



DOT MEMORANDUM CIRCULAR NO. 2015-06

Series of 2015

REVISED RULES AND REGULATIONS TO GOVERN THE ACCREDITATION OF TRAVEL AND TOUR AGENCIES

PURSUANT TO THE AUTHORITY VESTED IN THE DEPARTMENT OF TOURISM (DOT) BY REPUBLIC ACT NO. 9593, OTHERWISE KNOWN AS THE TOURISM ACT OF 2009 DATED MAY 12, 2009, ON THE MANDATORY ACCREDITATION OF PRIMARY TOURISM ENTERPRISES AND VOLUNTARY ACCREDITATION OF SECONDARY TOURISM ENTERPRISES, THE NATIONAL ACCREDITATION STANDARDS FOR TRAVEL AND TOUR AGENCIES ARE HEREBY PROMULGATED TO IMPLEMENT THE INTENT AND PURPOSE OF THE SAID REPUBLIC ACT.

CHAPTER I DEFINITION

Section 1. Definition of Terms. For the purpose of these Rules, the following terms shall, unless the context otherwise indicates, have the following meaning:

- a. "Accreditation" a certification issued by the Department of Tourism after the determination that the tourism enterprise complies with all the requirements for the operation of tourism facilities and services.
b. "Branch Office" an office or outlet/tour desk which is located other than the travel and tour agency main office location that sells, offers or conduct tours.
c. "Commercial Building" shall mean a building other than a residential building, developed for commercial use.
d. "Dormant Application" shall mean an application that has not been acted upon by the applicant for forty five (45) days.
e. "Inbound Tour" shall mean a tour of groups/individuals to the Philippines or any place within the country and any part thereof.
f. "Local Tour" shall mean a tour of residents of the Philippines within the country.
g. "Online Travel and Tour Agency" shall mean any person or entity whose operations are solely conducted through websites and other online platform dedicated to travel and tour operations.
h. "Outbound Tour" shall mean a tour of individuals/groups outside the Philippines.
i. "Tour Operator" shall mean any person or entity engaged in the business of inbound and/or local tour operation such as organizing and/or conducting tours as well as making online reservations, arranging and booking for transportation and accommodation for a fee, commission, or any form of remuneration.
j. "Travel Agency" shall mean any person or entity engaged in the business of providing travel-related services such as transportation or accommodation reservations/bookings, documentation of travel papers, sale and/or issuance of tickets and selling of outbound tours for a fee, commission, or any form of remuneration.
k. "Travel and Tour Agency" shall mean a primary tourism enterprise regularly engaged in both Tour Operator and Travel Agency services, as defined in (i) and (j).

CHAPTER II REQUIREMENTS FOR ACCREDITATION

Section 2. Accreditation Application. All accreditation application and pertinent documents shall be submitted through the DOT Online Accreditation System.

Section 3. Who May Apply for Accreditation. The following may apply for accreditation as Tour Operator, Travel Agency, Travel and Tour Agency or Online Travel and Tour Agency:

- a. Resident Filipino citizen registered as single or sole proprietorship.
b. Partnership organized under Philippine laws, at least 60% of its capital is owned by a Filipino citizen.
c. Corporations organized under Philippine Laws, at least 60% of the subscribed common or voting shares of stock of which is owned by Filipino citizens and the composition of its Board of Directors being at least 60% Filipinos.
In case of more than 40% foreign-owned Corporations, they shall have at least US\$200,000.00 paid-in capital.
d. Cooperative duly organized under Philippine Laws.

Section 4. Mandatory Documentary Requirements for New Applications. For purposes of accreditation, the following documents shall be submitted online by the applicant:

- a. Valid Mayor's/Business Permit.
b. Proof of working capital of PhP500,000.00. For Corporation/ Partnership, P500,000.00 Paid-up/partners capital; for single proprietorship, original copy of bank certification with cheque writer.
c. For General Manager, documents to prove a minimum of three (3) years managerial experience in travel and tour agency operations or proof of passing a Travel and Tour Agency Management Course or its equivalent.
d. Notarized List of Names of all Officials and Employees (with office designation and Nationality).

Section 5. Mandatory Documentary Requirements for Renewal. The following documents shall be submitted for renewal of accreditation:

- a. Valid Mayor's/Business Permit.
b. Audited Financial Statements reflecting a minimum of PhP500,000.00 working capital.

Section 6. Additional Documentary Requirements for Renewal and New Application. The following documents shall be submitted, if applicable:

- a. Affidavit executed by the General Manager declaring/ acknowledging the existence of their branch offices.
b. For foreign nationals, valid working permit (Alien Employment Permit) from the Department of Labor and Employment and valid visa from Bureau of Immigration and Deportation.
c. For Airport Representatives, valid NBI Clearance and Certificate of Regular Employment.

Section 7. Minimum Office Requirements. The applicant enterprise shall comply with the following office requirements:

- a. It shall be located in a commercial area and/or building.
b. It shall be easily identifiable and shall be used exclusively for the travel and tour operation business.
c. It shall be adequately furnished for the conduct of its business, with basic furniture and equipment such as but not limited to executive table, chairs, computer, printer and telephone.
d. Office floor area shall be a minimum of 18 square meters. Provided, however that "Branch Office", as defined in Chapter 1, Section 1 shall be exempted from the minimum office size requirement.
e. It shall have a minimum of three (3) employees to include a General Manager, a reservation officer and a tour/product development officer.

- f. All offices shall be ventilated or have temperature control initiatives and maintain a temperature between 20-25 degree year round, except in areas where elevation is 2000 ft. above sea level.

CHAPTER III FEES

Section 8. Fees. The applicant enterprise shall pay the following accreditation and miscellaneous fees, as may be applicable:

- a. Main Office Accreditation Fee. A non-refundable filing fee in the amount of PhP1,500.00 shall be collected for the processing of the application. After which the Accreditation certificate shall be issued upon payment of PhP3,500.00.
b. Branch Office Accreditation Fee. A non-refundable filing fee in the amount of PhP1,500.00 shall be collected for processing while the Accreditation Certificate shall be issued upon payment of PhP1,500.00.
c. Sticker Fee. DOT Stickers shall be issued upon payment of PhP300.00.
d. Identification Card. DOT ID cards shall be issued to employees upon payment of PhP200.00/ID provided that the said employees are included in the List of personnel submitted by the concerned enterprise.
Airport Representative ID cards shall be issued upon payment of PhP2,000.00/ID. (Applicable only to Travel and Tour Agency with Inbound Tours)
e. Name Change Fee. An amount of PhP3,500.00 shall be charged to an enterprise which modifies its Business Name while Accreditation is still valid.
f. Lost Certificate/ID. An amount of PhP1,000.00 shall be collected for an authenticated copy of Accreditation certificate and PhP200.00 for DOT ID and PhP2,000.00 for Airport Representative ID, upon submission of Letter Request and Affidavit of Loss.
g. Re-assessment Fee. For any re-inspection request, a fee of PhP5,000.00 shall be charged.
h. Surcharge. An additional amount equivalent to 50% of the Accreditation fee shall be collected for renewals made after June 30 and another 100% shall be collected for every succeeding year thereafter. Renewal Period from April 1 to June 30.

CHAPTER IV SUPERVISION OF TRAVEL AND TOUR AGENCIES

Section 9. Main Office Accreditation. The main office should be accredited prior to the accreditation of the branch office.

Section 10. Validity of Accreditation. Certificate of Accreditation shall be valid for two (2) years, provided that the required Mayor's/Business permit and other pertinent documents shall be renewed upon expiration and shall be submitted to the Department.

Section 11. Surrender of DOT Sticker. The enterprise shall surrender their accreditation DOT sticker upon renewal of its accreditation.

Section 12. Surrender of DOT ID. The enterprise shall notify the Department of its officers and employees who have ceased to be employed from their company and shall surrender the officers' / employees' ID cards within seven (7) days upon termination of employment.

Section 13. Access of Department Representatives to Agency's Office and Records. The Department shall have access to an enterprise's office and records during business hours for verification of compliance with the standards and requirements.

Section 14. Display of Accreditation Seal. The DOT Accreditation Sticker shall at all times be displayed in a conspicuous place of the establishment. The same shall be surrendered to DOT once the validity of accreditation expires.

Section 15. Online Travel and Tour Agency. All Online Travel and Tour Agencies applying for accreditation shall comply with all the basic requirements of a regular travel and tour agency as provided in Chapter II of this Rules.

Section 16. Website Information. All Tour Operators, Travel Agencies and Travel and Tour Agencies with website shall comply with the following requirements:

- a. Every accredited Travel and Tour Agency shall display the DOT Tourism Quality Seal and Accreditation Number with validity date on their website and in all of its advertisements, brochures and promotional materials;
b. Every accredited Travel and Tour Agency shall highlight or include Philippine tour destinations in their website;
c. Every website shall display the correct and full contact information of the company on the "Contact Us" page or section; and
d. All websites offering online payment schemes shall be Payment Card Industry Data Security Standard (PCI-DSS) compliant and encrypted with valid Security Sockets Layer (SSL) Certificate or use online banking websites which are compliant with the above-mentioned requirements.

Section 17. Non-Transferability of Accreditation. The rights and privileges granted under the accreditation shall be non-transferable.

Section 18. Dormancy. Dormant applications shall be withdrawn after appropriate warnings/notifications shall be sent to the applicant on the 30th and 45th day prior to dormancy.

Section 19. Inspection of Establishment. Periodic inspection shall be done annually or when public interest dictates. The Department may send an inspection team to the establishment for the purpose of determining whether they are being kept and/or managed in a manner conformable to the standards set by the Department. The inspection shall be conducted at a reasonable time of the day with due regard and respect to the right of privacy of parties concerned.

The Department inspection team shall accomplish a set of inspection checklist for the establishment. All deficiencies found, as well as the requirements complied with shall be noted in the checklist. An inspection report shall be rendered within five (5) days from date of inspection.

Section 20. Defects and Deficiencies Found During the Inspection. The Department shall issue a Notice of Deficiency addressed to the concerned travel and tour agency informing the same of the violation or non-compliance of accreditation requirements and reasonable period within which to rectify such violation as found during the inspection. Should the management fail to remedy the defects or deficiencies within the agreed period of time, the Department shall deny the application or revoke the certificate of accreditation issued to the establishment.

Section 21. Use of Tour Coordinator/Tour Escort. Tour Coordinators and Foreign Tour Escorts duly recognized by the DOT whose function is to accompany tourists during their tours shall not act as tour guides. The presence of Tour Coordinators and Foreign Tour Escorts may be allowed provided there is an accompanying DOT-accredited tour guide.

CHAPTER V SCHEDULE OF FINES AND PENALTIES

Section 22. Schedules of Fines and Penalties. For the purpose of accreditation, violation of or non-compliance with any of the provisions of these rules, the following acts or omissions shall be sufficient ground for the denial, suspension, or cancellation/revocation of accreditation or closure of business of the Travel and Tour Agencies in accordance with Section 39 of R.A. 9593.

a. Denial of Accreditation

- 1. Making any false declaration or statement or making use of any such declaration or statement or any document containing the same or committing fraud or any act of misrepresentation for the purpose of obtaining the grant of accreditation.
2. Failure to comply with the standards and requirements for accreditation.
3. Has pending/unresolved complaints filed to the Department or other concerned agencies.
4. Any other act or omission that works against the interest of the tourism industry.

b. Suspension/Revocation/Cancellation of Accreditation, or Closure of Business

- 1. Unauthorized transfer and/or reproduction of Accreditation certificate, stickers, IDs or any document issued by the Department of Tourism.
2. Gross and evident bad faith in dealing with clients / fraudulent solicitation of business.
3. Tolerance of gross misconduct, discourtesy, dishonesty or misrepresentation committed by any of the operator's officers or employees against its clients to the detriment of the tourism industry.
4. Employment or hiring of non-DOT accredited tourism frontliners or engaging the services of non-DOT accredited tourism establishments/ vehicles except in areas where there are no DOT accredited frontliners / trainers / vehicles / establishments available.
5. Failure to specify and include in any form of advertisement the DOT Tourism Quality Seal and Accreditation Number with expiry date/validity.
6. False, deceptive or misleading advertisement by Philippine mail or in commerce by print, radio, television or other medium of advertisement to the public.
7. Promoting, facilitating or conducting activities involving drug-related transactions and any form of exploitation of women and children.
8. Non-settlement of the complaint filed against the establishment with the Department.
9. Any other case/complaint filed against the establishment outside the Department.

c. Fines and Penalties. Any Travel and Tour Agency which violates any provisions of these Rules and Regulations shall be subject to the following:

- First Offense - Six (6) months suspension and/or fine not less than Fifty Thousand Pesos (PhP50,000.00), as the case maybe.
• Second Offense - One (1) year suspension and be subject to a fine of at least not less than Seventy Five Thousand Pesos (PhP75,000.00).
• Third Offense - Revocation/Closure of Business and subject to a fine of at least or not less than One Hundred Thousand Pesos (PhP100,000.00).

The DOT, at its own instance, shall revoke/cancel the accreditation of an accredited travel and tour agency which violates any of the provisions of these Rules and Regulations without prejudice to the imposition of other applicable penalties under Philippine laws.

The Department shall likewise issue a Notice of Violation to the concerned LGU for appropriate sanction such as but not limited to revocation/cancellation of issued licenses/permit or closure of the establishment found to have violated the terms of their accreditation.

The Department shall also issue tourism advisories which shall include the following details:

- Complete identification of the pertinent tourism enterprise;
• Location of the entity;
• Its registered owner or proprietor and the business address;
• The specific term or terms of accreditation violated; and
• The statement that the advisory shall only be lifted upon continued compliance of the enterprise with the terms of accreditation.

CHAPTER VI MISCELLANEOUS PROVISIONS

Section 23. Confidential Character of Certain Data. Information and documents received or filed with the Department in pursuance of the requirements of these rules shall be treated as confidential and shall not be divulged to any private party without the consent of the party concerned or as may be required by law.

Section 24. Issuance of Additional Circulars/Orders. The Department shall, whenever necessary, issue additional Circulars/Orders for a more effective implementation of these rules and regulations.

Section 25. Separability Clause. The provisions of these rules are hereby declared separable, and in the event that any one or more of such provisions are declared invalid, the validity of all other provisions shall not be affected thereby.

Section 26. Repealing Clause. All existing rules and regulations or circulars issued by the defunct Board of Travel and Tourist Industry or previously issued by the Department of Tourism which are inconsistent with the provisions of these rules are hereby repealed and/or modified accordingly.

Section 27. Effectivity. The National Accreditation Standards for Travel and Tour Agencies shall take effect immediately after publication in a newspaper of general circulation or in the Official Gazette. Let three (3) copies hereof be filed with the Office of National Administrative Register (ONAR), UP Law Center pursuant to Presidential Memorandum Circular No. 11 dated 09 October 1992.

Approved and promulgated this 05 day of June 2015.

Ramon R. Jimenez, Jr. Secretary

Attested: Atty. Maria Victoria V. Jasmín Undersecretary Tourism Regulation, Coordination and Resource Generation

These revised rules and regulations shall apply to the next accreditation period for Travel and Tour Agencies commencing on April 1, 2016.

For online application visit http://accreditationonline.tourism.gov.ph

For more information, contact DOT - Tourism Standards and Regulation at (02) 459-5200 to 5230 local 107 or your respective DOT Regional Office.