



**DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
KAGAWARAN NG KAPALIGIRAN AT LIKAS NA YAMAN**



MEMORANDUM

FOR/TO : **The Supervising Undersecretary for Manila Bay
Coordinating Office**

The Assistant Secretary for International Affairs.

The Service Directors
Administrative Service
Legal Affairs Service
Knowledge and Information Systems Service
Policy and Planning Service

The Bureau Directors
Biodiversity Management Bureau
Ecosystem Research Development Bureau
Forest Management Bureau
Land Management Bureau

The Regional Executive Directors
Region 6
Region 7
Region 11

The QMS Lead Auditor

FROM : **The Director**
Document Management and Operations Support and
Chair, QMS Secretariat

SUBJECT : **2ND SURVEILLANCE AUDIT RESULT**

DATE : **14 JUN 2024**

This refers to the concluded 2nd Surveillance Audit on the implementation of DENR Quality Management System (QMS) by SOCOTEC Certification Philippines, Inc. from May 20 to June 11, 2024. Audit Findings are as follows:

- Thirteen (13) Opportunities for Improvement (OFIs);
- Seven (7) Observations; and
- Four (4) Minor Non-conformities

All concerned offices that were sampled and where the Observations and Non-conformities were found during the external audit are required to prepare the corresponding Root Cause Analysis and Corrective Action Plan and submit to the undersigned through the QMS Secretariat on or before **21 June 2024**. With the

MEMO NO. 2024 - 536

submission and acceptance of the Action Plans, the DENR is recommended for continued certification to ISO 9001:2015 QMS.

Attached is the presented Audit Findings during the closing meeting for your guidance. Should you have any inquiries, please call Ms. Antonette Laman or Ms. Joana Constantino at VOIP 1046 or email at gmssecretariat@denr.gov.ph.

For information and strict compliance.


JOE-MAR S. PEREZ

EXTERNAL AUDIT SUMMARY

POST AUDIT: APPEALS

Applicability: Should a client be unable to accept the auditor's recommendation as a result of the audit, the client may appeal against the decision. Appeals are usually only likely to occur from non-recommendation for registration - it is rare for a client to appeal against a positive recommendation. Under these circumstances an appeal would be unnecessary.

Requirements (c/o Client):

- Submit the accomplished Appeal Form with the attached audit evidence
- Due within 7 calendar days from the last audit day



Notes:

- **Reviewer:** Independent Person (e.g., Operations Director or nominated deputy)
- Decisions shall subject for review and approval by the SCPI Impartiality Committee
- Interim updates will be provided to the appellant, particularly if there are likely to be changes in the timeframe of investigation.



POST AUDIT: APPEALS

APPEAL FORM
(CONFIDENTIAL)

SCOTEC'S COMPLAINTS UNIT REPORT
APPEAL REF: _____
DATE RECEIVED: _____

Company Name: _____ Contacted by: _____
 Appeal Against: Refusal of Registration Suspension of
 (The best) Withdrawal of Certificate (of company) _____
 Auditor: _____ Audit Date: _____

Basis of Appeal (Do not restate what you are appealing?)

Evidence (Do evidence and/or cases referred to attachments)

Signature: _____ Date: _____

EVIDENCE FORM
(CONFIDENTIAL)

Company Name: _____ Client Name: _____
 Appeal against: Refusal of Registration
 Withdrawal of Certificate

Response to Client Case

Evidence (Do evidence and to cases refer to attachments)

Completed by: _____ Signature: _____
 Date: _____



POST AUDIT: CUSTOMER SATISFACTION/COMPLAINT

Applicability: The client may rate their overall service experience by accomplishing SCPI's Customer Feedback/Complaint Form.

For Complaint: If you have a grievance regarding any written, electronic, or oral communication that alleges deficiencies related to the quality, credibility, or performance of SCPI's employees and or services, a complaint can be raised.

Requirements (Complainant):


- Submit a formal complaint in writing to SCPI
- Provide a clear, detailed description of the complaint, copies of any evidence to support the complaint where applicable and a valid email address (preferred) or postal address

Notes:

- Interim updates will be provided to the complainant, particularly if there are likely to be changes in the timeframe of investigation.
- **Reviewer:** Independent Person (e.g., Operations Director or nominated deputy)
- Decisions shall subject for review and approval by the SCPI Impartiality Committee
- Visit our Website for more details: <https://www.socotec-certification-international.ph/>



POST AUDIT: CUSTOMER SATISFACTION/COMPLAINT

CUSTOMER FEEDBACK COMPLAINT FORM 

PLEASE READ THIS FORM CAREFULLY BEFORE YOU FILL IT IN. THE INFORMATION YOU PROVIDE WILL BE USED TO IMPROVE OUR SERVICES AND TO INVESTIGATE ANY COMPLAINTS YOU MAKE. YOUR INFORMATION WILL BE KEPT CONFIDENTIAL AND WILL NOT BE SHARED WITH ANY OTHER PARTY.

COMPANY NAME: _____
 NAME OF CLIENT: _____
 POSITION: _____
 DATE OF VISIT: _____
 TYPE OF AUDIT: _____
 YOUR TELEPHONE NO.: _____
 FAX NUMBER: _____
 E-MAIL ADDRESS: _____

PLEASE RATE THE FOLLOWING:

Quality of service received	Very Good	Good	Satisfactory	Fair	Poor
Quantity and quality of information at the contract review					
Efficiency of the audit team and the audit					
Professionalism of the staff					
Conduct of the placement by the audit team					
Quality of the audit report					
Conduct of the audit team					
Quality of the audit report					

DO YOU HAVE ANY OTHER COMMENTS? YES _____ NO _____

TO BE COMPLETED BY THE CLIENT, BY SIGNING THIS FORM THEY ARE ACCEPTING THAT THEY HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS OF THE SERVICE AGREEMENT.

NAME OF CLIENT: _____
 SIGNATURE: _____
 TITLE: _____



CONFIDENTIALITY AND NON-DISCLOSURE STATEMENT



Any evidence observed, recorded and reviewed during the audit, whether in the form of physical or electronic copies, will be treated with strict confidentiality. This means that the audit outcomes are guaranteed to be exclusively shared between SOCOTEC Cert. Phils. Inc. and its client organization.



CONFIDENTIAL RESULTS



EXTERNAL AUDIT SUMMARY

POSITIVE, OFI, OBSERVATIONS, NONCONFORMITY (MINOR AND MAJOR)



Positive Findings:

- 1. The continuous commitment of the Regional Management Committee members of Region 7 in ensuring quality services remains available and deliverables are processed on time despite the challenges they are currently facing is noteworthy.**
- 2. The improvement on traceability and retrieval of records through development and use of Regional Document Action & Tracking System (RDATS) is commendable. This ensures effective traceability of timeliness of transactions as per the established Citizen's Charter. (Region 7) and Good records management resulting in efficient processing and presentation of documents. (Region 6)**
- 3. The timely processing of Permits and Licenses by CENRO, PENROs, and RO of region 7 is notable.**
- 4. The development of various systems for process optimization is highly commendable. Innovations such as Frontline Services Online Application (for online submission of applications with tracking status), Regional Asset Management Information (RAMIS), Environmental Cases and Incident Management Information System (ECIMIS) are also made accessible through GreenLink Android App. (Region 7)**
- 5. Availability of Frontline services board with checklists for various frontline services offered were consistently seen in CENROs and PENROs of Region VI.**
- 6. (LMB-LPPD) Roll-out of Policy Development Mgt Information System in June is commendable as it supports the digitalization direction of the national government.**
- 7. (DENR XI CENRO DAVAO CITY) Use of technology such as SMART LAWIN system is commendable.**

OFI:

- 1. The organization may wish to consider additional regular personnel handling free patent applications. This is due to the identified risks by the PENROs related to unavailability of approving authorities. Current actions considered is to hire COS personnel however, actual review of patent applications is only for the regular personnel position and COS personnel are only to conduct checking of completeness of the documents. PENRO Bohol**
- 2. Improvement of the RDATS System may be considered related to consideration of applications that started as an offline transaction then continued to be processed/encoded in RDATS midway. Currently, there are still applications that are offline due to internet connectivity issues within the region. PENRO Cebu**
- 3. Consider revisiting targets set for the demand driven processes to cover all transactions under the mandate of the organization. Current targets are based on the Quantity allocation based on the Work and Financial Plan. However, actual attainment of these targets went beyond the target. Regional Office 7**

4. Inspection reports related to the Issuance of Certificate for Lumber Dealers can be improved as only the size of the facility was noted. Consider the need to verify other pertinent information on the application and business plan submitted.
CENRO Baganga
5. Consider improving the lighting in the Patents storage area. PENRO Mati Davao Oriental
6. There were judicial forms not yet uploaded in the LAMS because the originating CENRO mistakenly changed their status. Consider devising a segregation system so that patents that are affected are easily identified among those that have yet to be uploaded. PENRO Mati Davao Oriental
7. To enhance document control, consider improving the current master list or registry to include the revision status of the documented information controlled at the PENRO. Also, while properly filed and organized, labeling of this documented information can still be improved for ease of retrieval and use. PENRO Davao del Sur
8. Regarding the training conducted for DENROs, consider improving the current evaluation, apart from the pre and post-test activity to gather feedback from participants and inputs for improvement. PENRO Davao del Sur
9. To improve efficiency, consider centralized access for the monitoring reports and relevant documentation at CDD, as delays were observed at the time of the audit due to the documents being filed by different individuals. Regional Office XI
10. Although the infrastructure for the storage of confiscated items (i.e., forest products, conveyance, implements, etc.) is available, the organization may consider enhancing the housekeeping of these items for easier identification and access when needed. [CTAG-Monitoring and Enforcement Section Region VII]
11. For MBCO, may wish to consider to improve target setting for Water Quality Improvement Fecal Coliform of STP in Manila Bay Area by incorporating percentage decrease per year, in this way MBCO can drive a more focused, dynamic, and effective approach towards achieving long-term sustainable improvements.
12. (LMB-LPPD) Consider detailing the policies and issuances being repealed by new policies being released by LPPD instead of merely stating a generic repealing clause. Regional Office XI;
13. Given the large count of the IQA team, consider devising means to evaluate the performance of the internal auditors;

Observation:

1. In the CDD's ROAAP, the Inventory of Technical Equipment is part of the risk control plan. However, only individualized monitoring through the PAR is used to track the technical equipment. **(6.1.2) Regional Office XI**
2. Update the existing ROAAP to include risk in Conservation and Development Section activities like lacking of assigned personnel and lacking of expertise/ specialization – CENRO Boracay
3. May review and update the existing process flow for Conservation and Development Section to clearly define the process and the resulting output to be monitored – CENRO Boracay

4. (LMB-LPPD) There is a need to document UATs as these confirms the acceptance of users on the systems being deployed. (7.1.3)
5. (DENR XI CENRO DAVAO CITY) While the survival rates of seedlings were more than 85% per latest validation of Enhanced National Greening Program (NGP), evidences of technical assistance provided must be readily available alongside with validation reports and disbursement vouchers. (8.5.1)
6. (DENR XI CENRO DAVAO CITY) Ensure consistency of chainsaw registration purpose as against the Affidavit of Undertaking. For instance, one sampled Chainsaw Registration indicates, "for cutting, bucking, trimming of planted trees within titled property or for other legal purposes covered with legal permits issued by the DENR CENRO" but the Affidavit of Undertaking states, "for personal use in cutting trees within private lands and other tenurial instruments within the jurisdiction of DENR CENRO". The removal of the words "for personal use" can significantly alter the very intent of the application for registration. (8.5.1)
7. (DENR XI CENRO DAVAO CITY) Revisit and reconcile one inconsistency in the provision of Chainsaw Registration that prohibits the leasing/ renting of chainsaw as against a current policy authorizing the registration of chainsaw for commercial purposes. (8.2)

Non- Conformity (Minor)

I. 8.5.1 Control of production and service provision

The organization shall implement production and service provision under controlled conditions.

Controlled conditions shall include, as applicable:

- b) the availability and use of suitable monitoring and measuring resources;
- c) the implementation of monitoring and measurement activities at appropriate stages to verify that criteria for control of processes or outputs, and acceptance criteria for products and services, have been met;
- f) the validation, and periodic revalidation, of the ability to achieve planned results of the processes for production and service provision, where the resulting output cannot be verified by subsequent monitoring or measurement;
- g) the implementation of actions to prevent human error;
- h) the implementation of release, delivery and post-delivery activities.

However, some inconsistencies were seen during the audit of the following areas:

- **CDD RO7 – Turnover of Wildlife Species**
 - no date noted on the animal acceptance form of WRC of the following animals: Reticulated python turned over last 29 May 2024 and Maren's Bronzeback Snake turned over last 16 January 2024
 - inconsistent entry on the list of rescued species monitoring where a King Cobra turned over last 09 January 2024 was noted as received by DENR7 but actually directly turned-over to WRC.
 - Incomplete documentation of wildlife as no photos of actual wildlife were presented for the following: Reticulated python turned over last 29 May 2024 and Maren's Bronzeback Snake turned over last 16 January 2024
- **(CENRO TAGBILARAN)** 1/3 Sampled records – Official Receipt for Application for Free-Patent (Agricultural) with Application No.: 071233-5314 was not available at the time of audit.
- **(PENRO BOHOL)** 1/3 sampled records: Although Official Receipt number 8844562 was noted on the application form, the actual OR document was not presented at the time of audit. It was also noted that same document is also not available as a scanned document in the RDATS.
- The organization needs to strengthen the review of approved survey plans prior to their release to the requesting entity. One sampled survey plan (CSD-07-036141 - Released) with transaction ID (83909) was observed to have drafted survey bearings that differed from the LAMS recorded bearing (i.e. Minutes for Lot No. 2330-H-1 for Line Description 3-4). [R7-Surveying and Mapping Division]
- There is a need to improve the checking of reports for accuracy. There was an isolated case of a sampled CÉPA for Bgy. Mainit, Nabunturan, Davao de Oro conducted on 24 August 2023 which reported 35 participants but the actual is 24. **Regional Office XI**
- Enhance controls for the checking of reports for accuracy. Isolated Monthly Forestry Statistical Reports for April and May were inappropriately recorded,

wherein instead of ending balance out of the 23.58 cu.m approved, 7.08 cu.m (production) was recorded. CENRO Baganga

- II. **6.2.1** The organization shall establish quality objectives at relevant functions, levels and processes needed for the quality management system. The organization shall maintain documented information on the quality objectives.

However, the following issue were seen during the audit:

1. **(RO7 Enforcement Division)** No target set for the function of monitoring and investigation of ENR Laws under Enforcement Division.]

- III. **9.1.2 (Customer Satisfaction)** The organization shall monitor customers' perceptions of the degree to which their needs and expectations have been fulfilled. The organization shall determine the methods for obtaining, monitoring and reviewing this information. However, this could not be established due to ff:

At DENR XI CENRO DAVAO CITY

1. No result of customer feedback survey available for Conservation and Development particularly for the ENGP. It was mentioned during the audit that this is being performed by the Regional Office but there was no result downloaded to CENRO to provide the means of evaluating the degree of satisfaction of the customers.
2. No customer feedback system appropriate for the conduct of Law Enforcement (LAWIN Patrol).

IV. 10.2 Nonconformity and corrective action

When a nonconformity occurs, including any arising from complaints, the organization shall:

b) evaluate the need for action to eliminate the cause(s) of the nonconformity, in order that it does not recur or occur elsewhere, by:

- 1) reviewing and analysing the nonconformity;
 - 2) determining the causes of the nonconformity;
 - 3) determining if similar nonconformities exist, or could potentially occur;
- c) implement any action needed;
- d) review the effectiveness of any corrective action taken;

However, during the audit, the scope statement listed in the Quality Manual was seen to have remained the same for the official document/Quality Manual presented – a draft Quality Manual wherein the updated scope including all PENROs and CENROs was presented – the corrective action stated in the previous RP2 Findings Matrix was not implemented. Other cases include:

Regional Office XI

- Confiscation Order on the Apprehension of 162 pieces of Lauan Lumber with an aggregate volume of 950.46 bd ft. and estimated market value of 12,256 at Sitio Lumbanon, Bgy. Tambobong Baguio District, Davao City on 03 March 2023 was only released on 05 January 2024. While received by the Regional Office on 28 April 2023, the recommendation to RED was only made on 03 January 2024 after being pending in the SIS for 8 months.
- Confiscation Order on the Apprehension/Seizure of 8 pcs Molave Lumber with an Aggregate Volume of 58.50 bd ft with an estimated market value of 2,925 at Sitio Luha, Bgy. Mahan-Ub, Baganga, Davao Oriental on 09 March 2022 which was received by the RO on 30 June 2022 was only endorsed on 09 May 2023 and released on 11 May 2023, after 11 months.

- For the compliance monitoring of CWR permit holders, it cannot be established that inspection activities are completed as planned for compliance monitoring tool for the inspections for the sampled permits ending in XI-2022-08, XI-2019-06, XI-2021-08, and XI-2021-36 were blank and did not contain any information on the level of compliance seen. There were also instances wherein only the submitted quarterly statistical report was used during the inspection activity (sampled J.K. Mercado & Sons and Paradise Island).
- All 16 CWRs released in 2023 were processed outside the prescribed period of 5 days (the longest noted is 39 days).
- Quarterly monitoring reports for the sampled CWR no. XI-2023-14, XI-2023-12, and XI-2023-16 cannot be presented at the time of the audit.
- **(CENRO TAGBILARAN)** Timeliness target set does not align with the timeline of completion of processes as noted on the Citizen's Charter. Sampled target of Regulatory and Permitting Section of 107 permits processed (Application for Free Patent – Agriculture) has a TAT of 120 days processing time as per Citizen's Charter. The actual timeliness measured during accomplishment reporting is on how fast the target of 107 permits were achieved and not on whether the 120 days TAT was actually achieved.

*For Regions XI and CENRO Tagbilaran, there was already a previous nonconformity raised regarding turn-around time (TAT) compliance. Action plans provided include review of the Citizen's Charter and other action plans, but since issues on TAT were seen to have been recurring in other Field Offices, the finding is raised against Clause 10.2.1.



EXTERNAL AUDIT SUMMARY

POSITIVE, OFI, OBSERVATIONS, NONCONFORMITY (MINOR AND MAJOR)

Audit is based on sampling, so please note that absence of a discrepancy does not mean one does not exist

SUMMARY OF FINDINGS

Classification	Count	Client's Action
Positive	7	Not required
Opportunity for Improvement (OFI)	13	Management's discretion
Observation	7	To be addressed internally
Minor NC	4	Submit a documented response within 30 Calendar Days + validation next regular visit
Major NC	0	Submit an implemented response within 30 calendar days + validation within 31 st to 60 th day from the last audit day
TOTAL	31	



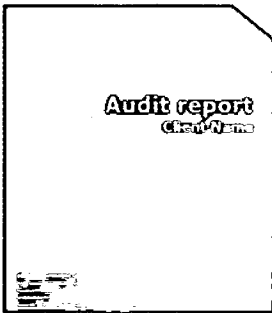
CONFIDENTIAL RESULTS



AUDIT DELIVERABLES

Audit Report Package:

(Leadtime - 10 Calendar days from the last day of the audit)



➤ **SCP22 Audit Report**
(Summary of Conformities, Positive Findings, and OFIs);

➤ **SCP23 Audit Finding Matrix**
(Observations and Nonconformities, if applicable)

➤ **SCP26 Audit Trail Documentation**
(Evidence of Conformities Gathered)



AUDIT CONCLUSION & RECOMMENDATION

SOCOTEC Certification Philippines, Inc. recognizes the client organization's acceptable implementation of the certification requirements as outlined within the framework of the International Standard in relation to the outcomes of the external audit.

Therefore, Department of Environment and Natural Resources is recommended for continued certification to ISO 9001:2015 Quality Management System.



CONGRATULATIONS!

Department of Environment and Natural Resources
Recommended for continued certification to ISO 9001:2015.

