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QMS	-07
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## 1.0 Objective

To describe the means by which a nonconformity to the QMS is identified, investigated, and addressed to mitigate any quality-related consequences, and for initiating and completing corrective action and improvement

## 2.0 Scope

This system procedure covers the application of corrective action and improvements for actual and potential nonconformities relating to the PNOC's QMS such as:

- 2.1 Process nonconformity
- 2.2 Legal non-compliance
- 2.3 Objectives and targets not being met
- 2.4 Programs not implemented as planned
- 2.5 Internal/ external audit findings
- 2.6 Problems identified by the management
- 2.7 Other system and process nonconformity such as non-compliance to established procedures as detected by the Supervisor or Department Manager.

#### 3.0 Definition of Terms

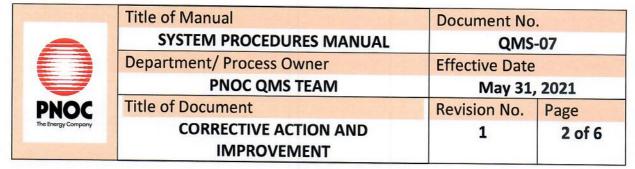
- 3.1 Corrective Action Report (CAR) a report describing an actual nonconformity, identifying the root cause, and requesting appropriate action
- 3.2 Nonconformity (NC) failure to satisfy a particular requirement
- 3.3 Corrective Action (CA) action taken to eliminate the root cause of a nonconformity and prevent it from recurring

#### 4.0 References

4.1 ISO 9001:2015 Quality Management System Clause 10 Improvement

#### 5.0 Policies and Guidelines

- 5.1 Corrective action must be commensurate to the impacts of the problem on the quality performance of PNOC.
- 5.2 Corrective actions, improvement actions, and future development plans that may introduce new or modified risks or may need new or modified controls shall be



subjected to QMS-01 Planning and Change Management. Example of actions that require risk assessment are those involving:

- 5.2.1 Construction or modification of infrastructure
- 5.2.2 Alteration of workplace, e.g. re-layout
- 5.2.3 New equipment
- 5.2.4 Service offering
- 5.2.5 Revision to existing process
- 5.2.6 Organizational Structuring

#### 5.3 When CAR is not needed:

- 5.3.1 Nonconformity to procedures that can be corrected immediately.
- 5.3.2 Nonconforming services detected during ongoing service/ program implementation that are immediately corrected.
- 5.3.3 In IPCR, when individual action plans are not done or targets are not achieved as planned, but the Superior agrees to make adjustments accordingly.

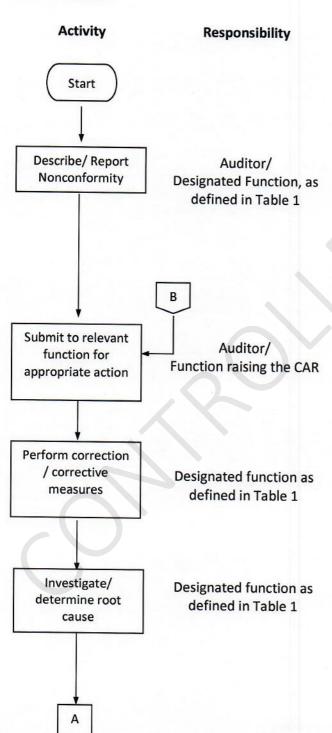
#### 5.4 When CAR is needed:

- 5.4.1 Repeated nonconformity to procedures, as detected/ reported by immediate superior for at least three times in the department/division within three consecutive months.
- 5.4.2 Valid and significant complaints from internal clients or other external interested parties.
- 5.4.3 Nonconformity raised during internal QMS audits and certification audits. Refer to QMS-05 Internal Audit.
- 5.4.4 In the OPCR, when a set objective or target is not met within the defined time frame, or an activity/ action, defined to meet an objective or target, is not implemented as planned.
- 5.4.5 When Notice of Violation received by the PNOC from the regulatory bodies, (e.g. DOE/COA/BIR/CSC, etc.).



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## 6.0 Procedure

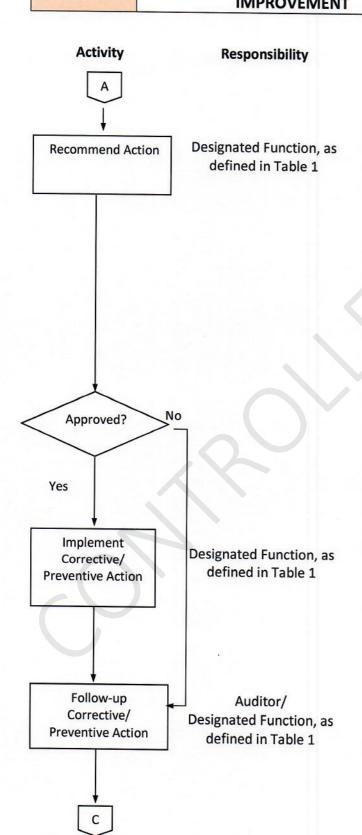


Notes / References

- Use form QMS-07F1, Corrective Action Report (CAR). Copy of issued CAR shall be forwarded to the designated functions defined in Table 1 for recording and monitoring.
- All nonconformities shall be documented in the prescribed form within 10 working days upon detection of the problems or receipt of complaints from customers or interested parties.
- Upon receipt of CAR, the Designated Function shall immediately implement short-term solutions or corrective measures, where practicable.
- Where the cause of nonconformity is not readily known, initiate discussion with QMS Team or relevant personnel.
- The investigation of the nonconformity, including the determination of appropriate corrective action, must be completed within ten (10) working days after receipt of the CAR. Use QMS-07F2 Root Cause Analysis Sheet.



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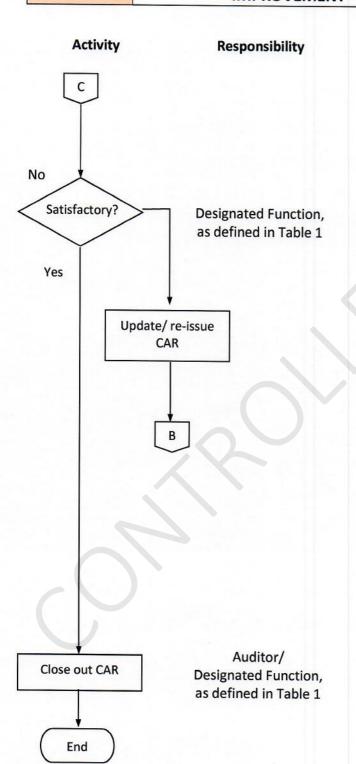


# Notes / References

- Corrective action, where necessary, must include mitigating action or correction of the ongoing issue and prevention of the recurrence of the problem.
- Document proposed actions, responsible functions, and committed dates of implementation using the CAR form.
- Where applicable, the QMR shall distribute a copy of the CAR to the appropriate department or function with instructions for initiating the corrective action in the areas of responsibility, with target completion dates.
- Corrective/Preventive action shall be followed-up within 2 weeks after the committed completion date.
- 10. When corrective action results in a change in procedure, the Document Controller shall initiate a revision of the relevant document in accordance with the documented procedure on document control.
- 11. Follow-up shall include evaluation of the implementation and effectiveness of the corrective/preventive action.



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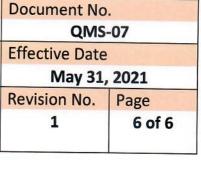
## **Notes / References**

- 12. For CARs issued to suppliers and subcontractors, follow-up the action needed. The CAR shall be considered close once the supplier/ subcontractor has returned the completed CAR form containing the action taken.
- 13. In the event that corrective action is found not effective, conduct further review, and analysis until a satisfactory solution is reached. Otherwise, another CAR shall be raised by the function making the follow-up.
- 14. The Head of the Internal Audit Team shall ensure that the required actions are done. He shall inform the QMR of any delayed action to NCRs. Where necessary, the QMR shall send a reminder to the Department Manager of any CAR that is overdue.
- CARs shall be coded as follows: XX-YYY, where
  - XX method of detecting NC such as:

IA-Internal Audit
EA - External Audit
MM - Monitoring and Measurement

YYY- Sequential number of nonconformity

 A CAR shall be closed out once the recommended corrective action has been implemented and found effective.





# Title of Manual SYSTEM PROCEDURES MANUAL **Department/ Process Owner PNOC QMS TEAM** Title of Document **CORRECTIVE ACTION AND IMPROVEMENT**

#### 7.0 Forms

QMS-07F1 Corrective/ Preventive Action Request QMS-07F2 **Root Cause Analysis Sheet** QMS-07F3 **CAR Progress Monitoring** 

QMS Monitoring Rating Form for Auditors QMS-07F4

## 8.0 Attachments

QMS-07A1 Designated Functions for Raising and Processing CAR's

Sample Forms

Rev. No.	Affected pages/ section	Revision History
0	-	New version of PNOC QMS; to include PNOC Energy Supply Base and PNOC Industrial Park.
1	6	Additional form

Prepared by	Reviewed by	Approved by
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Lead Auditor	Deputy QMR	QMR



# PHILIPPINE NATIONAL OIL COMPANY

Energy Center, Bonifacio Global City, Taguig City

# CORRECTIVE ACTION REQUEST (CAR) QMS-07F1 Rev.0

Relevant Function:	CAR	Initiator: (Signature over printed name)	CAR Co	ontrol No:	Date:	
Type of Non-conformity (tick where appropriate):	Class	sification:	ISO Cla	iuse:	Document	Code:
Internal Audit Finding		Incident, Accident or Emergency		Objectives	s & targets not met	
Complaints form customer		Non-compliance to procedure/ work ins	tructions		-compliance	
Complaints from interested parties		Supplier/Subcontractor nonconformity				
Description of Non-conformity:  Correction:		Acknowledged by:	nature ov	er printed nar	Date:	
Done by: (Signature over printed na	me)	Date: Reviewed/Approve		gnature over p	Date	): 
Cause of non-conformity: (Determine the	cause of	f the problem; attach RCA Sheet if needed)				
Done by:		Date: Reviewed/Approve	d by:	anature over	Date orinted name)	e:
(Signature over printed na	me)		(016	griature over p	onnica name)	Commission
Agreed Corrective/Preventive Action (A	tach ris	sk identification, if required)			Action Party	Completion Date(s)
	ved/App	proved by: (Signature over printed nar	_ Date: .			
Follow-up Results Date		Remarks			Status	Signature
Date		romano				



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# **Root Cause Analysis Sheet**

QMS-07F2 Rev.0

Problem	Reference No:
	□ CAR
	☐ Incident Report

Why-why / 4M's E (Identify possible causes; probe and verify each)

Man	Machine	Materials	Method	Environment



## PHILIPPINE NATIONAL OIL COMPANY

Energy Center, Bonifacio Global City, Taguig City

## **CAR PROGRESS MONITORING**

QMS-07F3 Rev.0

CAR Control	Issued Function/	nction/ Description and Target Completion Dates		s	Barrie
No.	Issued Function/ Department	Root Cause	Agreed Corrective Action	Follow-up	Remarks

Prepared by:	
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## QMS Monitoring Rating Form (Per PMT Resolution No. 3 Series of 2017) QMS-07-F4

# QMS Monitoring Rating Form for Auditors

Auditor:					
Auditee:					1
Please rate the following:	Excellent	Good	Adequate	Poor	Very
	5	4	3	2	1
<ul> <li>a. Professionalism of the auditor (punctuality, knowledge, good judgment, skills, and polite behavior)</li> </ul>					
<ul> <li>b. Communication skills of the auditor (auditor speaks clearly and explains their thoughts, ideas, and suggestions during the meeting/presentation of findings)</li> </ul>					
c. Notification of the audit purpose and scope (audit purpose and scope clearly stated)					
d. Clarity of the audit findings (audit findings clearly stated and well-organized for better understanding by the auditee)					
e. Duration of the audit (sufficiency or insufficiency of time to cover the scope of the audit)					
f. Timeliness of the audit report					
<ul> <li>g. Value of the audit recommendation(s) – (recommendation helps improve the system)</li> </ul>					
Additional comments about the auditor	and/or the au	dit process	:		
*Note: This form shall be submitted done.	to the Superv	ising SVP	a day after th	e audit ha	ıs been
Rater:			Date:		



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PROCESSING CARs (TABLE 1)				

	CAR	INVESTIGATE	RECOMMEND	REVIEW/ APPROVE	IMPLEMENT	FOLLOW-UP
TYPE OF CAR	INITIATOR	CAUSE/VALIDATE	CORRECTIVE	CORRECTIVE	CORRECTIVE	CORRECTIVE
	INTIATOR	COMPLAINTS	ACTION	ACTION	ACTION	ACTION
Nonconformity found	Auditor	Concerned	Concerned	QMS Team/	Concerned	A d ! t
during the Internal Audit	Auditor	Manager	Manager	Concerned Manager	Manager	Auditor
Complaints from	Corporate	Concerned	Concerned	MANCOM/	Concerned	
customers & other interested parties	QMR	Manager	Manager	Corporate QMR	Manager	Corporate QMR
Product/ Process/ System/ Legal nonconformity resulting from monitoring or review	Auditor/ Concerned Manager	Concerned Manager	Concerned Manager	QMS Team/ Concerned Manager	Concerned Manager	Auditor/ Concerned Manager
OPCR not met or action plans not done as planned	QMS Team/ Concerned Manager	Concerned Manager	Concerned Manager	QMS Team/ Concerned Manager	Concerned Manager	QMS Team/ Concerned Manager
Suppliers/ Subcontractors with low performance rating	End User	Proponent/ Supplier/ Subcontractor	Supplier/ Subcontractor	QMS Team/ Concerned Manager	Proponent/ Supplier/ Subcontractor	End User
Potential Problem	QMS Team/	Concerned	Concerned	QMS Team/	Concerned	QMS Team/
(Planning and Change Management)	Concerned	Manager	Manager	Concerned Manager	Manager	Concerned
ivialiagellielit)	Manager					Manager