



TERMS OF REFERENCE

For the Engagement of Services of a Certifying Body to Provide Certification Audit for the Issuance of ISO 9001:2015 Certificate and Surveillance Audits for the Quality Management System (QMS) of the Philippine Fiber Industry Development Authority (PhilFIDA)

I. RATIONALE

Administrative Order No. 161, titled "Institutionalizing Quality Management System in Government," was issued on October 5, 2006, to enhance the country's competitiveness, particularly in business and government efficiency. Its goals include fostering a quality-driven culture within government organizations, promoting transparency and accountability in governance, providing a framework for assessing quality system performance, establishing public service quality standards, and recognizing excellence in government operations.

To further institutionalize the Government Quality Management Program (GQMP), Executive Order No. 605 was issued on February 23, 2007. This order amended Administrative Order No. 161, providing a more structured approach to implementing GQMP across the government. It mandates that all executive departments, agencies, government-owned and controlled corporations, government financial institutions, state universities and colleges, the judiciary, and local government units adopt ISO 9001:2000 Government Quality Management Systems Standards (GQMSS).

In compliance with the GQMSS and to institutionalize its Quality Management System (QMS), PhilFIDA completed the necessary audit requirements. On April 1, 2022, it was awarded the ISO 9001:2015 certification by SOCOTEC Certification Philippines, Inc., which is valid until March 31, 2025. This certification confirms that PhilFIDA's QMS meets the ISO 9001:2015 standards for renewal.

II. OBJECTIVES

1. To conduct initial audits (Stage 1 and 2) of PhilFIDA QMS based on ISO 9001:2015 Standard; and
2. To conduct surveillance audits within a three-year period upon acquisition of PhilFIDA ISO 9001:2015 certification.

III. DURATION OF SERVICES

The services subject for procurement shall be for a period of three (3) years. A multi-year contract shall be entered between PhilFIDA and the Certifying Body. Availability of funds shall be incorporated in the budget of the PhilFIDA.

IV. QUALIFICATION OF THE CERTIFYING BODY

The Certifying Body must meet the following minimum qualifications:

1. Duly accredited by the Philippine Accreditation Office of the Department of Trade and Industry;
2. Must have at least five (5) years of ISO 9001:2015 auditing experience;
3. Good track record of certifying government agencies for quality management system; and
4. Its audit team, including surveillance, must satisfy the following:
 - Consist of at least two (2) auditors with actual hands-on experience on quality management system who are qualified to conduct audits in the name of the Certifying Body;
 - At least one (1) of the team members shall have relevant public sector specific experience for all relevant processes;
 - No member of the audit team should have provided consultancy for PhilFIDA prior to audit; and
 - At least one (1) auditor of the initial team shall participate in all audits of the three-year audit cycle.

V. RESPONSIBILITIES OF THE CERTIFYING BODY

1. The Certifying Body shall provide PhilFIDA its company profile, highlighting related projects, scope of work and implementation methodology. Curriculum vitae of the proposed certification team shall also be submitted;
2. The Certifying Body shall provide its company's proof of accreditation from the Department of Trade and Industry (DTI) – Philippine Accreditation Office.
3. The Certifying Body shall abide with the auditing principles, terminologies and guidelines as specified in the ISO 9001:2015 – Quality Management Systems Requirements;
4. The Certifying Body shall adhere to the agreed scope of work/deliverables which were prior approved by PhilFIDA;
5. The Certifying Body shall include in the proposal the audit activities and a procedure for client appeals. Any dispute which may arise between PhilFIDA and the Certifying Body shall be resolved amicably in good faith. However,

PhilFIDA shall be afforded the right to lodge appeals about the decisions of the audit team. Further, parties are not precluded from resorting to any legal remedy that may be available to them;

6. The Certifying Body shall provide a full report on the operations audited consistent with the approval of work/deliverables to the agency within seven (7) working days of each initial surveillance and re-surveillance audits unless otherwise agreed by PhilFIDA;
7. At least one (1) member of the audit team shall participate in all audits of the three (3) year audit cycle. Replacement of any team member shall require prior written approval from PhilFIDA;
8. The Certifying Body shall notify PhilFIDA concerning relevant changes made by the Certifying Body relating to the certification procedures; and
9. All information reviewed and recorded by the Certifying Body audit team shall be treated with utmost confidentiality at all times.

VI. SELECTION OF CERTIFYING BODY

1. PhilFIDA Central Office Bids and Awards Committee shall select the most qualified certification body and shall strictly adhere to the provisions of Republic Act No. 9184 and its revised implementing rules and regulations; and
2. PhilFIDA Central Office Bids and Awards Committee shall adopt the applicable evaluation procedure embodied under the Revised Implementing Guidelines of RA No. 9184.

VII. SCOPE OF SERVICES

1. The scope of audit shall cover the entire PhilFIDA Quality Management System processes in its Central, Regional and Satellite Offices. However, upon written agreement or as stipulated in the Contract of Service, the Certifying Body may conduct certification and surveillance audits for the Central Office and two (2) Regional Offices.
2. The scope of work shall cover ISO 9001:2015 certification audit (2 stages) and one (1) surveillance audit each for the next two (2) years.
3. The addresses of the operating units for audit shall be as follows:

Central Office	Quezon City
Regional Office I	Baguio City
Regional Office IV	Las Piñas City
Regional Office V	Legazpi City
Regional Satellite Office VI	Iloilo City
Regional Office VII	Cebu City

Regional Office VIII	Tacloban City
Regional Office IX	Pagadian City
Regional Office X	Misamis Oriental
Regional Office XI	Davao City
Regional Office XIII	Butuan City

4. The total personnel of PhilFIDA are 512 including the Contract of Service or Job Order personnel, broken down as follows:

Office	Permanent Plantilla Position	Contract of Service/Job Order	Total
Central Office	59	49	108
Regional Office I	19	16	35
Regional Office IV	18	5	23
Regional Office V	54	19	73
Regional Satellite Office VI	15	11	26
Regional Office VII	21	8	29
Regional Office VIII	31	85	116
Regional Office IX	21	13	34
Regional Office X	10	5	15
Regional Office XI	31	22	53
Regional Office XIII	10	8	18
Total	289	241	530

5. The validity of certification shall be three (3) years with surveillance audits every year thereafter. Audit for surveillance shall be carried out in an annual basis.
6. The Certifying Body shall prepare and submit an audit plan, conduct certification audit, submit audit report within seven (7) working days after the conduct of the on-site audit with detailed observations, opportunities for improvement and any non-conformities to ISO 9001:2015 or on documented procedures and suggestions on how to address the observations.

VIII. CONFIDENTIALITY AND IMPARTIALITY CLAUSE

1. Except with prior written consent of PhilFIDA, the Certifying Body shall not at any time communicate to any person or entity any confidentiality information acquired in the course of the services, nor shall the Certifying Body make public the findings/observations/recommendations formulated in the course of or as a result of the services provided.
2. The Certifying Body shall value the importance of impartiality in the certification of the system and shall use all reasonable efforts to manage possible conflicts of interest and ensure the objectivity of the certification process.

IX. APPROVED BUDGET FOR THE CONTRACT

An amount of **Eight Hundred and Thirty Thousand Pesos (PhP 830,000.00)** is allotted for the undertaking chargeable against the regular funds of PhilFIDA – Planning Division.

1. In consideration of the amount stated above, the bid price shall include audit process for three (3) years, eleven (11) Certificates with frame, eleven (11) personalized tarpaulin banner for Central, Regional and Satellite Offices, and five (5) stickers each for Central and Regional Offices.
2. Travelling expenses and hotel accommodation shall be charged to PhilFIDA on actual cost incurred following the government rules and regulations.
3. The Certifying Body shall render a final audit report to PhilFIDA
4. Payments thereof shall be based on the completion of the activities with supporting reports as stated on the Scope of Services, no. 6 and acceptance of the required deliverables for the identified scope.
5. PhilFIDA may refuse to make payments when terms and condition of the services are not satisfactorily performed by the Certifying Body.

X. MODE OF PAYMENT OR ENGAGEMENT FEE

In consideration of the services performed by the Certifying Body, PhilFIDA shall pay them the amount in Philippine Pesos which shall be paid in tranches:

Activities/Deliverables	Payment (VAT inclusive)
Mobilization Fee:	10%
Stage 1 Audit:	20%
Stage 2 Audit:	20%

Activities/Deliverables	Payment (VAT inclusive)
2 nd Year Surveillance Audit:	25%
3 rd Year Surveillance Audit:	25%


XI. RESERVATION CLAUSE

PhilFIDA reserves the right to reject proposal of any proponent who:

- Does not offer the required services as provided for in this Terms of Reference;
- Is discovered to have suppressed, disclosed or falsified information; or
- Failed to satisfactorily perform/complete any contract previously awarded to it.

PhilFIDA reserves the right to review other relevant information affecting the proponent or the proposal before the approval of the contract. Should such review uncover any misinterpretation made in the proposal documents, or any change in the situation of the proponent which affects the substance of the proposals, PhilFIDA may disqualify the proponent from obtaining the award.

Prepared by:


JOCELYN A. AGRA
 Statistician III/QMS Secretariat, Assistant Team Leader

Recommending Approval By:


GRACE AURORA F. PASTORES
 OIC Planning Division/QMS Co-Chair

Approved By:


RAMIL B. BARCELONA
 OIC, Deputy Executive Director/QMS Chair