



06 September 2004

ADMINISTRATIVE ORDER

No. 20

Series of 2004

SUBJECT: GUIDELINES ON CONTRACT PROCESSING

WHEREAS, Contract Processing or CP is now a common practice in the meat industry for operational convenience and cost efficiency purposes;

WHEREAS, there is a need of ensuring compliance to quality and safety of meat and meat products;

WHEREAS, traceability of meat and meat products is necessary to identify specified control system;

NOW, THEREFORE, I, ARTHUR C. YAP, Secretary of Agriculture, do hereby issue this Order requiring the National Meat Inspection Commission to ensure the quality and safety of meat and meat products on Contract Processing and shall provide guidelines for traceability.

SECTION 1. SCOPE OF COVERAGE.

This Order shall cover all DA-NMIC Accredited Meat Establishments and/or Contract Processors engaged in but not limited to slaughtering/dressing, fabrication/cutting up, processing, packing and storing.

SECTION 2. DEFINITION OF TERMS.

1. **ACCREDITATION** – the approval of Meat Establishments upon compliance to facilities and operational standards by the National Meat Inspection Commission to slaughter/dress food animals and/or fabricate/cut up, process, pack and store quality and safe meat and meat products whether for domestic or international use.
2. **CONTRACT PROCESSING** or “CP”– is an agreement or arrangement entered into between Contract Processor and Company to slaughter/dress food animals and/or fabricate/cut up, process, pack and store quality and safe meat for public consumption.
3. **COMPANY** or 1st **PARTY** – refers to any person, entity, corporation or partnership that seek or request the services of a Contract Processor to slaughter/dress food animals and/or fabricate/cut up, process, pack and store meat and meat products.
4. **CONTROLLING AUTHORITY** – refers to the National Meat Inspection Commission.
5. **FABRICATION/CUTTING UP** – any means of cutting and/or altering the physical characteristics of carcass or meat into standard table/manufacturing cut but not its chemical composition for the purpose of satisfying customer’s specifications and/or for further production requirements.
6. **MEAT ESTABLISHMENT** – a plant engaged in but not limited in the slaughtering/dressing food animals and/or fabrication/cutting up, processing, packing, and storing of meat and meat products, duly accredited by the National Meat Inspection Commission.
7. **CONTRACT PROCESSOR** or 2nd **PARTY**– refers to an NMIC accredited meat establishment contracted by the Company as defined in this section but not limited to slaughter/dress food animals and/ or fabricate/cut up, process, pack and store meat and meat products

8. **TRACEABILITY SYSTEM** – refers to a system or mechanism in which a particular meat and meat products produced by the Company and/or Contract Processor is so coded and branded reflecting all pertinent information as to the source or origin of the processing or manufacturing.

III. MEAT AND MEAT PRODUCTS SAFETY STANDARDS.

The Company and Contract Processor shall in their agreement or contract consider the safety standards and specifications duly approved by the National Controlling Authority.

1. The Company and Contract Processor shall assigned point person responsible for the receiving of raw meat materials, processing, storage and dispatching.
2. The agreement of Company and Contract Processor shall pinpoint responsibility with regards to compliance to rules and regulations of public health concern such as but not limited to Good Manufacturing Practices (GMP), Sanitation Standard and Operating Procedures (SSOP), Hazard Analysis Critical Control Point (HACCP), meat and meat products specifications as may from time to time be imposed by the DA-NMIC.
3. Provision of raw materials shall be under the responsibility of the Company.

IV. QUALITY ASSURANCE.

1. The Company and/or Contract Processor shall assign responsible Quality Assurance (QA) personnel to ensure continuous product quality and safety monitoring.
2. The Company and/or Contract Processor shall allow authorized representatives of the DA-NMIC to enter, inspect, audit such as but not limited to premises, personnel hygiene and sanitation, sanitation of equipment/facilities and processing as part of the agency's monitoring of quality and safety standards.
3. The Company and/or Contract Processor shall provide the DA-NMIC the list of product lines to be toll processed.
4. The Company and/or Contract Processor shall coordinate with DA-NMIC any changes in the contract processing procedures for effective monitoring purposes.
5. Any changes of processing schedule shall be notified to DA-NMIC.

V. PRODUCT TRACEABILITY.

The Company and Contract Processor shall agree to label each meat and meat products in accordance with the DA-NMIC Consumer's Act Implementing Guidelines. The label shall include the brand name, product's plant origin (where the food animals were slaughtered/dressed and/or meat and meat products were fabricated/cut-up, packed, stored, name of contract processor), the Company's name (Company for which the products are being contract processed), product batch, production and expiration dates.

VI. ACCESS TO RECORDS.

Company and/or Contract Processor through proper coordination shall allow the DA-NMIC access to records pertaining but not limited to volumes of slaughtering/dressing, fabrication/cutting up, processing, packing, and storing, QA Hygiene and Sanitation and quality audit instrumental to product-public health safety.

This Order shall take effect immediately fifteen (15) days after publication from the UP Law Center.

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ARTHUR C. YAP
Secretary

