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01 100 181107TRP

Audit Report as per

ISO 9001:2015

For

**Public-Private Partnership Center of the
Philippines**

**8th Floor, One Cyberpod Centris, EDSA cor.
Quezon Avenue, Brgy. Pinyahan, Quezon
City, 1100 Philippines**

Client	Standard(s)	Certification Number(s)	Audit Type
Public-Private Partnership Center of the Philippines	ISO 9001:2015	01 100 181107TRP	2 nd Surveillance Audit

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Audit Leader : Hilario J. Capili
Audit Team : Elisa Cruz
Client's representative : Ma. Cynthia C. Hernandez
Audit Date : 2023-December-07

1 Audit result

Management system effectiveness was verified on site by means of random sampling by an appropriately selected audit team. This applies in particular to the compliance of workflows with standard requirements and the descriptions in management system documentation. The audit objectives as mentioned in the audit plan, the special features of the organization's business activities, the applicable statutory and regulatory requirements and the requirements set forth in other generally applicable documents were also taken into account. This was done by means of a sampling approach, by conducting interviews and reviewing the appropriate documentation. Audit findings and recommendations regarding opportunities for improvement have been set forth in Sections 4 of this report.

<input type="checkbox"/>	The last audit revealed nonconformities which have been demonstrably corrected. The corrections and corrective actions taken in this respect have been verified.									
<input type="checkbox"/>	A stage 1 audit was performed and the organization found ready for certification. Identified weaknesses, if any, have been eliminated and the respective corrective action verified.									
<input checked="" type="checkbox"/>	<table><tr><td>The current audit revealed the following nonconformities:</td><td></td><td></td></tr><tr><td>Standard(s):</td><td>No. of major nonconformity</td><td>No. of minor nonconformity</td></tr><tr><td>ISO 9001</td><td>(0)</td><td>(0)</td></tr></table>	The current audit revealed the following nonconformities:			Standard(s):	No. of major nonconformity	No. of minor nonconformity	ISO 9001	(0)	(0)
The current audit revealed the following nonconformities:										
Standard(s):	No. of major nonconformity	No. of minor nonconformity								
ISO 9001	(0)	(0)								
<input type="checkbox"/>	The major nonconformities with individual standard elements require a re-audit to verify the effectiveness of the corrections and corrective actions									
<input checked="" type="checkbox"/>	The organization has established and maintains an effective system to ensure compliance with its policy and objectives. The audit team confirms in line with the audit targets that the organization's management system complies with, adequately maintains and implements the requirements of the standard(s).									

The auditor/audit team therefore recommends:

<input type="checkbox"/>	Award of the new certificates.
<input checked="" type="checkbox"/>	Maintenance of the existing certification.
<input type="checkbox"/>	Inclusion of the changes (see Section 3) in the scope of application of existing certifications
<input type="checkbox"/>	Maintenance or issue of the certificates only after successful completion of a re-audit.

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2 Scope

2.1 Description of the organization

Creation of PPPC

The Build-Operate-Transfer (BOT) Center, by virtue of the Executive Order (EO) No. 8, series of 2010, was renamed the Public-Private Partnership Center of the Philippines and was transferred as an attached agency of the Department of Trade and Industry (DTI) to the National Economic and Development Authority (NEDA)

Mandates of the PPPC

Pursuant to EO 8, series of 2010, and EO 136, series of 2013, the PPPC is mandated to:

- conduct project facilitation and assistance to the national implementing agencies (IAs), including government corporations, and local government units (LGUs) in addressing impediments or bottlenecks in the implementation of PPP programs and projects;
- provide advisory services, technical assistance, training, and capacity development to agencies/LGUs in PPP project preparation and development;
- recommend plans, policies, and implementation guidelines related to PPP in consultation with appropriate oversight committees, IAs, LGUs, and the private sectors;
- manage and administer a revolving fund to be known as the PDMF, formerly known as the Project Development Facility (PDF), established as a revolving fund under EO No.44, series of 2002, for the preparation of business case, pre-feasibility and feasibility studies (FS), and tender documents of PPP programs and projects;
- monitor and facilitate the implementation of the priority PPP programs and projects of the agencies/LGUs which shall be formulated by respective agencies/LGUs in coordination with the NEDA Secretariat;
- establish and manage a central database system of PPP programs and projects
- recommend improvements to timelines in processing PPP programs and project proposals, and monitor compliance of all agencies/LGUs;
- prepare reports on the implementation of the PPP programs and projects of the government for submission to the President at the end of each year; and,
- perform other functions that may be critical in expediting and implementing effectively the PPP programs and projects of the government

The PPP Center provides technical assistance to National Government Agencies (NGS'A), Government Owned and Controlled Corporations (GOCCs), Government Financial Institutions (GFIs), State Universities and colleges (SUCs), and Local Government Units (LGUs) as well as to the private sector to help develop and implement critical infrastructure and other development projects.

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2.2 Scope of certification

Scope of certification: (per standard): ISO 9001:2015	Provision of Technical Assistance and Advisory Services during Development, Structuring, Evaluation, and Monitoring of Projects; Policy Formulation; Capacity Building and Knowledge Management; with the Assistance of the Various Support Services of the Center
ISO 9001 standard requirements which are not applicable:	7.1.5.2 Measurement traceability
Reasons for non-applicability:	There's no measuring equipment being used by the Center to monitor or measure a process

The organization operates on single shift from 8am to 5pm, Monday to Friday.

The following sites and their scopes are included in the scope of certification:

Site No.	Sites included in cert. Name/address of site	No. of emp.	Standard and Scope	Audited
01	Public-Private Partnership Center of the Philippines 8th Floor, One Cyberpod Centris, EDSA cor. Quezon Avenue, Brgy. Pinyahan, Quezon City, 1100 Philippines	130	Provision of Technical Assistance and Advisory Services during Development, Structuring, Evaluation, and Monitoring of Projects; Policy Formulation; Capacity Building and Knowledge Management; with the Assistance of the Various Support Services of the Center	✓

3 Changes in the management system / Contract review

No major changes have been made to the management system and the management system documentation since the last audit. The order details which form the basis of the audit (including number of employees, scope and sites) reflect the actual situation in the organization.

The description of the scope in the certificate appropriately reflects the scope of the management system.

The audit plan was not changed during the audit.

4 Audit findings

The audit findings related to the audited standards are listed in the annexes to this report (see. Annex ISO 9001). All information gained during the audit will be treated with strict confidentiality by the auditor(s) and the certification body. In view of the sampling approach applied to the audit, weaknesses and nonconformities may still exist which have not been identified during the audit.

No.	Unit/Department Site	Positive findings
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1	Awards and Recognitions	<p>Recipient of 2022 Outstanding Accounting Office Award as one of the most outstanding accounting office given last October 2022 from the Association of Government Accountants of the Philippines (AGAP)</p> <p>Certificate of Compliance from the Presidential Communications Office Freedom of Information-Program Management Office from being fully-compliant with the set of Freedom of Information (FOI) requirements as validated by the Presidential Communications Office</p>
2	Legal Service	Providing legal update on a quarterly basis to all employees, encompassing relevant issues and summaries of all legal aspects, is considered a commendable practice.

The following recommendations and opportunities for improvement provided by the auditor(s) are intended to contribute to the continuous improvement of the management system.

No.	Unit/Department Site	Recommendations and opportunities for improvement
1	Internal Audit Process	Ensure to review and enhance the process for the clear definition on how to classify major and minor non-conformity
2	Corrective Action Process	<p>Ensure to establish in the procedure for the following:</p> <ul style="list-style-type: none"> - The management of major and minor non-conformities - How to determine if similar non conformities exist or could potentially occur elsewhere - Review and update of the risk and opportunity register when non conformity occurs - Clarify when an CAR is considered closed, and how to determine the effectiveness of the corrective action
3	Project Monitoring Division	Consider using the risk assessment matrix for the ongoing development of protocols for personnel assigned for field monitoring
4	Learning & Development	Consider including the ISO Certification journey of PPPCP in the orientation module for newly hired employees
5	Control of Documented Information	Consider to include the revision number of the ongoing document enhancement for traceability
6	Management Review	<p>To ensure that discussions regarding input requirements are not overlooked, consider structuring the Management Review Minutes in accordance with the ISO Standard clause, which outline the Management Review Input requirements.</p> <p>Likewise, consider incorporating trend analysis into outcomes of Internal Audit, Customer Satisfaction evaluations, Customer Complaints, and other relevant metrics. This will effectively illustrate the performance and effectiveness of the management system over time.</p>

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7	Capacity Building	Consider implementing a structured method for review and verification to prevent deviations and enhance traceability.
8	Knowledge Management	In the event that an error is published, ensure to properly document the analysis and corrective action, while also monitoring effectiveness to prevent recurrence.
9	Risks Register	Ensure to update Risks Assessment Matrix by specifying a timeline for implementing the additional action plan to address identified risks. Additionally, assess the effectiveness of the plan, demonstrating the residual risk.

5 Dates

Due Date for the next audit


2024-December-17

Agreed date for the next audit

2024-November-17

2024-January-05

Date


Hilario J. Capili / Elisa Cruz

Audit Leader / Auditor(s)

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Annex ISO 9001:2015

Item	Audit result
Context of the organization	<p>The organization has determined internal and external issues related to the following subject areas (Note: subject areas can be legal requirements, co-operations, competition, community etc.)</p> <ul style="list-style-type: none"> • Assessment of client • Customer satisfaction • Lack of clear procedures in the processing of PPP from Investment Coordination Committee • Stakeholders negative viewpoint on PPPs due to government payment in the form of penalties arising from unfulfilled contractual obligations by Implementing agencies and complaints received on the projects from the affected stakeholders • Limited manpower • Slow internet connection • High turn-over rate • Lack of competencies <p>The organization has identified interested parties and the requirements of these parties. Examples for such parties are:</p> <ul style="list-style-type: none"> • Investment Coordination Committee (ICC) • Public • Employees • Implementing Agencies (i.e. LGUs, SCUs, GFIs, etc.) • Oversight Agencies (i.e. DBM, NEDA, COA) • Development Partners
Policy / objectives	<p>Top Management has declared its quality policy binding and implemented. The quality policy is appropriate and provides a framework for the respective quality objectives. It commits all employees to pursue continuous quality system improvement. The quality objectives are measurable and are controlled, communicated and updated regularly.</p> <p>Key quality objectives include:</p> <ul style="list-style-type: none"> • 100% of capacity building activities achieved • 6 Public-Private Partnership projects added to the pipeline of project development • 100% of policies approved/issued to the number planned concept notes • To ensure well-defined Project Concept Notes from Implementing Agencies / Local Government Units (assistance during project development) target – 7 • To ensure compliance to Terms of Reference and completeness of Pre-feasibility studies, Full Feasibility Studies, Business cases, including Investment Coordination committee (ICC) PE-Forms, and also to ensure completeness and soundness of Unsolicited proposals , target- 3 • To ensure completeness of project documents submitted to relevant approving bodies (assistance during project approval stage) target – 2 • To ensure compliance to BOT Law and other related framework and completeness and correctness of tender documents and contracts , target – 1

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Process control including outsourced processes	<p>The processes available in the organization have been identified and documented. Process workflows and interactions have been described and appropriately controlled. The processes are evaluated at regular intervals by means of key performance indicators.</p> <p>Key processes within the scope of product realization include:</p> <ul style="list-style-type: none"> • Corporate Planning and Development • Project Development Service • Policy Formulation Project Evaluation and Monitoring Services • Project Development And Monitoring Facility (Financial Management, Project Management, consultant recruitment) • Legal Service • Capacity Building and Knowledge Management Service • Administrative Service <p>The following processes have been outsourced and are appropriately reviewed and controlled:</p> <ul style="list-style-type: none"> • Consultants • Janitorial Services • Security Services • Pest Control • Preventive Maintenance (i.e. Air Conditioner, Fire Suppression equipment)
Risk-based thinking	<p>The requirements for risk-based thinking are being realized in the organization as follows:</p> <p>Risk-based thinking has been applied for the following processes:</p> <ul style="list-style-type: none"> • Corporate Planning and Development • Project Development Service • Policy Formulation Project Evaluation and Monitoring Services • Project Development And Monitoring Facility (Financial Management, Project Management, consultant recruitment) • Legal Service • Capacity Building and Knowledge Management Service • Administrative Service <p>Examples of risks and opportunities of processes identified are:</p> <ul style="list-style-type: none"> • Technical difficulties / Interruption of Online Capacity Building activity sessions • Failure to follow the programmed policy pipeline for the year • Delayed submission of budget and financial reports • Adverse management action of oversight agencies • Delayed post-evaluation of the capacity building programs participated in by the employees • Underspending of common supplies fund <p>Examples of measures taken to react on identified risks are:</p>

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	<ul style="list-style-type: none"> • Conduct asynchronous sessions and/or inclusion of output requirement to online capacity building activities depending on the complexity of subject matter. • Strictly follow the programmed policy for the year, make adjustment if necessary • Recommend to include in IPCRF (work targets) the submission of Learning And Development documents as an additional indicator • Development of new post evaluation tool. Part of the TOR of the developer is to run a capacity building on the tool implementation among all end-users with the objective of introducing the assessment and its value on data collection. • Regular budget utilization monitoring <p>Examples of risks and opportunities concerning the context of the organization are:</p> <ul style="list-style-type: none"> • Failure to follow the programmed policy pipeline for the year • Underspending of common supplies fund • Adverse management action of oversight agencies • Increase number of linkages to other donors • More projects approved as proposed by Implementing Agencies <p>Concerning risk based thinking the following tools are used:</p> <ul style="list-style-type: none"> • Risk Assessment Management • Internal and External Issues • Risk Assessment Matrix
Customer-related and other requirements	<p>The organization analyses and evaluates customer requirements and/or enquiries and any documented, assumed, statutory and regulatory requirements within the scope of a production and feasibility study performed in a team.</p> <p>The person who prepared the offer reviews the contract to ensure its compliance with the offer and documents this compliance in an order confirmation. The same procedure applies to amendments.</p> <p>The following process requirements significantly affect product or service quality:</p> <ul style="list-style-type: none"> • Quality and Completeness of Submitted Documents • Screening and review of application from Implementing Agencies • Approval of Project Development and Monitoring Facility (PDMF) Committee • Approved Technical Assistance Agreement • Communication to Implementing Agencies the results of review • Technical Competencies • Selection, Accreditation and Verification of Consultants • Availability of Consultants • Payment to Consultants • Management of consulting contract • Fund utilization (includes cash receipt and disbursement) <p>Key regulatory, statutory and customer-related requirements include:</p> <ul style="list-style-type: none"> • Executive Order No. 136 Amending Certain Sections of EO 8 (2010) which reorganize and renamed BOT center to the PPP Center of the Philippines and transfer its attachment from DTI to NEDA and for other purposes

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	<ul style="list-style-type: none">• RA 9184 Procurement Reform Act• Omnibus Rules on Appointments and Other Human Resource• RA 656 Insurance Government Properties• RA 9470 National Archives of the Philippines• Reportorial/ Submission of documents to other government agencies• National Budget Circular 587• National Budget Memorandum 142 and 143 s 2022• RA 9994 program for senior citizen																								
Customer satisfaction and complaints	<p>The organization maintains documented and effective procedures governing the handling of information, data analyses, improvement actions and responses to customer feedback.</p> <p>The summary of Customer Satisfaction and Feedback from Stakeholders</p> <table><tr><th>SERVICE / UNIT</th><th>2ND SEM 2022</th><th>1ST SEM 2023</th></tr><tr><td>PDS</td><td>4.68</td><td>4.49</td></tr><tr><td>PDMFS</td><td>4.43</td><td>4.61</td></tr><tr><td>PFPEMS</td><td>4.45</td><td>4.84</td></tr><tr><td>CBKMS</td><td>4.95</td><td>4.99</td></tr><tr><td>LS</td><td>4.95</td><td>4.95</td></tr><tr><td>AdS</td><td>4.86</td><td>4.90</td></tr><tr><td>CPDD</td><td>4.71</td><td>3.70</td></tr></table> <p>From January to present, no formal complaint were received on the services provided to interested parties.</p>	SERVICE / UNIT	2ND SEM 2022	1ST SEM 2023	PDS	4.68	4.49	PDMFS	4.43	4.61	PFPEMS	4.45	4.84	CBKMS	4.95	4.99	LS	4.95	4.95	AdS	4.86	4.90	CPDD	4.71	3.70
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CPDD	4.71	3.70																							
Internal audit and management review	<p>The organization measures the implementation, maintenance and effectiveness of the management system by means of annually scheduled system audits. The organization reliably carries out these audits.</p> <p>Recent internal quality audit was conducted by 8 qualified auditors on the listed 2023 schedule: September 05, 06, 14, 15 : October 17, 18, 25. The breakdown of the audit result are as follows:</p> <ul style="list-style-type: none">- Positive findings : 28- Opportunities for Improvement : 141- Minor Non-Conformities : 5- Major Non-Conformities : 2 <p>Top management reviews the organization's management system at regular intervals and in line with the requirements to ensure its continuous suitability, adequacy and effectiveness. The management review was carried out in accordance with the requirements and was effective.</p> <p>Date of last management review: 2023-November-15</p>																								
Use of certificate and logo	The organization uses the logo and the certificate (e.g. on business cards, company brochures, websites etc.) in compliance with the requirements.																								

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Chapter of standard	4.1	4.2	4.3	4.4	5.1	5.2	5.3	6.1	6.2	6.3		
Rating *	1	1	1	1	1	1	1	1	1	1		
No. of nonconformity	0	0	0	0	0	0	0	0	0	0		
Chapter of standard	7.1	7.2	7.3	7.4	7.5	8.1	8.2	8.3	8.4	8.5	8.6	8.7
Rating)*	1	1	1	1	1	1	1	1	1	1	1	1
No. of nonconformity	0	0	0	0	0	0	0	0	0	0	0	0
Chapter of standard	9.1	9.2	9.3	10.1	10.2	10.3						
Rating)*	1	1	1	1	1	1						
No. of nonconformity	0	0	0	0	0	0						

*** Rating:**

- 1 = conforming
- 2 = not audited in this audit
- 3 = nonconformity (see nonconformity report)
- 4 = not applicable