

BY THE PRESIDENT OF THE PHILIPPINES

ADMINISTRATIVE ORDER NO. 161

**INSTITUTIONALIZING QUALITY MANAGEMENT SYSTEM IN GOVERNMENT**

**WHEREAS**, the Philippines was ranked number 49 among 61 countries in the 2006 World Competitiveness Yearbook, and number 77 among 117 countries in the Global Competitiveness Report of the World Economic Forum;

**WHEREAS**, there is a need to identify specific actions to improve the country's competitiveness ranking specifically in the areas of business and government efficiency;

**WHEREAS**, the International Organization for Standardization (ISO) has developed standards for Quality Management System known as the ISO 9000 series to ensure consistency of quality products and services through quality processes;

**WHEREAS**, the Philippines has adopted the ISO 9001:2000 Philippine National Standards to build a quality culture that characterizes customer-driven organizations and to further strengthen the global competitiveness among the economic sectors;

**WHEREAS**, there is a need to establish a national system of accreditation as a specific strategy to promote transparency and accountability in governance, provide a framework for assessing quality system performance, establish public service quality standards and recognize quality excellence among the government organizations;

**WHEREAS**, a growing number of certified agencies can serve as benchmarks and models of quality excellence for other agencies to emulate, thereby building a culture of continual improvement in government.

**NOW, THEREFORE, I, GLORIA MACAPAGAL-ARROYO**, President of the Republic of the Philippines, by virtue of the power vested in me by law, do hereby order:

**SECTION 1. Institutionalization of Quality Management System in Government.** All government agencies and government owned and controlled corporations (GOCCs) are hereby enjoined to establish an ISO-aligned Quality Management System to be recognized for demonstrated conformity of such quality management system to applicable Philippine National Standards. This shall be achieved through the implementation of a government-wide Quality Management Program.

Local Government Units (LGUs) are encouraged to likewise establish an ISO-aligned Quality Management System (QMS).



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**SECTION 2: Objectives of the Government Quality Management Program.** The Government Quality Management Program (GQMP) has the following objectives:

- a. Promote and enhance public sector performance through the adoption of ISO 9001:2000-aligned QMS in all government agencies, GOCCs and LGUs;
- b. Develop an institutional infrastructure that shall provide certification comparable to international certification;
- c. Recognize customer-driven government organizations that have demonstrated alignment to international standards for other government agencies to emulate.

**SECTION 3. Development of Institutional Structure, Systems, and Standards.** The Department of Budget and Management thru its Organization Productivity Improvement Bureau, the Department of Trade and Industry thru its Bureau of Product Standards and the Development Academy of the Philippines are hereby directed to constitute a committee to formulate the appropriate institutional framework, mechanisms and appropriate standards within sixty (60) days from effectivity of this Administrative Order to effectively implement the GQMP and to ensure the credibility of all aspects of the system in line with applicable international standards, including the adequacy of the criteria and processes for recognition, and to assess how well the system is serving the national interest. Relevant constitutional bodies such as the Commission on Audit and the Civil Service Commission may be consulted to ensure alignment and integration of the QMS with existing government management systems.

**SECTION 4. Effectivity.** This Executive Order shall take effect immediately.

Done in the City of Manila, this 5<sup>th</sup> day of October, in the year of Our Lord, Two Thousand and Six.

*Glenn M. Araya*



By the President:

*Eduardo R. Ermita*

**EDUARDO R. ERMITA**  
Executive Secretary



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