



Australian Government  
Aid Program



Department of the Interior  
and Local Government

**Philippines Provincial Roads Management Facility**  
*Supported by the Australian Government Aid Program*

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# PRMF Implementation Review

Project Steering Committee Meeting

25 November 2010



Managed by:

**coffey**  international development  
SPECIALISTS IN DEVELOPING COMMUNITIES

# Outline

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1. What are PRMF's achievements in Capacity Development and Physical Works?

2. How is PRMF tracking in terms of expenditure ?

3. What are the emerging issues and lessons?



# Summary of Achievements

- Wide appreciation amongst stakeholders of the PRMF
- Leadership more engaged in the program and understanding of the demands and benefits
- Enabling environment established and over 200 capacity development activities completed
- Procurement streamlined and counterparts involved
- Development of the vision, reform strategy and graduation strategy underway for each key result area in each Province
- First year roads nearing completion, second year designs underway.

## Managing Change

- Creating a sense of urgency
- Creating a transition management team
- Generating short term wins
- Developing a vision and strategy
- Building a broad based approach through empowerment



# Provincial Achievements

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## PRMF AWARENESS

- Departments have supported and embraced PRMF as an institutional reform and governance program

## ROAD SECTOR PLANNING

- Provincial Road Sector Planning and Management Reviews completed as a baseline to determine capacity development requirements
- PPDO and PEO understand the importance and progress of integrated transport planning
- Provincial Road Network Development Plans approved



# Provincial Achievements

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## ROAD SERVICES DELIVERY

- PEO capacitated in the areas of traffic surveys, road conditions surveys, construction supervision , materials testing and quality control
- PEO hold regular meetings with stakeholders to assess physical works progress and address implementation issues
- PEO appreciates the importance of road maintenance and has gained appreciation of various maintenance options



# Provincial Summary

## BUDGET & EXPENDITURE MANAGEMENT

- Public Financial Management Assessment Report, draft Strategic Public Financial Management Plan produced including Revenue Generation and Resource Mobilization Plan, Capacity Development Plan, Monitoring and Evaluation Plan, and Integrity Development Plan

## INTERNAL CONTROL AND INTERNAL AUDIT

- Internal Audit Units/Offices have been established
- Increased understanding of the NGICS among provincial departments
- Departments are preparing risk registries

## PROCUREMENT

- BAC members more knowledgeable on GPRA/IRR 9184 and participated in bidding and rebidding of year 1 roads
- Increased understanding on procurement of consulting services





# Provincial Summary

## HUMAN RESOURCE DEVELOPMENT

- Staff and Skills inventory undertaken as part of HRMD Plan development and incentive targets
- Enhanced understanding of the national policies and processes on the 4 R's – recruitment, rewards and recognition, retention and retirement
- HRMD Plans being developed or updated

## ENVIRONMENTAL MANAGEMENT AND CCT

- PRNDP planning resulted in increased awareness on key gender, social inclusion, environmental and cultural issues to be considered in road network development plans
- PEO more familiar with the EMP preparation processes

## M & E SYSTEMS

- M&E systems developed as part of PRNDP



# Provincial Summary

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## INFORMATION SYSTEMS MANAGEMENT

- ICT & GIS assessment undertaken
- GPS training undertaken
- eTRACS implementation commenced
- Hardware & software procured
- Road and bridge asset management system development commenced





# CD Foundation Activities

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- Key deliverables: PRNDP, Incentives Program for FY 1
- PRMF orientation and awareness raising for stakeholders
- PRNDP
  - Introduction of technical and participatory processes to generate critical information and priorities to prepare the plans (January to March)
  - Review of planning experience and surfacing of lessons (August)
  - Provision of guidelines for the review and update process (November)
- HRMD
  - Orientation on SCALOG (January to March)
  - Conduct of skills inventory (January to March)
  - Responsive HRMD Orientation for all HRM units (September)
  - Development and dissemination of HRMD Planning Resource Pack (November)
  - Orientation on procurement of consulting services in PRMF (October)



# CD Foundation Activities

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- Internal Control
  - Orientation on internal control and internal audit for IA units (August to September)
  - Orientation on risk management in the public sector and preparation of risk registries (November)
- Revenue Generation
  - Identification of revenue generation strategies (February to March in the context of the PRNDP and in September in relation to the SFMP)
  - Financial Management Leadership Seminar (October)
- General observations:
  - Strong relationships between the CD Foundation Activities WP and the other WPs (e.g., Public Financial Management)
  - CD Foundation Activities WP served as a good base to prepare LGUs for the implementation of the CD Program for FY 2010-11

See schedule on PSC PPT 2

# Draft Design Guidelines for Local Roads

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- Guidelines to address local context and guide road design and construction from second year
- Draft Policy document for legal issuance developed in August 2010
- Draft Capacity Development Program developed in August 2010
- Draft guidelines completed September 2010
- Presented to DILG and PEAP
- Presented to PEOs during the Maintenance and Design Seminar
- Task force established by DILG to review the document. Review commences early December.

See schedule on PSC PPT 2

# GIS and ICT Implementation

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- GIS & ICT assessment of DILG and provinces completed May 2010
- Training program in GPS and information systems support
- Information Systems Plans and ICT units created in all provinces
- Procurement of hardware and software to build GIS & ICT systems in DILG and provinces completed – delivery ongoing
- Application development commenced for road and bridge asset management system
- Training and implementation of eTRACS in Bohol and Misamis Oriental and 10 municipalities

See schedule on PSC PPT 2

# Public Financial Management and Assessment

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- Financial Management Framework developed and validated
- Assessment and validation of PFM practices and analyses
- Provincial coaching on PFM tools and techniques
- Provincial coaching on Financial Management Planning
- PFM Assessment Report and draft Strategic Financial Management Plan developed for all provinces
- Orientation on NGICS
- Integration of information services to enhance revenue collection by improvements in tax assessment and collection system.
- Held workshop on Public Financial Leadership held with Local Chief Executives and key decision makers

See schedule on PSC PPT 2

# Construction Supervision Consultancy

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- Capacity development on Construction Supervision and Contract Management
- PEOs finalizing the CS Manuals for local application
- Supervision services on Physical Works on 1<sup>st</sup> Year Roads
- Baseline traffic surveys completed
- New teams deployed in November to continue remaining supervision works and address outstanding issues
- Required time extension for selected physical works to January 2011

See schedule on PSC PPT 2



# Construction Supervision Capacity Development

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- Evaluation Report on PEO's ability to supervise physical works in Year 2
- Pre and Post Tests Administered
- Self assessment and independent assessments
- Re-entry action plans (REAPs) followed through after each training session



# Construction Supervision Capacity Development

Province	Initial Self Assessment	Final Self Assessment	Confidence for Year 2
Agusan del Sur	2.70	4.00	5.00
Bohol	2.79	3.26	4.60
Bukidnon	2.76	3.90	4.80
Guimaras	2.93	3.25	3.67
Misamis Occidental	2.73	3.12	3.80
Misamis Oriental	2.77	3.64	4.00
Surigao del Norte	2.81	4.12	4.87

**1 – Low competence; 2 – Fair; 3 – Average; 4 – High; 5 – Very High Competence**



# Construction Supervision Capacity Development

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## Conclusions

- Overall improvement in capacity and confidence to supervise year 2 roads
- Combination of on-site coaching, lecturing and re-entry action planning gave positive results but highly dependent on the assigned resident engineers
- Still a need to strengthen health and safety, risk, environmental management, contract performance evaluation and specific technical skills
- It is recommended that Resident Engineers and Supervising Engineers be used for Year 2 Roads with a strategy to transition the PEO to full supervision services by completion



# Agusan del Sur

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- Provincial Internal Audit Services Office established
- Road Policy Workshop advanced concept of integrated transport planning
- Capacity Development Plan developed for PHRMO, PPDO, PBO, PEO and PENRO
- Provincial M&E Technical Working Group established
- PPDO reviewing 20% Development Fund Plans for 2011 AIP to ensure that it contains priorities from both PRNDP and PDIP
- Provincial M&E Team has been established



# Bohol

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- Project Management Team now institutionalised as Road Sector Committee as part of Management Executive Board
- PPDO undertaking review to consolidate 20% Development Fund Plans for 2011 AIP
- Internal Audit Service established
- Multi-departmental Provincial M&E Team established
- Bohol ICT Office established working with 5 Municipal ICT teams
- New BAC appointed by Governor
- Increased coordination with COA



# Bohol

- Inventory of ODA and other development projects undertaken in barangays affected by PRMF activity
- Provincial M&E Team has been established
- Audit Plan for 2011 in preparation
- Provincial Summit on Climate Change Adaptation and Disaster Risk Management for roads and other infrastructure held
- Provincial Gender Code and Gender and Development Framework developed
- Bohol Environmental Code reviewed to include road sector
- PENRO developed Environmental Plan for Year 1 roads
- Transparency Reporting Workshop for Civil Society and Media Practitioners held





# Bukidnon

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- 2011 AIP approved by PDC
- PEO engineers conducting road condition survey using GPS
- GIS maps of road networks and geographic features produced
- For cultural sensitivity local village chieftains (Datus) conducting 'ritual rites' before road construction
- Provincial ICT Unit established including budget allocation
- Over 10% of 2011 budget using GOP procurement guidelines has been contracted out
- Training Needs Analysis undertaken with HRMO for Provincial Government departments and offices
- Community involvement in monitoring and reporting of vehicles



# Guimaras

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- PEO updated information for 25 road sections using acquired skills in road condition and traffic surveys
- Re-Entry Action Plans as venue for passing on new skills and techniques to other staff
- PENRO has developed an Environmental Management Plan for year 1 roads
- Public Financial Management Forum held to validate financial assessment tools, techniques and indicators
- Staff training on GPS has resulted in production of GPS road inventory for a GIS-based road and bridge inventory system
- 100% coverage of provincial road sections achieved August 2010



# Guimaras

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- Intention to reorganise PPMC to include private sector and civil society and use to monitor road projects
- Staff and skill inventory being undertaken to inform HRMD Plan
- Provincial Road Summit held to engage communities



# Misamis Occidental

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- Road Sector Vision Workshop held with stakeholders to investigate best practice techniques
- Integrated M&E system being developed as part of PRNDP
- 2011 Annual Investment Program approved containing projects and activities from PRNDP



# Misamis Oriental

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- MOA Signed with National Government Agencies and Provincial Governments in the region on supporting the PRMF
- Road inventory and condition training has improved skills of Resident Engineer
- PENRO developed Environmental Management Plan for year 1 roads
- A Technical Working Group composed of Treasurer, PIAD, PEO, HRMDO and PBO will undertake M&E for PRNDP
- Capacity Building Plan has been finalised
- For road condition survey a partnership with Xavier University Engineering Resource Centre, a Road Watch Regional partner has been established
- Increased coordination with Procurement Watch Team



# Surigao del Norte

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- PEO coordinating with municipal governments, Barangay Development Council and local communities to assess physical works progress
- PEO engineers trained in GPS
- Partnership with Siargao Partnership for Economic and Environmental Development to address issues of illegal quarrying in Protected Areas Management Board controlled island
- Creation of first M&E team for Surigao del Norte





# Capacity Development Year 2 Progress

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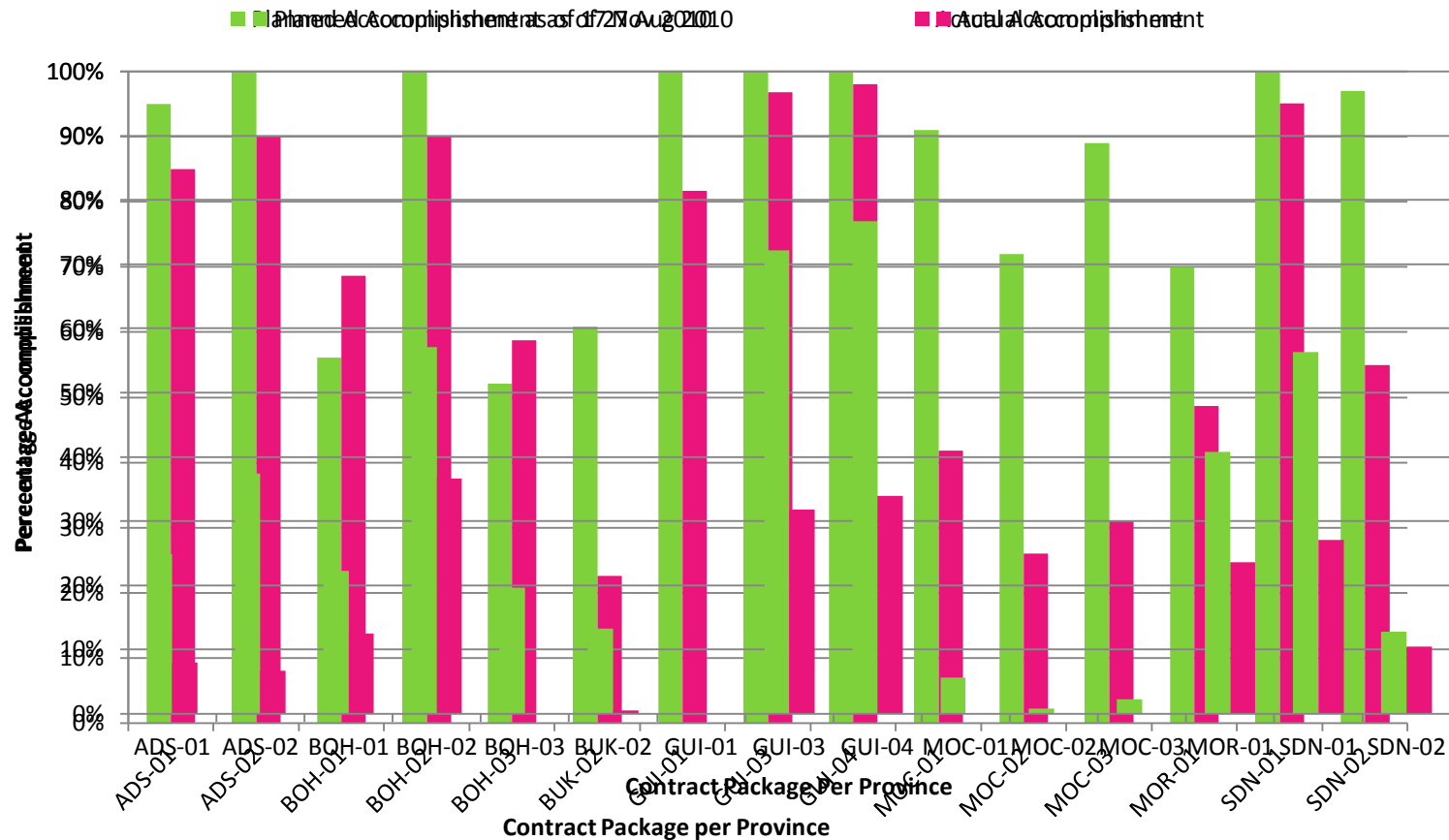
## Facility-Wide Activities Completed

- Orientation Session for DILG Officials and Staff
- Industry Forum for PRMF Road Construction
- Integrated Transport Planning Workshop
- Road Maintenance Forum
- Commenced Community Engagement Forum and Workshop program



# Physical Works Program

- Overall Status Report by Project



See photos and other details on PSC PPT 2

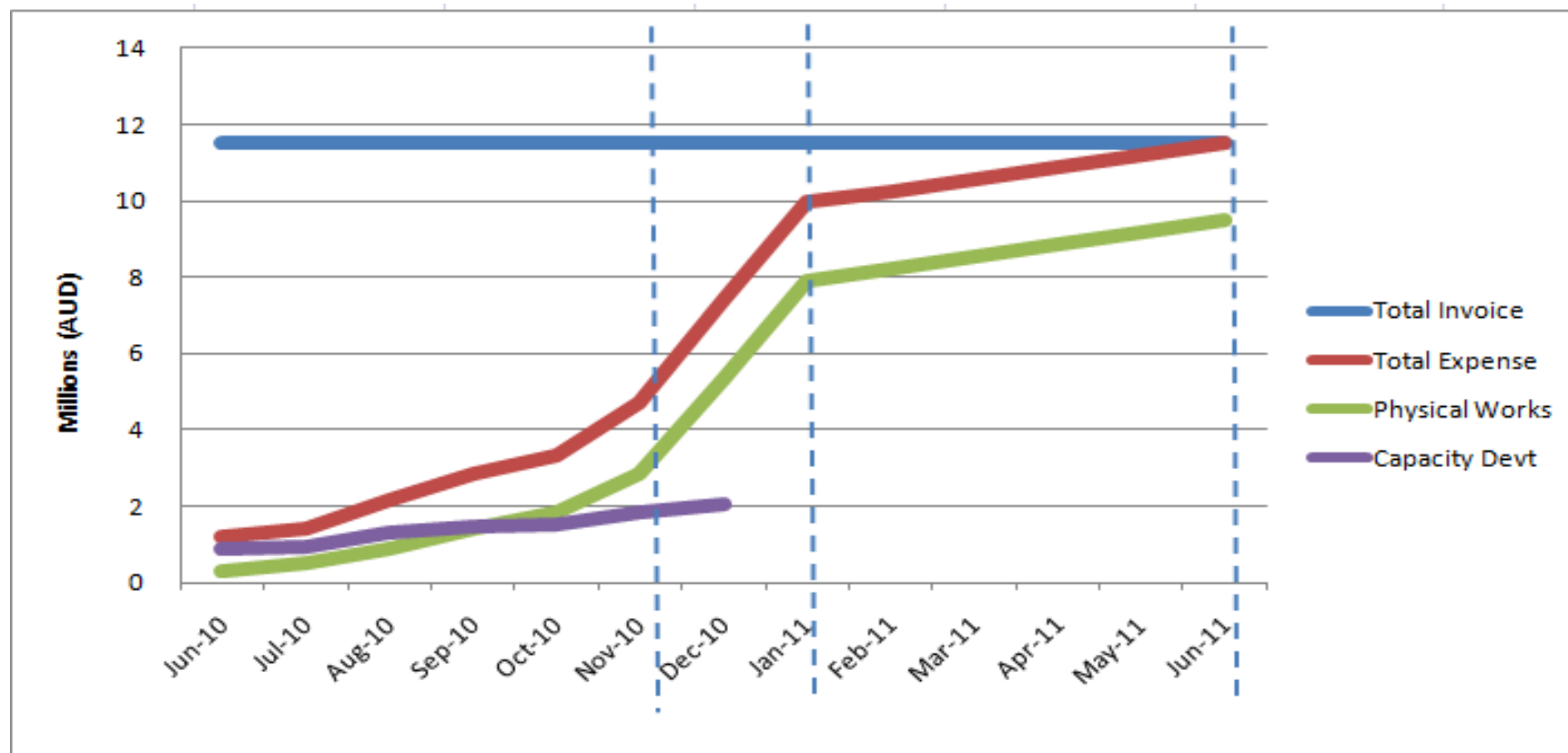
# Expenditure

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- Disbursement of funds delayed by extended procurement process and delays in Physical Works
  - Procurement will be improved in Year 2 addressing weaknesses in bidding such as the bid ceiling
  - Quality of contractors can be improved by evaluating contract size and improved post-qualification criteria to address known weaknesses
  - Quality of design and construction can be improved by involving key stakeholders, addressing RROW issues early, and improving quality of survey data



# FY 2009-2010 Imprest Expenditure



Notes: Jun 2010 - Nov 2010 ---actual expenditure

Nov 2010 - Jan 2011---projected expenditure, physical works and delayed delivery of GIS equipment

Jan 2011 - Jun 2011--- projected expenditure for Year 1 deferred roads



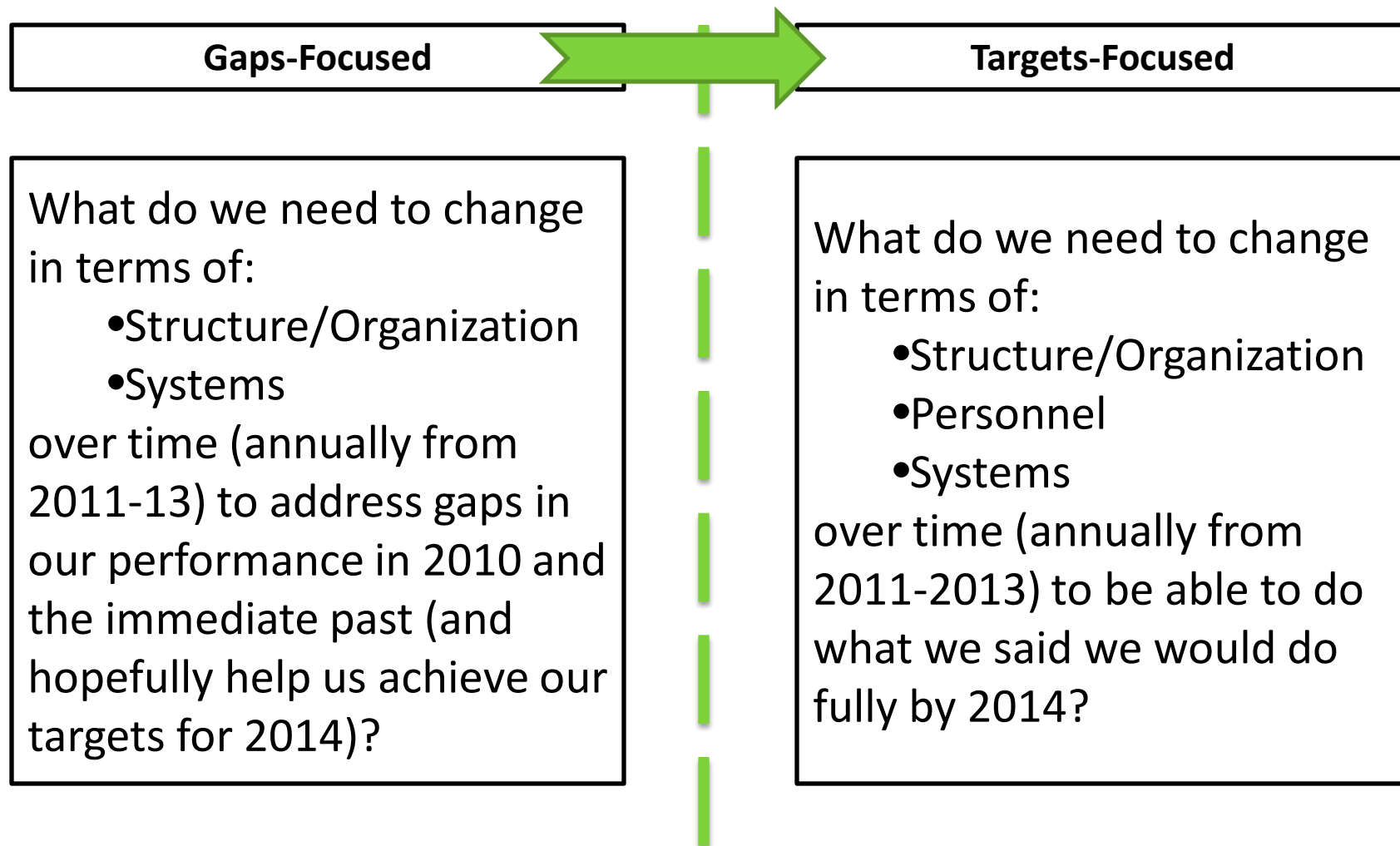
# Lessons

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- Clearer reform strategy required by each Province to demonstrate a cohesive and systematic approach to capacity development
  - Capacity development initially adopted a gap-based approach – evaluation of gaps in relation to immediate past and current performance
  - It now needs to transition to a target-based approach – focus on future targets and end-state institutional change
- The development of the graduation strategy and reform program will be a major milestone for each Province to demonstrate a comprehensive understanding of the requirements and future goals



# Transitioning to a Target-Based CD Planning Model





# Lessons

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- Adaptive management techniques and developing alternative strategies are required to achieve a balance between meeting expenditure targets and putting in effective and efficient reforms.
- Improved topographic mapping is needed for developing drainage schemes.
- Political intervention is viewed as a significant barrier to reform by government and private sector stakeholders, but it can be harnessed to drive the reform agenda.
- PRMF reporting needs to be streamlined and customised to the needs of decision makers (AusAID, DILG and the Provincial Governments).



# Lessons

- Local contractors need capacity development across a wide range of areas to meet quality expectations
  - Problematic designs and lack stakeholder input
  - Poor documentation and quality control
  - Succumb to patronage politics
  - Poor planning and scheduling
  - Poor cost estimation
  - Lack of skills in basic computer technology
  - Lack of skills in surveying
  - Lack of planning in sourcing materials and getting permits
- One suggestion is to strengthen the accreditation and licensing system



# Policy Issues

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- Physical Works
  - Inclusion of slope stabilisation in the base program as a component of road rehabilitation
  - Approach to sealing of steep slopes - now resolved as part of design guidelines
  - Stronger focus on access issues for local residents - embankment issues
  - Stronger compliance and adherence to procedures with RROW clearance prior to commencement



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# Thank You

