



**MEMORANDUM CIRCULAR NO. 20-43**

Series of 2020

**To : All Manufacturers, Importers, BPS Recognized Auditing Bodies, DTI Regional/Provincial Offices, and Other Stakeholders**

**Subject : Guidelines on the Outsourcing of PS Licensing Audit Activities**

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**WHEREAS**, the Bureau of Philippine Standards (BPS) formerly known as Bureau of Product Standards, the National Standards Body of the Philippines, is mandated under Republic Act 4109 to develop, promulgate, implement and coordinate with standardization activities, to include but not limited to certify that products satisfy the requirements as to kind, class, grade, quality or standards;

**WHEREAS**, the BPS is implementing the Mandatory Product Certification Scheme on foreign and locally manufactured products under the Philippine Standard (PS) Quality and/or Safety Certification Mark Scheme as prescribed under the Department Administrative Order (DAO) 04:2008, its Implementing Rules and Regulations, the product's Implementing Guidelines or other related Technical Regulations issued;

**WHEREAS**, Clause 5.10 of DAO 04:2008 states that "The license shall take effect from the date of its issue and shall be in full force and effect for a period of three (3) years, subject to a minimum annual surveillance audit.";

**WHEREAS**, Clause 5.7 of DAO 04:2008 specifically stipulates that "Audit work shall be undertaken by BPS or DTI Regional/Provincial auditors or recognized National Standards Bodies, Inspection bodies, certification bodies and/or qualified individuals."

**WHEREAS**, Clause 3.3 of DAO 04:2008 authorizes the BPS Director to promulgate or issue guidelines or procedures necessary for the implementation of the PS Licensing Scheme;

**WHEREFORE**, to facilitate faster and timely initial, surveillance and re-certification audits for Philippine Standard (PS) Safety and/or Quality Certification Mark License holders and applicants, the Bureau of Philippine Standards (BPS) hereby implements the following guidelines on the conduct of factory and product audit:

1. All audit activities shall be conducted only by the following offices/bodies:
  - a. BPS,
  - b. DTI Regional/Provincial Offices, and
  - c. BPS Recognized Auditing Bodies
2. Only qualified system and/or product auditors shall be authorized to conduct audits. The BPS shall issue, maintain and update the official list of BPS qualified auditors.
3. Other foreign auditing bodies maybe considered subject to the arrangement approved by the BPS.
4. The applicant company or the PS license holder shall nominate the auditing body, subject to the evaluation and approval by the BPS. The BPS has the prerogative to disapprove nominations of auditing bodies and send its own qualified auditors, whenever it deemed necessary.

5. The BPS reserves the right to conduct the initial audits for all new PS applications.
6. Once the auditing body nomination is approved, the qualified auditors assigned by their respective offices shall submit the accomplished Audit Plan and Audit Assignment to the BPS. The audit shall only be conducted once the submitted Audit Plan and Audit Assignment are approved by the BPS' Product Certification Head.
7. The assigned auditor or audit team shall be responsible for the conduct of audit in accordance with the requirements of Department Administrative Order (DAO) No. 4:2008, its Implementing Rules and Regulations (IRR), the applicable Implementing Guidelines or the particular Technical Regulations of the products and the corresponding Philippine National Standards (PNS).
8. All auditors shall use the BPS prescribed audit report form, which shall be submitted to BPS together with other supporting documents through the Product Certification Information Management System (PCIMS) within five (5) working days after the completion of the audit.
9. All audit fees shall be consistent with Section 11 of DAO 04:2008, its Implementing Rules and Regulations, the product's Implementing Guidelines or other related Technical Regulations issued;
10. All other BPS issuances inconsistent with this Guidelines is considered repealed or amended accordingly.
11. This Guidelines shall take effect immediately.

Done in the City of Makati this 24<sup>th</sup> day of July in the year 2020.

Approved by:



**NEIL P. CATAJAY**

Director, Bureau of Philippine Standards

Noted by:



**ATTY. RUTH B. CASTELO**

Undersecretary, Consumer Protection Group