



TÜVRheinland[®]

Precisely Right.

01 100 1432569

Audit Report as per

ISO 9001:2015

for

**Bases Conversion and Development
Authority (BCDA)**

**BCDA Corporate Center, 2F Bonifacio
Technology Center,
31st Street corner 2nd Avenue,
Bonifacio Global City, Taguig 1634
Philippines**

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Contents

1. **Audit result**
2. **Scope**
 - 2.1 **Description of the organization**
 - 2.2 **Scope of certification**
3. **Changes in the management system / Contract review**
4. **Audit findings**
5. **Dates**

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Client's representative	Mr. Patrick Roehl Patrick Roehl Francisco
Audit (team) leader	Abigail Salomon
Audit team	Elisa Cruz (Auditor), Mary Grace Balobalo (Auditor), Trinh Thi Thuy Luong (Auditor)
Audit date	2023-07-28

1. Audit result

Management system effectiveness was verified by an appropriately selected audit team. This applies in particular to the compliance of workflows with standard requirements and descriptions in the management system documentation. The audit objectives as mentioned in the audit plan, the special features of the organization's business activities, the applicable statutory and regulatory requirements set forth in other generally applicable documents were also taken into account. This was done by means of a sampling approach, by conducting interviews and reviewing the appropriate documentation. Audit findings and recommendations regarding opportunities for improvement have been set forth in section 4 of this report.

Nonconformities from last audit	There were no nonconformities revealed during last audit.
Nonconformities current audit	The current audit did not reveal any nonconformities.
Re-Audit	A re-audit is not required. In case the current audit did reveal nonconformities please refer to the nonconformity report for more details.
Stage 1 Audit	There have been no significant changes to the management system, the organization or the context in which the management system is operating.

The organization has established and maintains an effective system to ensure compliance with its policy and objectives. The audit team confirms in line with the audit targets and the review of the system over the period of the certification and complaints received from users of the certification that the organization's management system complies with, adequately maintains and implements the requirements of the standard.

Recommendations:

- Award of new certificates

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

2. Scope

2.1 Description of the organization

The Bases Conversion and Development Authority (BCDA) is a government instrumentality vested with corporate powers under Republic Act (RA) No. 7227 (Bases Conversion and Development Act of 1992), signed into law by former President Corazon C. Aquino last March 13, 1992. The BCDA Charter was as amended by R.A. No. 7917 in 1995, and further amended by R.A. No. 9400 in 2007.

Mandated to transform former US military bases into alternative productive civilian use, BCDA has remained committed to deliver on its mandate of contributing to the modernization of the Armed Forces of the Philippines, to impact regional synergy and socio-development, and to generate economic opportunities for all arising from gains in its special economic zones.

BCDA engages in public-private partnerships to push forward vital public infrastructure such as tollways, airports, seaports, and also major real estate developments. It is one of the key agencies driving “Build Build Build,” the national government’s most ambitious infrastructure plan in Philippine history. This infrastructure plan hopes to provide bold solutions that will reduce congestion, create jobs and alleviate costs in the Philippines.

Through the years, BCDA has proven to be one of the most successful government agencies in attracting investments, creating jobs for the Filipino people and boosting the Philippine economy. It has successfully developed economic centers with the private sector giving rise to booming economic districts—Bonifacio Global City in Fort Bonifacio, Newport City in Villamor Air Base and also vital infrastructure such as the 93.77-kilometer Subic-Clark-Tarlac Expressway.

BCDA is positioning Clark as the next investment center in Asia through high-impact projects such as the New Clark City—a new metropolis that is smart, green, resilient and truly inclusive and the expansion of the Clark International Airport. Among its other big-ticket projects are the Subic-Clark Cargo Railway and the BGC-NAIA Bus Rapid Transit.

(Note: Distilled from the Corporate Profile of the BCDA corporate website at <http://www.bcda.gov.ph>)

2.2 Scope of certification

Standard	Scope of certification
ISO 9001:2015	Provision of Conversion and Development Services, Real Estate Management and Engineering for Land and Assets under the Jurisdiction and Control of the Bases Conversion and Development Authority (BCDA)

The organization has no shift operation.

The audit has not been carried out in the context of a multi-site certification.

Part of the audit was done by using ICT (Information and Communication Technology). The used method was effective to achieve the audit objectives.

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Locations audited during the audit are marked accordingly within below table. The following sites and their scopes are included in the scope of certification:

Certificate No.	Name/Address of site	Employees	Scope of certification	Audited
01 100 1432569	Bases Conversion and Development Authority (BCDA) BCDA Corporate Center, 2F Bonifacio Technology Center, 31st Street corner 2nd Avenue, Bonifacio Global City, Taguig 1634 Philippines	387	Provision of Conversion and Development Services, Real Estate Management and Engineering for Land and Assets under the Jurisdiction and Control of the Bases Conversion and Development Authority (BCDA)	X

3. Changes in the management system / Contract review

No major changes have been made to the management system and the management system documentation since the last audit. The order details which form the basis of the audit (incl. scope and sites) reflect the actual situation in the organization except for the number of employees: 387 at the time of audit vs. 381 during offer preparation.

The description of the scope in the certificate appropriately reflects the scope of the management system.

The audit plan was not changed during the audit.

4. Audit findings

The audit findings related to the audited standard are listed in the Annex to this report. In view of the sampling approach applied to the audit, weaknesses and nonconformities may still exist which have not been identified during the audit.

No.	Department / Process / Location	Positive findings
1	General / - / -	Significant increase in remittance for 2022 of 7.53 billion pesos or 64% from 2021.
2	Customer satisfaction / - / -	Achieved high rating of customer satisfaction rating in 2022, i.e., 1st phase 100% vs. 95% GCG target.
3	Internal Audit / - / -	Good repository of documents that is link in database portal, e.g., internal audit team qualification requirements.
4	Human Resources / - / -	Surpass the quality objectives performance, i.e., improvement in the competency baseline of 2021 to 2022.
5	Procurement Services Group / - / -	Good repository of documents that is link in database portal, e.g., end-to-end procurement of products and services. Enhancement on the Request for Quotation in PhilGEPS

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

No.	Department / Process / Location	Positive findings
		<p>reflecting all documentary requirements to prevent return of bid procurement opportunity.</p> <p>Acquisition of Procurement and Asset Management System, for procurement services to manage the generation of Request for Quotation and Abstract of Quotation.</p>
6	Awards and Recognitions / - / -	<ul style="list-style-type: none"> - 9th Golden Globe Tiger Awards -Top Most Green Companies July 6, 2022 - Quill Award of Merit: Building the Philippines' International Gateway: A Public Relations Campaign on the Clark International Airport August 28, 2022 - Quill Award of Merit: BCDA 2020 Annual Report: We Heal As One August 28, 2022 - Quill Award of Merit: COVIDCOMMS 2021 Sports Bubble: The New Normal for Professional Sports August 28, 2022 - PropertyGuru Philippines: Special Recognitions for Public Facility October 7, 2022 - Goldie Stevie Award for Innovation in the Government Publications: We As One: Bases Conversion and Development Authority 2021 Annual Report April 13, 2023 - Goldie Stevie Award for Innovation in Annual Reports: One Nation, One Legacy: The Bases Conversion and Development Authority 2019 to 2021 Annual Report Series April 13, 2023 - Gold Quill Award of Excellence: One Nation, One Legacy: The Bases Conversion and Development Authority 2019 to 2021 Annual Report Series April 21, 2023 - Silver Quill Award of Excellence: One Nation, One Legacy: The Bases Conversion and Development Authority 2019 to 2021 Annual Report Series May 18, 2023 - UAP Dubai Design Awards: Civic and Cultural Project of the Year – New Clark City's Aquatics Center June 21, 2023

The following recommendations and opportunities for improvement were identified during the audit and are intended to contribute to the continuous improvement of the management system.

No.	Department / Process / Location	Recommendations and opportunities for improvement
1	Internal Audit / - / -	Ensure project sites are considered on the succeeding internal audits.
2	Human Resources / / -	<p>When the employee competency level is not met as required ensure to include the details of gaps in the assessment form to address it accordingly, e.g., employee code R2019-064 with gap on effective communication rating of 1 against the requirement of 3 and intervention made was Effective Business Writing Course.</p> <p>Self-paced learning may be considered.</p>
3	Risks and Opportunities management / - / -	<p>Consider to further review and improve the risk register and ensure the following:</p> <ul style="list-style-type: none"> - unacceptable high risks are provided with controls/actions on top of what are currently being implemented

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

No.	Department / Process / Location	Recommendations and opportunities for improvement
		<ul style="list-style-type: none"> - clarify existing controls from planned/additional controls and assess the risks according to the implemented controls - may define clearly on how to evaluate the effectiveness on actions taken to address risks and opportunities
4	Land and asset development / - / -	<p>The issue date and version in the land and asset development procedure should be consistent between the revision history and the header of the procedure. Particularly: The revision history mentioned Oct, 2021 with revision 004 but the header of the procedure mentioned 2021-09-15 with revision 300A-01-1</p> <p>It is recommended to identify calibration status on the calibration equipment sufficiently. The list of measurable equipment should be recorded calibration date and the next calibration date to control better.</p>
5	Project Management / - / -	<p>May need to review the Project Management, Doc Code: BCDA-OPE-003 Issue Date: 15 May 2014 to clearly define the controls of project management with and without Construction Management Supervision (CMS) Consultant.</p> <p>Ensure to maintain documented information consistently to demonstrate the effective fulfilment of evaluation, validation and inspection conducted.</p> <p>The project site is currently adhering to DOLE requirements, presence of safety officers and implementing their health and safety program. These are currently managed by the Contractor. The BCDA team, in their role as project management needs to appoint own safety officer, create a health and safety program, and establish safety controls. This will further enhance safety measures at the project site.</p> <p>The following were observed at the time of audit: <ul style="list-style-type: none"> - Incomplete PPE's (no safety shoes BCDA personnel) - No warning signs/caution tape on the open areas, also, activity areas (electrical wires may post hazard) </p> <p>Ensure to update the Risk Register in terms of residual risk assessment, likewise, identify risks related to safety.</p>
6	Subsidiaries, Affiliates & Project Monitoring Process / - / -	A more structured processes of monitoring, reviewing and reporting of objectives and targets. Likewise, analyze and evaluate the needed action for unmet target.
7	Use of TÜVR Logo / - / -	Ensure to consistently follow the guidelines on TÜVR logo use

Audit Report

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

5. Dates

Due date for the next audit 2024-06-27

Agreed date for the next audit 2024-04-26

Audit release date 2023-09-19

2023-08-05

Signature date



Abigail Salomon

Signature audit (team) leader

All information gained during the audit will be treated with strict confidentiality by the audit team and the certification body.

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Annex ISO 9001:2015

Item	Audit result
Context of the organization	<p>The organization has determined internal and external issues related to the following subject areas:</p> <ul style="list-style-type: none"> • Lack of manpower, technical people for increasing number of projects • Political shocks (change in direction / thrust of the current administration) • Funding challenge • Outdated charter • Lack of delegated authority <p>The organization has identified interested parties and the requirements of these parties. Examples for such parties are:</p> <ul style="list-style-type: none"> • Internal <ul style="list-style-type: none"> - Employees - Management - Board of Directors - Other Departments - Subsidiaries • External <ul style="list-style-type: none"> - Suppliers - Regulators - Legislators - Armed Forces of the Philippines - Community (Project affected people) - Media - Beneficiary agencies
Policy and objectives	<p>Top management has declared its quality policy binding and implemented. The quality policy is appropriate and provides a framework for the respective quality objectives. It commits all employees to pursue continuous quality system improvement. The quality objectives are measurable and are controlled, communicated and updated regularly. Key quality objectives include:</p> <p>SOCIAL IMPACT</p> <ul style="list-style-type: none"> -Facilities constructed for the Armed Forces of the Philippines / target: 100% accomplishment of deliverables based on contract schedule - Mixed-use areas to include Industrial, Residential and Institutional areas developed / target: Two (2) Signed Development Contracts <p>FINANCIAL</p> <ul style="list-style-type: none"> - Total Remittance to the National Government / target: 100% Remittance of required mandatory contribution to the national government - Cash Proceeds from Business Contracts / target: Php 6.304 Billion - Disbursement Budget Utilization Rate / target: 90% - Obligations Budget Utilization Rate / target: 90% <p>CUSTOMERS/STAKEHOLDERS</p> <ul style="list-style-type: none"> - Developmental and infrastructure projects implemented / target: 100% accomplishment of deliverables based on contract schedule of the construction of the Airport to New Clark City Access Road Phase 2 and 3

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Annex ISO 9001:2015

Item	Audit result
	<p>- Percentage of Satisfied Customers / target: 90%</p> <p>INTERNAL PROCESS -Development of BCDA Special Economic Zones Synchronized / target: Issuance of Notice of Award for the detailed engineering designs of New Clark City projects -Information Technology Systems Implemented / target: 100% Implementation of Project Deliverables based on the ISSP for 2023-2025</p> <p>LEARNING AND GROWTH - Percentage of employees meeting the required competencies / target: Improvement in the competency baseline of the organization, 100% of employees meet the required competencies</p>
Process control incl. outsourced processes	<p>The processes available in the organization have been identified and documented. Process workflows and interactions have been described and appropriately controlled. The processes are evaluated at regular intervals by means of key performance indicators. Key processes within the scope of product realization include:</p> <ul style="list-style-type: none"> • Business Development • Land & Assets Development - Surveying and Titling - Master Planning - Appraisal - Inventory of Properties • Project Management • Real Estate Management <p>The following processes have been outsourced and are appropriately reviewed and controlled:</p> <ul style="list-style-type: none"> • Consultancy Services – Master Planning, Appraisal, Surveys, Special Studies, Financial, IT Construction Design, Project Management • Construction and Infrastructure Works • Engineering Services • General Support and other Allied Services (e.g., Janitorial & Security Services – for the Head Office & Controlled Properties)
Risk-based thinking	<p>The requirements for risk-based thinking are being realized in the organization as follows:</p> <p>Risk-based thinking has been applied for the following processes:</p> <ul style="list-style-type: none"> • Project Management • Business Development • Land & Asset Development • Real Estate Management • Property and Procurement • Corporate Planning

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Annex ISO 9001:2015

Item	Audit result
	<ul style="list-style-type: none"> • Human Resources • Information Technology <p>Examples of risks and opportunities of processes identified are:</p> <ul style="list-style-type: none"> • Right of Way • Higher Cost of construction materials • Delays in transfer of titles to private entities/owners of subdivided land titles due to incomplete documentary requirements, discrepancies in technical information • Procurement of Goods and services delegated to PPMD (Property and Procurement Management Department) does not comply with RA 9184 that will lead to Commission on Audit (COA) observation and disallowance due to lack of awareness/knowledge in the existing Government Procurement Process and latest issuances and implementing rules and regulations • Deviation from development plans due to political pressures which may lead to environmental concerns and sustainability issues • Delays in project implementation due to illegal titling of BCDA lands, which may lead to loss of revenue and reduced land holdings • Delay in project implementation due insufficient deployment of manpower, equipment and materials by the Contractor, which consequently will delay the turnover of facilities to the military end-user and the turnover of area to the joint venture partner • Delay in execution of plans due to discrepancies and errors in the issued for Construction Drawings, which will cause delay in the Completion of the project • Delay in project implementation due to right of way issues in the relocation site, which will result in unutilized projects funds and delayed construction of military facilities • Non disposition of properties <p>Examples of measures taken to react on identified risks are:</p> <ul style="list-style-type: none"> • Provision of funding (GAAP funded) • Exercise complete staff work and due diligence • Regular assistance to affected landowners in the completion of documentary requirements • Strict Compliance to RA 9184. Continuous trainings and attends orientation on latest issuances Re: Government Procurement • Institutionalize regular evaluation and updating of master plans • Build string relationships with stakeholders (LGU, NCIP, DENRO) • Heightening security of BCDA • Impose legal sanctions to unscrupulous partners. • Issue warning letters to contractors when significant delays are incurred • Monitor contractor catch up schedule and ensure fulfillment thereof • Review and resolution of design issues ahead of scheduled implementation of affected works • Regular coordination with CMS and Design Consultant • Identify clearly the titled properties

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Annex ISO 9001:2015

Item	Audit result
	<p>Examples of risks and opportunities concerning the context of the organization are:</p> <ul style="list-style-type: none"> • Higher construction material cost due to Ukraine – Russia war • Non-disposition of properties/ non-implementation of projects due to change in National Government (NG) thrust • Legal and Policy Environment. Vague provisions in the previous contracts prevents BCDA / BCDA Subsidiaries to maximize revenues. (R) • Political and national policy stability. Volatility of Peso leading to increasing interest rates for lending. (R) • Organization. Compliance with COA Rules and regulations to avoid disallowances (O) • Partnership. Build better relationship with and increase trust and confidence of the AFP (O) <p>Concerning risk based thinking the following tools are used:</p> <ul style="list-style-type: none"> • SWOT Analysis • Risk Analysis
Customer-related and other requirements	<p>The organization analyses and evaluates customer requirements and/or enquiries and any documented, assumed, statutory and regulatory requirements within the scope of a production and feasibility study performed in a team. The person who prepared the offer reviews the contract to ensure its compliance with the offer and documents this compliance in an order confirmation. The same procedure applies to amendments. The following process requirements significantly affect product or service quality:</p> <ul style="list-style-type: none"> • Competence of engaged surveying agency • Accuracy of surveys / alignment with Philippine Land Registration Authority (LRA) records • Completeness of legal documentation required for titling and registration (e.g., Memorandum of Agreement, Tax Declaration, Tax Clearance, Approved Technical Description) • Approved Master Plan • Project Plans and Monitoring (e.g., S-Curve, GANTT chart) • Approved endorsements from the AFP • Letter of Intent / Letter of Interest / Valid contracts / Notice-of-Award (NOA) / Notice-to-Proceed (NTP) • Property Appraisal Reports <p>Key regulatory, statutory and customer-related requirements include:</p> <ul style="list-style-type: none"> • BCDA Charter of 1992 (R.A. 7227) / IRR of BCDA (E.O. 62, S.1993) / Amendment of R.A. 7227 (R.A. No. 7917) / Amendment of R.A. 7227 (R.A. 9400) • Revised AFP Modernization Program (R.A. No. 10349) • GOCC Governance Act of 2011 (R.A. No. 10149) • Government Procurement Act (R.A. No. 9184) • Anti-Red Tape Act of 2007 (R.A. 9485) • National Archives of the Philippines Act of 2007 (R.A. 9470)

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Annex ISO 9001:2015

Item	Audit result
	<ul style="list-style-type: none"> • Civil Service Commission (CSC) Rules and Regulations • National Building Code of the Philippines • National Structural Code of the Philippines • Fire Code of the Philippines • DPWH Standard Specifications • DOLE / BWC / OSHC
Customer satisfaction and complaints	<p>The organization maintains documented and effective procedures governing the handling of information, data analyses, improvement actions and responses to customer feedback.</p> <p>The Governance Commission for GOCCs(Government Owned and Controlled Corporations) has tasked all the GOCCs to conduct a third-party customer or stakeholder satisfaction survey, including Bases Conversion and Development Authority (BCDA). This is the first phase of this study, wherein the focus is on the identified business partners of the agency. In total, there were n=35 stakeholders/ business partners interviewed. The stakeholders considered for this phase of the study are those with direct economic transactions with BCDA. The recommended questionnaire of GCG was employed in this study. The target overall satisfaction score for BCDA in 2022 is 95%. One hundred percent of the business partners are satisfied with the performance of BCDA in 2022, with the stakeholders equally divide between feeling very satisfied and satisfied. This yielded a mean score of 4.5, which is equivalent to very satisfied.</p> <p>There are some customer feedbacks were received related to punctuality and responsiveness. These are all acted upon accordingly by respective concerned departments.</p>
Internal audit and management review	<p>The organization measures the implementation, maintenance and effectiveness of the management system by means of annually scheduled system audits. The organization reliably carries out these audits.</p> <p>Audit dates: May 24, 2022 to December 23, 2022 / Audited 25/25 processes / Result: 18 NC / 87 OFI / Status: resolved and closed. May 22, 2023 to September 29, 2023 / Audited 8/25 processes / Result: 1 NC / 9 OFI / Status: still ongoing</p> <p>Top management reviews the organization's management system at regular intervals and in line with the requirements to ensure its continuous suitability, adequacy and effectiveness. The management review was carried out in accordance with the requirements and was effective.</p> <p>The management reviews inputs and outputs requirement are separately discussed in regular ManCom Meetings.</p> <p>Date of last management review: 2023-07-20</p>

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit

Annex ISO 9001:2015

Item	Audit result
Use of certificate and logo	The organization uses the logo and the certificate (e.g. on business cards, company brochures, websites etc.) in compliance with the requirements.

Standard Clause	4.1	4.2	4.3	4.4	5.1	5.2	5.3	6.1	6.2	6.3		
Rating *	1	1	1	1	1	1	1	1	1	1		
Minor nonconformity	0	0	0	0	0	0	0	0	0	0		
Major nonconformity	0	0	0	0	0	0	0	0	0	0		
Standard Clause	7.1	7.2	7.3	7.4	7.5	8.1	8.2	8.3	8.4	8.5	8.6	8.7
Rating *	1	1	1	1	1	1	1	1	1	1	1	1
Minor nonconformity	0	0	0	0	0	0	0	0	0	0	0	0
Major nonconformity	0	0	0	0	0	0	0	0	0	0	0	0
Standard Clause	9.1	9.2	9.3	10.1	10.2	10.3						
Rating *	1	1	1	1	1	1						
Minor nonconformity	0	0	0	0	0	0						
Major nonconformity	0	0	0	0	0	0						

* Rating:

- 1 = conforming
- 2 = not audited in this audit
- 3 = nonconformity (see nonconformity report)
- 4 = not applicable

Audit Report

Client	Standard	Certification Number	Audit Type
Bases Conversion and Development Authority (BCDA)	ISO 9001:2015	01 100 1432569	Recertification Audit