

NPM No. 119-2017

29 December 2017

MS. WILMA V. BENEDICTO

Marketing Assistant

3/F PPL Bldg., U.N. Ave. Cor. San Marcelino. St.
Paco, Manila.

Re: ISO Certification 2008:9001 -

Dear Ms. Benedicto:

This refers to your letter requesting for guidance on whether the Procuring Entity may require a Certification of *ISO 9001:2008*, either as an eligibility requirement or part of the technical specifications in the Bidding Documents for the procurement of goods.

As represented, you mentioned that *ISO 9001:2008* refers to a standard that sets out the requirements for a quality management system. It helps businesses and organizations to be more efficient and improve customer satisfaction. You emphasized that the requirement of *ISO 9001:2008* refers to the eligibility of the bidder itself as it attaches to the qualification of the bidder as a supplier, and it does not refer to the technical specifications or the quality of the goods to be supplied. Hence, you believe that it is not allowed under the procurement rules, either to require it as eligibility requirement or include it as part of the technical specifications.

**ISO 9001:2008 Certification as
Additional Eligibility Requirement -**

It bears stressing that *ISO 9001:2008* specifies requirements for a quality management system where an organization, (i) needs to demonstrate its ability to consistently provide product that meets customer and applicable statutory and regulatory requirements, and, (ii) aims to enhance customer satisfaction through the effective application of the system, including processes for continual improvement of the system and the assurance of conformity to customer and applicable statutory and regulatory requirements.¹

It will be noted that for purposes of determining the eligibility of bidders for the procurement of goods, only the documents mentioned in Section 23.1 of the 2016 revised Implementing Rules and Regulations (IRR) of Republic Act No. (RA) 9184, the Government Procurement Reform Act, are required. A Procuring Entity (PE) cannot add another requirement to, nor delete any requirement from the identified list of eligibility requirements. This is because the list of minimum eligibility requirements under the 2016 IRR has already been streamlined² alongside the governing principle of government procurement, *i.e.*, a streamlined government procurement process.³

¹ <https://www.iso.org/standard/46486.html>, last accessed on 29 December 2017.

² NPM No. 79-2013 dated 20 September 2013.

³ Section 3(c) of the IRR of RA 9184.

Thus, to require the *ISO Certification 9001:2008* in the Bidding Documents as eligibility document is equivalent to requiring additional eligibility document, which is prohibited under RA 9184 and its 2016 IRR.

ISO 9001:2008 Certification as Part of Technical Specifications -

Technical specifications of a procurement project serve a twin-purpose. They present a clear statement of the required standards of workmanship, materials, and performance of the goods and services to be procured, and at the same time, permit the widest possible competition.⁴ It needs to be set in a precise manner to identify the actual requirements of the PE, but should not be couched in terms that are too limiting that it becomes restrictive and violative of the principle of competition.

In the specification of standards for equipment, materials, and workmanship, recognized Philippine and international standards should be used as much as possible⁵. Since ISO Certification is one of the recognized international standards, it may be included in the technical specifications for a procurement project. However, it bears stressing that in using ISO Certification as the standard, the specifications must have a direct relation on the agency's need *vis-à-vis* the goods or works to be procured that will satisfy the identified needs. In addition, the specifications should also state that equipment, materials, and workmanship that meet other authoritative standards, and which ensure at least a substantially equal quality than the standards mentioned, will also be acceptable,⁶ this is to enhance competition among prospective bidders.

In the case of *ISO 9001:2008*, it may not have direct relation on the goods to be procured as it refers to the quality management system, which is attributable to the qualification of the supplier itself as a business entity. Hence, such Certification cannot form part of the Technical Specifications of the goods to be procured.

Summary -

In sum, it is our considered view that under RA 9184, its 2016 revised IRR, and its associated issuances, *ISO 9001:2008 Certification* cannot be included as part of the eligibility requirements, neither can it be required as part of the technical specifications in the Bidding Documents since it does not refer to the actual quality of the goods being procured but refers to the quality management system of the supplier.

We hope this opinion issued by the GPPB-TSO provided sufficient guidance on the matter. Note that this is issued on the basis of particular facts and situations presented, and may not be applicable given a different set of facts and circumstances. Should you have further questions, please do not hesitate to contact us.

(sgd.)

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Executive Director *V*

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⁴ Section VII, Technical Specifications, Philippine Bidding Documents for the Procurement of Goods.

⁵ *Ibid.*

⁶ *Id.*