for navigation on rivers, seas, oceans or other navigable waters Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed water transport must be supplied by the requesting agency.

Intended Use and/or User	Vehicle Classification	Vehicle Description and Allowed Specifications
M. FOR AIR TRANSPORT		
1. For air transport	All types of aircraft such as airplanes, helicopters, etc.	A vehicle or carrier which is able to fly by gaining support from the air, or in general, the atmosphere of the planet. This type includes airplanes, helicopters, gliders and other vehicles capable of atmospheric flight, except drones. Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed air transport must be supplied by the requesting agency.
N. FOR SPECIAL FUNCTIONS/PURPOSE		
1. For agency's special functions/ purpose	Custom-built for special function/purpose	Since specifications vary according to the manufacturer, model, intended use, etc., all pertinent data/specifications about the proposed motor vehicle must be supplied by the requesting agency.



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
GENERAL SOLANO STREET, SAN MIGUEL, MANILA

APMV No. _____

[Leave blank for the date stamp]

[POSITION TITLE + COMPLETE NAME (with middle initial)]

[Agency/Office/Organization Name]

[Address]

[COMPLETE NAME (with middle initial)]

President

[Name of State University or College]

[Address]

For SUCs

AUTHORITY TO PURCHASE MOTOR VEHICLE/S

Qty.	Type	Intended Use and/or User, and Specifications	Cost
1	Pick-up	Use and/or User: e.g. For the transport of personnel, equipment, supplies, products and materials [Quote directly from Annex A of the Omnibus Guidelines] Specifications: e.g. Engine displacement not exceeding 2500 cc for gasoline or 3000 cc for diesel [Quote directly from Annex A of the Omnibus Guidelines] The detailed specifications of the motor vehicle/s to be purchased are in Annex A hereof, as provided by the [cite name of agency/University/College].	P 2,000,000.00
1	TOTAL		P 2,000,000.00
TOTAL AMOUNT IN WORDS		: **TWO MILLION PESOS ONLY**	
FUNDING SOURCE		: FY 2022 General Appropriations Act	

Note: The vehicle specifications must be quoted verbatim from Annex A of the Omnibus Guidelines on the Acquisition, Use, Rental and Replacement of Motor Vehicles, as applicable.

The detailed specifications of the motor vehicle/s as provided by the requesting agency is to be attached to this Authority.

CONDITIONS:

1. The motor vehicle/s shall be used only for official purpose, the intended use and/or by the intended user, for which the motor vehicle/s was requested as herein authorized. The acquisition/purchase of subject motor vehicle/s shall be in accordance with the provisions of the Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles. Further, the classification/s and specifications of subject motor vehicle/s shall be consistent with the provisions of Annex A of the guidelines.
2. Moreover, it is understood that the acquisition of said motor vehicle/s shall be in accordance with the Republic Act No. 9184 (*Government Procurement Reform Act*) and

Annex B

its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.

3. The purchase of motor vehicle/s shall in no case be used as justification to request for additional driver positions. (This condition shall only be cited in the APMVs of departments and agencies, as well as state universities and colleges whose personnel services budgets are sourced from the General Appropriations Act, and whose creation of positions is subject to the approval by the DBM.)
4. The herein approved heavy equipment must be among the equipment needed for the implementation of infrastructure projects. Moreover, funds for Engineering and Administrative Overhead Expenses for the purchase of heavy equipment shall be treated as capital expenditure, and shall form part of the project cost, as well as comply with the requirements provided in the FY ____ General Appropriations Act. (This condition shall only be cited in the requests of the DPWH for the acquisition of heavy equipment which are chargeable against the agency's budget for Engineering and Administrative Overhead Expenses.)
5. Notwithstanding this issuance, disbursement and expenditure of funds shall be subject to the provisions embodied in the Omnibus Election Code and other pertinent laws, rules and regulations. (To be reflected ONLY during the election period.)

APPROVED:

TINA MARIE ROSE L. CANDA

Officer-in-Charge, DBM

cc: [Position Title + Name]
[Agency]



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF BUDGET AND MANAGEMENT
 GENERAL SOLANO STREET, SAN MIGUEL, MANILA

ARMV No. _____

[Leave blank for the date stamp]

[**POSITION TITLE + COMPLETE NAME** (with middle initial)]
 [Agency/Office/Organization Name]
 [Address]

AUTHORITY TO RENT MOTOR VEHICLE/S

Qty.	Type	Intended Use and/or User, and Specifications		Cost
1	Bus or Mini-bus	To transport 100 scholars to and from the rented dormitory and campus, pending completion of the permanent Student Dormitory	P	550,000.00
1	TOTAL		P	550,000.00
TOTAL AMOUNT IN WORDS		: **FIVE HUNDRED AND FIFTY THOUSAND PESOS ONLY**		
FUNDING SOURCE		: FY 2022 General Appropriations Act		
RENTAL PERIOD		: January to May 2022		

CONDITIONS:

1. The motor vehicle/s shall be used only for official purpose/s, and by the intended user for which the motor vehicle/s was requested as herein authorized. The rental of subject motor vehicle/s shall be in accordance with the provisions of the Omnibus Guidelines on the Acquisition, Use, Rental, and Replacement of Motor Vehicles.
2. Notwithstanding this authority, all disbursements and expenditures shall be subject to existing budgeting, accounting, and auditing rules and regulations.

APPROVED:

[**NAME OF DBM SECRETARY**]
 Secretary

cc: [Position Title + Name]
 [Agency]

Annex B

its Implementing Rules and Regulations, as well as subject to the usual budgeting, accounting, auditing, and other applicable laws, rules and regulations.

3. The purchase of motor vehicle/s shall in no case be used as justification to request for additional driver positions. (This condition shall only be cited in the APMVs of departments and agencies, as well as state universities and colleges whose personnel services budgets are sourced from the General Appropriations Act, and whose creation of positions is subject to the approval by the DBM.)
4. The herein approved heavy equipment must be among the equipment needed for the implementation of infrastructure projects. Moreover, funds for Engineering and Administrative Overhead Expenses for the purchase of heavy equipment shall be treated as capital expenditure, and shall form part of the project cost, as well as comply with the requirements provided in the FY ____ General Appropriations Act. (This condition shall only be cited in the requests of the DPWH for the acquisition of heavy equipment which are chargeable against the agency's budget for Engineering and Administrative Overhead Expenses.)
5. Notwithstanding this issuance, disbursement and expenditure of funds shall be subject to the provisions embodied in the Omnibus Election Code and other pertinent laws, rules and regulations. (To be reflected ONLY during the election period.)

APPROVED:

[NAME OF DBM SECRETARY]

Secretary

cc: [Position Title + Name]
[Agency]

Annex D
(Sample filled out form)

Motor Vehicle Inventory and Re-fleeting Program

Agency: Department of Budget and Management
Date: January 2, 2022

No.	Purpose	User or Office of Deployment	Brand and Model, Engine Displacement and Plate Number	Vehicle Classification	Date Acquired	Mileage and Status	Proposed Action	Year of Replacement		
								Year 1 (2022)	Year 2 (2023)	Year 3 (2024)
1	For the exercise of executive functions of the Department Secretary	Office of the Secretary	O Brand P Model, 2800 cc (diesel), ABC 1245	MPV	Sept. 1, 2017	70,000 / in good working condition	Retention	N/A	N/A	N/A
2	For the exercise of executive functions of the ABCS Director	ABCS Director	Y Brand X Model, 2000 cc (gas), ABC 6789	MPV	March 10, 2010	150,000 kms / Beyond repair	Replacement	✓	N/A	N/A
3	For the exercise of executive functions of the EFGB Director	EFGB Director	Y Brand X Model, 2000 cc (gas), ABC 0123	MPV	March 10, 2010	110,000 kms / serviceable	Replacement	N/A	N/A	✓
Total No. of Vehicles: 3										

Legend: N/A - not applicable

Prepared by:

Approved by:

Name
Position/Designation (Property/Supply Officer or equivalent)

Name of Agency Head
Position/Designation (Agency Head)

As of _____

Entity Name:

[illegible]