	BUREAU OF ANIMAL INDUSTRY	
	QUALITY MANUAL	
	<i>Document Name:</i> Control of Externally Provided Processes, Products and Services	QM 8.4 Rev. No.: 04 October 31, 2022 Page: 1/2

8.4.1. General

Any process performed by a third party is considered an "outsourced process" and must be controlled, as well. The company's outsourced processes, and the control methods implemented for each, are defined in the table below.

The type and extent of control to be applied to the outsourced process take into consideration:

- a. the potential impact of the outsourced process on the company's capability to provide product that conforms to requirements,
- b. the degree to which the control for the process is shared,
- c. the capability of achieving the necessary control through the purchasing contract requirements.

No subcontracting related to the core services is being practiced at BAI.

However, consumables, equipment and its accessories are outsourced that undergo public bidding, negotiated procurement or other alternative modes of procurement following RA 9184 Procurement Reform Act (ED BAI-05). Therefore, the process includes evaluation for eligibility (pre-qualification), selection (post-qualification), monitoring of performance, and re-evaluation. Re-evaluation is based on the Terms of Reference (TOR) and progress evaluation. Inspection and Acceptance Report (GF BAI-43) is issued after full services as per TOR/delivery have been rendered.

All external providers/suppliers/contractors/consultants are mandated to register with PhilGEPS (PL BAI-11 List of PhilGEPS registered suppliers) except government agencies with mandate to supply services/goods/consultancy.


BAI determines and applies criteria for the evaluation, selection, monitoring of performance, and re-evaluation of external providers, based on their ability to provide processes or products and services in accordance with requirements. BAI retains documented information of these activities and any necessary actions arising from the evaluations (R-BAI-78 Supplier Performance Evaluation File).

8.4.2. Type of Extent Control

BAI ensures that externally provided processes, products and services do not adversely affect BAI's ability to consistently deliver conforming products and services to its customers.

BAI:

- a. Ensures that externally provided processes remain within the control of its quality management system;
- b. Defines both the controls that it intends to apply to an external provider and those it intends to apply to the resulting output;

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- c. Takes into consideration:
 - 1. The potential impact of the externally provided processes, products and services on BAI's ability to consistently meet customer and applicable statutory and regulatory requirements;
 - 2. The effectiveness of the controls applied by the external provider;
- d. Determines the verification, or other activities, necessary to ensure that the externally provided processes, products and services meet requirements.

BAI evaluates and selects suppliers based on their ability to supply products and services in accordance with the organization's requirements. Criteria for selection, evaluation and re-evaluation are established based on RA 9184 Procurement Reform Act.

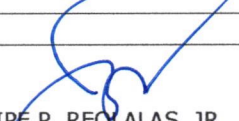

Purchases are made via the release of formal purchase orders and/or contracts which clearly describe what is being purchased. Received products or services are then verified against requirements to ensure satisfaction of requirements. Suppliers who are not providing conforming products or services may be requested to conduct formal corrective action.

8.4.3. Information for External Providers

BAI ensures the adequacy of requirements prior to their communication to the external provider.

BAI communicates to external providers its requirements for:

- a. The processes, products and services to be provided;
- b. The approval of:
 - 1. Products (goods) and services;
 - 2. Methods, processes and equipment;
 - 3. The release of products (goods) and services;
- c. Competence, including any required qualification of persons;
- d. The external providers' interactions with BAI;
- e. Control and monitoring of the external providers' performance to be applied by BAI; and
- f. Verification or validation or post-qualification activities that BAI, or its customer, intends to perform at the external providers' premises.

Prepared by:	Reviewed/Approved by:
 FELIPE P. REOLALAS, JR. Quality Management Representative	 PAUL C. LIMSON, DVM Top Management