

Republic of the Philippines
DEPARTMENT OF AGRICULTURE
Office of the Secretary
Elliptical Road, Diliman, Quezon City

MEMORANDUM ORDER NO. 7
Series of 2002
29 July 2002

SUBJECT: HACCP AUDIT OF MEAT AND MILK EXPORTING PLANTS

WHEREAS, the Department of Agriculture (DA) requires the accreditation of meat exporters before being allowed to ship products to the Philippines;

WHEREAS, this is consistent with the DA mandate to ensure the safety and quality of imported livestock and poultry products and in the interest of public health and as required under the Consumer Act of the Philippines;

WHEREAS, Section IV of AO 56 Series of 2000, otherwise known as amendment to Administrative Order No. 39, Series of 2000, provides that existing foreign meat exporters shall be considered accredited unless the DA revokes the accreditation upon review;

WHEREAS, there have been many documented cases of contaminated milk and meat product being brought into the country, indicating the need to supplement the accreditation mechanism with periodic audit of the exporting plants to further ensure safety and quality;

WHEREAS, exporters of milk and milk products are, at present, not subjected to accreditation nor to audit but are allowed to export on the basis of certification issued by the relevant Veterinary Authority of the exporting country.

NOW THEREFORE, I LEONARDO Q. MONTEMAYOR, Secretary of Agriculture, do hereby issue this Order requiring the audit of all exporters of milk, meat and their products in terms of their compliance to internationally recognized standards in Hazard Analysis and Critical Control Point (HACCP) program. This requirement is in addition to those already provided for in relevant orders concerning importation of milk and meat products.

An independent certifying body on a quarterly basis shall do the audit. The Accreditation of the certifying body (ies) shall be done through international bidding. Furthermore, the cost of the audit shall be borne by the exporting plant.

A Committee chaired by the Executive Director of the Livestock Development Council, with members from the National Meat Inspection Commission, the Bureau of Animal Industry and the National Dairy Authority, shall formulate the detailed guidelines for its implementation.

This Order shall take effect 30 days from its publication in two newspapers of general circulation.

(sgd.) **LEONARDO Q. MONTEMAYOR**
Secretary

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**IMPLEMENTING GUIDELINES FOR DA-MO NO. 7
THE HACCP AUDIT OF MEAT AND MILK EXPORTING PLANTS**

On 29 July 2002, the Department of Agriculture (DA) issued Memorandum Order (M) No. 7 mandating the conduct of Hazard Analysis of Critical Control Points (HACCP) audit of all meat and milk plants exporting products to the Philippines by third party auditors/inspectors.

The MO was issued to further ensure compliance of exporting foreign meat/milk plants (EFMP) to the Philippines' food safety and quality standards for imported meat and milk products particularly in the light of many documented cases of contaminated products coming into the country.

The audit shall be in addition to present requirements for imports of meat and meat products as provided for in Administrative Orders No. 36 as amended by AO 56 series of 2000 and the Consumer Act of the Philippines.

To implement the provisions of MO 7, specifically the conduct of the audit, these guidelines are issued for compliance by all concerned.

SECTION I. COVERED EFMPs AUDIT

- a) All accredited meat plants that were subjected to the on-site inspection for accreditation by the DA
- b) Meat plants accredited through bilateral agreements and/or unilateral/mutual recognition arrangements, without the benefit of on-site inspection of the DA for accreditation, shall be limited to cover only those with record of last exportation of meat and/or meat products into the Philippines within one (1) year prior to the effectivity of these guidelines.
- c) In the case of milk plants, where no accreditation system is in place, the Audit shall be conducted in all plants, which are currently exporting products to the Philippines. Within a year from the issuance of this order, a system for the accreditation of dairy plants should be in-place, after which, only accredited plants subject to the audit, shall be allowed to export to the Philippines.

SECTION II. THE AUDIT

- a) Regardless of the accreditation status of any EFMP, except where its accreditation was suspended, the Audit shall be undertaken by the concerned DA accredited auditor/inspector every three (3) months. The Audit shall be subject to the following to ensure compliance to the Philippine food safety and quality standards:
 - 1) Conduct and audit/inspection based on the "Checklist for the HACCP Audit of Meat and Milk Products" attached herewith as Annex A.
 - 2) For slaughterhouses, shall be subject to the "Evaluation Criteria for the Audit of Slaughterhouses" attached herewith as Annex B.1
 - 3) For poultry dressing plants, shall be subject to the "Evaluation Criteria For the Audit of Poultry Dressings Plants", attached herewith as Annex B.2
 - 4) For meat processing plants, shall be subject to the "Evaluation Criteria For the Audit of Meat Processing Plants", attached herewith as Annex B.3
 - 5) For milk plants, shall be subject to the "Evaluation Criteria for the Audit of Milk Processing Plant", attached herewith as Annex C.
- b) During the Audit, the concerned plants are required to provide full cooperation and assistance including the provision of relevant records to its concerned auditor/inspector to expedite the conduct of the audit.
- c) The meat and/or milk Exporting Plant shall bear the cost of the Audit.

SECTION III. REQUIREMENTS FOR THE AUDIT ORGANIZATION

- a) Only independent, third party auditing organizations shall be accredited by the Secretary of Agriculture and will be deputized to conduct the Audit.
- b) Any interested third party auditors/inspectors should have the following minimum qualifications.
 - 1) A juridical person with a verifiable record in the international/cross border verification and inspection/auditing work;
 - 2) Have its own permanent offices/laboratories/facilities in the country where the EFMPs are located;
 - 3) A member in good standing of the *International Federation of Inspection Agencies* (IFIA);
 - 4) With a minimum of two (2) years experience in HACCP-based auditing/inspection/certification of meat and/or milk establishments.
 - 5) Compliance to the International Accreditation Forum's (IAF) "general Requirements for Bodies Operating Assessment and Certification of Supplies/Quality Systems" (ISO/IEC Guide 62).

- 6) With minimum two (2) years experience in food safety/quality assurance certification of meat and/or milk plants.
- 7) Should be an operating and a bona fide and duly registered Philippine company or have an affiliate or subsidiary that is also an operating and a bona fide and registered Philippine company
- 8) Should be willing to file a surety bond of P20 million to be issued by a Philippine insurer/bonding company acceptable to the Secretary of Agriculture to answer for claims arising from malfeasance or non-feasance of the audit.

SECTION IV. IDENTIFICATION AND SELECTION OF THE AUDIT ORGANIZATION

- a) The DA shall circulate through the different foreign embassies/missions, the invitation to accredit services of Audit firms. The invitation shall enumerate the (a) qualification of the Audit firm and (b) the schedules and how the Audit is proposed to be undertaken.
- b) The DA invitation shall likewise be published in two (2) newspapers of general circulation.
- c) Any interested audit firm shall express their intention to provide the service and submit the requirements referred to in item (b) Section III to the DA Evaluation and Selection Committee (DAESC) supervised by the Office of the Undersecretary for Livestock and Fisheries. The Terms of Reference (TOR) of the DAESC shall be issued 15 days after issuance of these guidelines.

The intention to provide the service must be submitted within thirty (30) days from the publication of the invitation to provide the audit.

- d) The Department of Agriculture shall consolidate and evaluate all the submissions, from which a list of accredited companies will be prepared.
- e) The selected audit firms shall be notified by DA and the list of the accredited firms shall be published in two newspapers of general circulation.

SECTION V. INITIATION OF THE AUDIT

- a) Upon publication of the list of DA accredited auditors/inspectors, these firms should offer their services to any EFMP referred to in Section 1 where they operate. Likewise the EFMP are mandated to secure the services to any DA accredited auditor/inspector. Upon the entry into

auditing contract between the EFMP and the auditor/inspector, they must jointly endorse the said contract to the DA for the initiation of the audit.

- b) Within fifteen (15) days of the conduct of the audit, the DA accredited auditor/inspector should provide the DA its auditing report.

SECTION VI. PENALTIES AND SANCTIONS

- a) Any EFMP subjected to the audit and subsequently fails the same would have its accreditation and exports suspended until improvements have been made to comply with the Audit standards and requirements prescribed herein.
- b) Any DA accredited 3rd Party auditor/inspector found to be not complying with the provisions in Section II of these guidelines shall have its accreditation revoked.
- c) Any DA accredited 3rd party auditor/inspector found to be not compliant to the IFIA requirements and its membership/status to it has been suspended/revoked shall automatically be delisted from the DA accredited auditors/inspectors list.
- d) Any DA accredited 3rd party auditor/inspector whose status in the IFIA has been questioned (through the IFIA process) that comprises its credibility as independent auditor/inspector, a temporary suspension of its auditing work for the DA shall be imposed until the final IFIA findings has been released maintaining its membership in good standing.

SECTION VII. EFFECTIVITY

- a) By 01 January 2003 only those EFMPs that passed the Audit shall be the sources of imported meat and meat products and milk and milk products. As such, this becomes an additional basis of the Bureau of Animal Industry in the issuance of the VQC.
- b) These guidelines shall take effect 30 days from its publication in two (2) national newspapers of general circulation.

ISSUED BY:

LEONARDO Q. MONTEMAYOR
Secretary