

Republic of the Philippines
HOUSE OF REPRESENTATIVES
Quezon City
FIFTEENTH CONGRESS
First Regular Session

HOUSE BILL NO. 2311

Introduced by: Hon. Christopher S. Co, Rodel M. Batocabe and Alfredo A. Garbin, Jr.

EXPLANATORY NOTE

There is an urgent and immediate need, as seen by the former and current administrations, for institutionalizing world-class standards in government. It is the task of the Congress of the Philippines to respond.

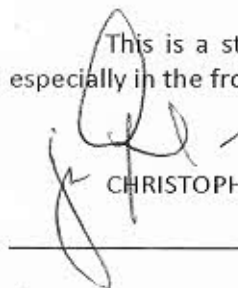
In 2006, Administrative Order no. 161, entitled, "Institutionalizing Quality Management System in Government," was issued by Former President Gloria Macapagal-Arroyo, later amended by Executive Order no. 605 in 2007, which directed all departments and government agencies to adopt the ISO 9001:2000 Quality Management Systems as part of the implementation of a Government-wide Quality Management Program (GQMP).

Three years later, only a handful government agencies have conformed to this order. In fact, the Philippines was declared in June 2010 the third most inefficient bureaucracy, next only to India and Indonesia¹.

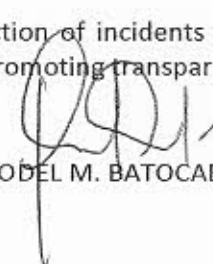
President Benigno C. Aquino, Jr., in his first State of the Nation Address (SONA) in 2010, still acknowledged the growing need for "quick and efficient processes," when he called for the efficient administration of the Build-Operate-and-Transfer projects in government. He also called on the Local Government Units (LGUs) to implement reforms on making business start-ups easier. However limited to business transactions and BOT projects, this call reminds Congress that there is a need for standardizing government processes to ensure efficient management and administration of government transactions. This can only be done when we are ensured that the capacity of government agencies are set at international standards, through certification of the International Standards Organization (ISO).

This bill seeks to institute the Government Quality Management Commission (GQMC) to formulate policies and oversee the implementation of the Government Quality Management Program in a span of two phases, for the adaptation of all government agencies, including GOCCs, GFIs, and state colleges and universities, and local government units.

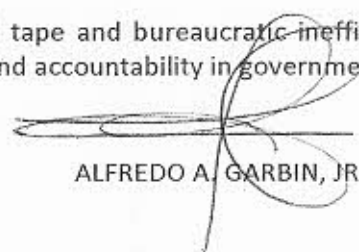
This is a step towards the reduction of incidents of red tape and bureaucratic inefficiencies, especially in the frontline agencies, and promoting transparency and accountability in government.



CHRISTOPHER S. CO



RODEL M. BATOCABE



ALFREDO A. GARBIN, JR.

¹ A 2010 study conducted by the Political and Economic Risk Consultancy, Ltd.

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AN ACT
CREATING THE QUALITY MANAGEMENT STANDARDIZATION COMMISSION, PRESCRIBING FUNCTIONS,
AND APPROPRIATING FUNDS THEREFOR

Be it enacted by the Senate and House of Representatives of the Philippines in Congress assembled:

SECTION 1. *Title* – This Act shall be known as the “GOVERNMENT QUALITY MANAGEMENT STANDARDIZATION ACT OF 2010”,

SEC. 2. *Institutionalization of Quality Management System in Government* – All government departments and agencies of the Executive branch, government-owned and controlled corporations (GOCCs), government financial institutions (GFIs), state universities and colleges (SUCs) and local government units (LGUs) shall establish an ISO-aligned Quality Management System to be recognized for demonstrated conformity of such quality management system to applicable international standards. This shall be achieved through the implementation of a government-wide Quality Management Program.

SEC. 4. *Objectives of the Government Quality Management Program (GQMP)* – The Government Quality Management Program (GQMP) shall have the following objectives:

- (a) Promote and enhance public sector performance through the adoption of ISO 9001:2000-aligned Quality Management Systems (QMS) in all government agencies, GOCCs and LGUs;
- (b) Develop an institutional infrastructure that shall provide certification with international accreditation;
- (c) Recognize citizen-driven government organizations that have attained ISO 9001:2000 certification for other government agencies to emulate.

SEC. 5. *Components of the GQMP* – The GQMP shall have the following key components:

- (a) Government Quality Management Systems Standards. This component shall involve the development of a guidance document and the adaptation of relevant ISO management systems and standards that integrate relevant provisions of pertinent laws and/or rules and regulations to develop a culture of quality and integrity in governance characterized by citizen-focused and well-performing government organizations.

- (b) Advocacy and Capability Building. This component is expected to promote awareness, generate support, harness resources, and develop organizational capabilities in the establishment, implementation and continuing improvement of quality management systems in public sector organizations.
- (c) Certification of Agencies' QMS to GQMSS. The Philippine Certification for ISO Quality Management Systems (PISO-QMS) shall be established to give due recognition to qualified government organizations that have demonstrated conformity to their QMS to ISO 9001:2000 and the GQMSS. As such, this component shall establish the structure and mechanisms to ensure the credibility of all aspects of certification in line with said standards.

SEC. 5. *Composition of the Government Quality Management Commission (GQMC)* – There shall be established a Government Quality Management Commission to be composed of the Chairman and two (2) Commissioners to be appointed by the President of the Philippines, who must have at least ten (10) years experience in government. In no case shall any and all of the Commissioners appoint representatives to act on their behalf.

SEC. 6. *Term of Office.* - The President shall appoint the chairman and the commissioners for a term of seven (7) years, without prejudice to one reappointment.

The Chairman and the commissioners shall hold office until their successors shall have been appointed and qualified. Should the Chairman or a member of the Commission fail to complete his term, his successor shall be appointed by the President of the Philippines but only for the unexpired portion of the term.

SEC. 7. *Rank and Emoluments.* = The chairman and the commissioners shall have the rank of a Department Secretary and Undersecretary, respectively. They shall receive the compensation and other emoluments corresponding to those of a Department Secretary and Undersecretary, respectively, and shall be subject to the same disqualification.

SEC. 8. *Coordinating Committee.* - There shall be constituted a Government Quality Management Coordinating Committee (hereinafter as the Coordinating Committee) which shall meet with the Commission at least once a year to assist it in aligning its policies and plans with the implementation of its powers and functions.

The Coordinating Committee shall be composed of the following:

- (a) the Executive Secretary;
- (b) the Secretary of the Department of Budget and Management (DBM);
- (c) the Secretary of the Department of Education (DepEd);
- (d) the Secretary of the Department of Trade and Industry (DTI);
- (e) the Secretary of the Department of Interior and Local Government (DILG);
- (f) the Head of the Presidential Management Staff (PMS);
- (g) the Head of the Development Academy of the Philippines (DAP); and

(h) the Head of the Internal Audit Office of the Office of the President.

The President upon recommendation of the Commission may appoint two (2) additional members of the Coordinating Committee.

SEC. 9. Powers and Functions of the GQMC – The GQMC shall have the following specific powers and functions:

- (a) Serve as the steering and policy-making body for the GQMP;
- (b) Approve the standards, guidelines and institutional mechanisms to implement the program;
- (c) Coordinate with Leagues and LGUs in the formulation of standards and mechanisms to be adopted by the latter to ensure GQMS certification at the local level;
- (d) Coordinate with specific departments and agencies to attend to, or address constraints in the implementation of relevant program activities;
- (e) Formulate necessary mechanisms to sustain the implementation of ISO-QMS among public sector organizations, including measures to fund the effort, as well as recognition/incentive schemes for program participants;
- (f) Monitor and evaluate the implementation of the GQMP and, when necessary, effect appropriate adjustments thereon in the light of changing conditions in both the domestic and international environments; and
- (g) Submit progress reports to the President.

SEC. 10. The Secretariat. The Commission shall organize a secretariat, which shall be headed by an executive officer, subject to the national compensation and position classification plan. It shall fix the secretariat's staffing pattern, determine the duties, qualifications, responsibilities and functions, as well as the compensation scheme for the positions to be created upon the recommendation of the executive officer. It shall also prepare and approve its budget.

SEC. 11. Phases of Accreditation – There shall be two (2) phases of accreditation for all government agencies.

- (a) By the end of Phase I, which is a period of five (5) years from the date of effectivity of this Act, the following should have been accredited and ISO-certified:
 - (1) all national government agencies, including executive departments, its bureaus, and offices;
 - (2) all government-owned and controlled corporations;
 - (3) all government financial institutions;
 - (4) all state colleges and universities; and
 - (5) all cities.
- (b) By the end of Phase II, which is a period of ten (10) years from the date of effectivity of this Act, the following should have been accredited and ISO-certified:

- (1) all offices of the Judicial Department;
- (2) all offices of the Congress;
- (3) all other devolved government agencies; and
- (4) all provinces, municipalities, and towns.

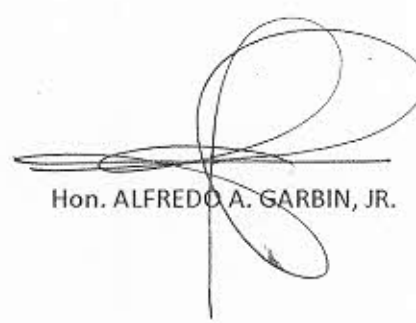
SEC. 12. *Appropriation.* The amount of 50, 000,000 pesos is hereby authorized to be appropriated out of the funds in the National Treasury not otherwise appropriated or out of the Philippine Amusement and Gaming Corporation (PAGCOR) funds for the initial operation of the Commission.

SEC. 13. *Repealing Clause.* All laws, presidential decrees, executive orders, rules and regulations and parts thereof which are inconsistent with the provisions of this Act are hereby repealed.

SEC. 14. *Separability Clause.* If any part or provision of this Act shall be held unconstitutional or invalid, other provisions hereof which are not affected thereby shall continue to be in full force and effect.

SEC. 15. *Effectivity.* - This Act shall take effect upon its approval.

Signed:

		
Hon. CHRISTOPHER S. GO	Hon. RODEL M. BATOCABE	Hon. ALFREDO A. GARBIN, JR.