



Republika ng Pilipinas
KAGAWARAN NG KATARUNGAN
Department of Justice
Manila

MIG-DC-_____

DEPARTMENT CIRCULAR NO. 033

TO : Department Officials and Heads of Offices
All Concerned

SUBJECT : Guidelines on the Validation of the ISO 9001:2015
Quality Management System (QMS) Certification as
a Requirement for the Grant of FY 2018
Performance-Based Bonus (PBB)

DATE : AUG 31 2018

Attached is a copy of Memorandum Circular No. 2018-1 of the Government Quality Management Committee on the above-captioned subject.

As indicated, officials and employees responsible for the implementation of the QMS certification shall not be entitled to the FY 2018 PBB if the Department fails to comply with ISO 9001:2015 Certificate requirements.

For guidance and compliance of all concerned.


MENARDO I. GUEVARRA
Secretary

Department of Justice
CN: 0201808546





GOVERNMENT QUALITY MANAGEMENT COMMITTEE (GQMC)

MEMORANDUM CIRCULAR NO. 2018-1

August 17, 2018

TO : All Heads of Departments, Bureaus, Offices and Other Agencies of the National Government, Constitutional Commissions, Congress, the Judiciary, Office of the Ombudsman(OMB), State Universities and Colleges (SUCs), Government-Owned or -Controlled Corporations (GOCCs), and Local Water Districts (LWDs)

SUBJECT : Guidelines on the Validation of the ISO 9001:2015 Quality Management System (QMS) Certification as a Requirement for the Grant of the FY 2018 Performance-Based Bonus (PBB)

1.0 BACKGROUND

1.1 Administrative Order (AO) No. 25 Inter-Agency Task Force (IATF) Memorandum Circular (MC) No. 2018-1 dated May 28, 2018¹ provides the criteria and conditions for the grant of the FY 2018 PBB cycle with the pertinent provisions as follows:

a) "5.0 FY 2018 GOOD GOVERNANCE CONDITIONS (GGCs)

5.1. a Maintain/Update the agency Transparency Seal (TS) pursuant to Section 99 of the General Provisions of the FY 2018 General Appropriations Act (GAA). The TS page should be accessible by clicking the TS logo on the home page. See Annex 2: *Guideline on Transparency Seal* for full details of requirements, which shall include the following: xxx

6) *Quality Management System (QMS) Certification to ISO 9001:2015 issued by any of the certification bodies (CBs) accredited by the International Accreditation Forum (IAF) members or similar standards relating to Total Quality Management (TQM), e.g., Philippine Quality Award, ISO/IEC 17025, ISO 17020, and Omentum [recte: Qmentum] Accreditation Canada, of at least one (1) core process or frontline service. See also Section 6.3."*

¹ Guidelines on the Grant of the Performance-Based Bonus for Fiscal Year 2018 under Executive Order (EO) No. 80, s. 2012 and EO 201, s. 2016 dated May 28, 2018

b) "6.0 FY 2018 PERFORMANCE TARGETS xxx

6.3 STO Target. Initial certification/Recertification of the QMS for at least one (1) core process or frontline service as mandated under its existing pertinent laws.

For the ISO 9001:2015 QMS certification, it must be issued by any of the certification bodies (CBs) accredited by the International Accreditation Forum (IAF) members. Preferably, the CB is accredited by the Philippine Accreditation Bureau under the Department of Trade and Industry, which is the Philippine Accreditation Body of the IAF. ISO 9001:2015 QMS equivalent certifications/attestations granted by similar internationally recognized bodies promoting Total Quality Management (TQM) shall be considered, e.g., Philippine Quality Award, ISO/IEC 17025, ISO 17020, and Qmentum Accreditation Canada.

The certification must be valid until December 31, 2018 or a later date, and must be posted in the agency TS page not later than December 31, 2018. A certified-true copy of the Agency's QMS Certificate/s shall be submitted to the Government Quality Management Committee (GQMC), through the DBM Secretariat – Systems and Productivity Improvement Bureau, immediately after obtaining a QMS Certificate or Recertification not later than December 31, 2018, for verification purposes.

For frontline agencies, it is expected that the core process pertains to an agency process most demanded by citizens and business and targeted for improvement under Sections 6.1 and 6.2 above."

c) "7.15 Officials and employees responsible for the implementation of the prior years' audit recommendations, QMS certification, or posting and dissemination of the department/agency system of ranking performance of delivery units, shall not be entitled to the FY 2018 PBB if the Department/Agency fails to comply with any of these requirements."

d) 10.6 The AO 25 IATF sets the following implementation timeline for the FY 2018 PBB: xxx

REQUIREMENTS	VALIDATING AGENCY	DEADLINE OF SUBMISSION	START OF VALIDATION
Physical Targets Support to Operations (STO)			
1 QMS Certification • Post QMS Certification in TS page • Submit certified true copy of QMS certificate to GQMC through DBM-SPIB	GQMC	December 31, 2018	From January 1 to 31, 2019

(Underscoring supplied)

2.0 PURPOSE

This Memorandum Circular is issued to prescribe the guidelines on the validation by the GQMC of the ISO 9001:2015 QMS Certification requirement for the FY 2018 PBB cycle.

3.0 COVERAGE

This Circular covers all government entities abovementioned consistent with **Item 3.1** of the AO 25 IATF MC 2018-1, but subject to the provision of the separate targets and guidelines for SUCs, GOCCs, LWDs and LGUs as stated in **Items 4.2.a, 4.2.b, 4.2.c and 4.2.d**, respectively, of said MC.

4.0 GUIDELINES ON DETERMINING COMPLIANCE WITH THE ISO 9001:2015 QMS CERTIFICATION REQUIREMENT

4.1 As declared in the joint ISO/IAF Communiqué dated September 15, 2017 that all ISO 9001:2008 QMS certificates will expire and no longer valid by September 15, 2018, the Agency QMS thereafter shall be under the **ISO 9001:2015** version. To level up the establishment of QMS aligned to ISO 9001 Standard in government as required in the past four (4) PBB cycles, **only a valid ISO 9001:2015 QMS certificate** is required for the PBB 2018 grant.

In addition, certifications/registrations/awards² to similar standards relating to Total Quality Management (TQM), e.g., Philippine Quality Award, ISO/IEC 17025, ISO 17020, and Qmentum Accreditation Canada could be considered in the entitlement to the FY 2018 PBB.

The validity of the ISO 9001:2015 QMS and TQM Certifications/Recertifications, as indicated in the Certificate, must be until December 31, 2018 or a later date, i.e., 2019 and beyond.

4.2 The scope of the QMS indicated in the agency's ISO 9001 Certificate shall cover at least one (1) core process or frontline service as mandated under its existing pertinent laws.

For frontline agencies, the core process pertains to an agency process most demanded by citizens and business and targeted for improvement under Sections. 6.1 and 6.2 of the AO 25 IATF MC 2018-1.

4.3 The ISO 9001:2015 QMS certifications must be issued by any of the CBs accredited by the IAF member.

Agencies are **encouraged** to have their ISO QMS certified by CBs which are duly **accredited by the DTI-PAB**. The CBs contracted shall have been accredited to audit and certify QMS for specified scope, particularly under ISO 9001 QMS for IAF 36

² Under ISO/IEC 17000 (*Conformity assessment - Vocabulary and general principles*), the definitions which are essential for a proper understanding of management system certification and accreditation are as follows:
Certification is a third-party attestation related to products, processes, systems or persons
Assessment is the process undertaken by an accreditation body to assess the competence of a Conformity Assessment Body based on particular standard(s) and/or other normative documents and for a defined scope of accreditation
Accreditation is a third-party attestation related to a conformity assessment body conveying formal demonstration of its competence to carry out specific conformity assessment tasks
Attestation is an issue of a statement, based on a decision following review, that fulfilment of specified requirements has been demonstrated. The resulting statement, referred to as a "statement of conformity", conveys the assurance that the specified requirements have been fulfilled. Such an assurance does not, of itself, afford contractual or other legal guarantees.
Registration is the other term for *certification* of QMS. [This is because the process of conforming to the ISO-9001 standard concludes with a "Certificate of Registration" (www.pddnet.com/blog/2014/06/iso-9001-certification-vs-registration)].

- Public Administration, IAF 37- Education, IAF 38 – Health and Social Work, among other areas or scope.

Pursuant to ISO/IEC 17021³, an ISO 9001 Certificate is a form of attestation of conformity of an organization's QMS to a specific management system standard, wherein the CB has the legal responsibility for all its certification activities. Thus, letters of attestation issued by CBs indicating that certification/recertification audits have been completed but subject to approval of their Certificate Decision Maker⁴ will not be considered as fulfilling the ISO requirements based on the AO 25 IATF MC 2018-1.

4.4 All Agency ISO 9001 QMS Certification(s)/Recertification(s) must be posted in its TS webpage not later than December 31, 2018.

While the ISO 9001:2015 Certificate/Recertification is among the TS documents to be posted in the Agency TS as one of the **GGC requirements**, whose deadline of updating by the agencies is on October 1, 2018, the deadline of **uploading** the ISO Certificate/Recertification to the Agency TS as a requirement for **STO Target** shall be **not later than December 31, 2018**.

4.5 A certified-true copy of the Agency's ISO QMS Certificate(s) shall be submitted to the GQMC, through the DBM Secretariat – Systems and Productivity Improvement Bureau (SPIB), immediately after obtaining an ISO QMS Certificate or Recertification not later than December 31, 2018, for verification purposes.

5.0 GQMC VALIDATION RESULT

The GQMC – DBM Secretariat (SPIB) shall submit to the AO 25 IATF its findings on the compliance of agencies with the ISO QMS-related requirement to serve as basis for determining their eligibility to the FY 2018 PBB **not later than January 31, 2019**.

6.0 EFFECTS OF NON-COMPLIANCE

Officials and employees responsible for the implementation of the QMS certification shall not be entitled to the FY 2018 PBB if the Department/Agency fails to comply with ISO 9001:2015 Certificate requirements.

³ *Conformity assessment- Requirements for bodies providing audit and certification of management systems*

⁴ As provided under **Clause 9.5 Certification Decision** of ISO/IEC 17021-1:2015 (*Conformity assessment – Requirements for bodies providing audit and certification of management systems*), the CB shall ensure that the persons or committees that make the decisions for granting or refusing certification, expanding or reducing the scope of certification, suspending or restoring certification, withdrawing certification or renewing certification are **different** from those who carried out the audits. Moreover, the Certificate Decision Maker may seek additional information or clarification from the audit team or other sources during its technical review with respect to, among others, the certification requirements, scope of certification, and the client's corrections and corrective actions for nonconformities, if any.

7.0 EFFECTIVITY

This Circular shall take effect immediately.

DEPARTMENT OF BUDGET AND MANAGEMENT

By: 
Secretary **BENJAMIN E. DIOKNO**
Chairman



DEPARTMENT OF TRADE AND INDUSTRY

By: 
Secretary **RAMON M. LOPEZ**
Co-Chairman



DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT


By: 
Officer-In-Charge **EDUARDO M. AÑO**
Member



INTERNAL AUDIT OFFICE, OFFICE OF THE PRESIDENT

By: 
Deputy Executive Secretary **ALBERTO A. BERNARDO**
Member

DEVELOPMENT ACADEMY OF THE PHILIPPINES

By: 
President **ENGELBERT C. CARONAN, JR.**
Member