



Australian Government
Aid Program



Department of the Interior
and Local Government

Philippines Provincial Roads Management Facility

Supported by the Australian Government Aid Program

PRMF Forward Plan

Project Steering Committee Meeting

25 November 2010



Managed by:

coffey  international development
SPECIALISTS IN DEVELOPING COMMUNITIES

Outline

1.0 Overview

- What are the strategic priorities and annual objectives for the year?

2.0 Capacity Development

- What are new initiatives and activities in the next 6-12 months?

3.0 Physical Works Program

- How will the physical works be completed in Year 2?
- What road maintenance strategies will be used for each Province?
- What alternative physical works are there for funding?

4.0 What is the forecast expenditure in the next 6-12 months?

5.0 How will the program develop a more cohesive and strategic approach to reform in each province?

6.0 What incentives will be used in year 2?



PRMF Five (5) Year Strategic Priorities

1

- Sustain Core Network of Provincial Roads

2

- Strengthen Existing Government Systems

3

- Build Demand for Better Governance

4

- Demonstrate Replicability and Sustainability

PRMF Strategic Objectives 2010-2011

1

- **Sustain Core Network of Provincial Roads**

- Continue to raise awareness
- Introduce Integrated Transport Planning and Investment Processes
- Implement best practice road rehabilitation and maintenance processes
- Embed environmental management practices

PRMF Strategic Objectives 2010-2011

2

• Strengthen Existing Government Systems

- Strengthen Provincial Government Financial Management Systems
- Support improved e-communication, GIS, financial & accounting systems, engineering systems & revenue and tax collection systems
- Work closely with the bids and awards committees in each province on PRMF procurement activities
- Develop an integrated monitoring and evaluation system
- Operationalise and strengthen internal control systems
- Strengthen existing capacity on human resource management and development (HRMD)

PRMF Strategic Objectives 2010-2011

3

• Build Demand for Better Governance

- To engage provincial governments and other stakeholders in implementing community engagement strategies that will assist in creating demand for better governance and to strengthen transparency and accountability
- Continue to raise awareness of the PRMF and gain on-going commitment to its goals and objectives at all levels of government and with local communities
- Develop an integrated M&E system

PRMF Strategic Objectives 2010-2011

4

• Demonstrate Replicability and Sustainability

- Reach agreement on the selection of three additional provinces with key stakeholder
- Undertake preparation for mobilisation in the three additional provinces
- To build DILG's capacity to sustain and replicate PRMF initiatives

Capacity Development

Implementation Schedule of Outputs

Provincial Works and Reform Program and Graduation Strategies

- Draft under development in all provinces - estimated completion January 2011

Provincial Road Sector Planning and Management Review

- To be based on key result areas – due end of January

Provincial Road Network Development Plan (PRNDP) update

- Approval by end of March 2011

Incentive Targets

- Due by March 31 2011



New Projects for Approval

Orientation for DILG on Key PRMF Processes

- Basic understanding of the PRMF processes, tools and techniques in road network development and institutional reform to adequately support sustainability and replication.

Strengthening Oversight Capacities of DILG

- Improving skills and abilities to support oversight functions in relation to governance and institutional reform. Areas that will be covered include communication, negotiation, monitoring, and basic project management skills.



New Projects for Approval

Refresher Course on Engineering Design

- An update on engineering design principles and practices to supervise and manage rehabilitation and maintenance contracts.

Strengthening LGU Responsiveness of HRMD Plans

- Technical support in preparing multi-year HRMD Plans. An expert review of draft plans and provide advice on improvement based on organisational review/diagnosis and skills inventory and audit.



New Projects for Approval

Institutionalising LGU Internal Control Systems

- Technical input for developing internal control systems including reviewing and improving documents such as the operations manual, audit plan and internal audit report.

Enhancing the Competencies in Public Procurement

- Classroom training for Provincial BAC on procurement rules and regulations (GPRA 9184) to reinforce learning from the first year of PRMF implementation.



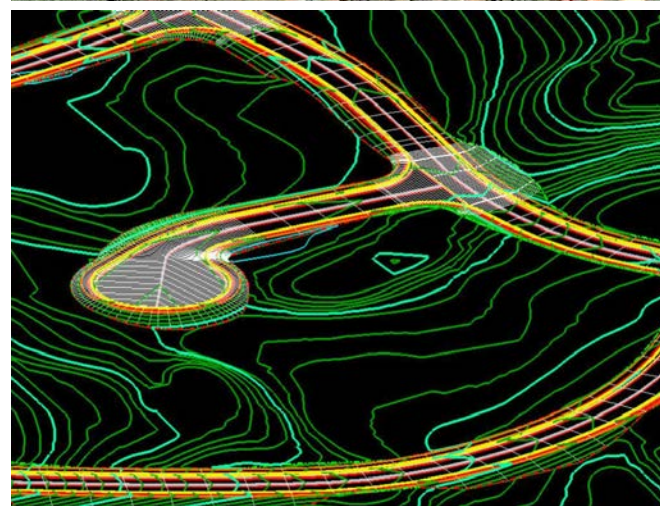
Facility-Wide Capacity Development Activities

New Projects for Approval

Capacity Development Project	Implementation FY 2010-11			
	1	2	3	4
Orientation Session for DILG on key PRMF Processes				
Strengthening Oversight Capacities of DILG				
Refresher Course on Engineering Design				
Strengthening LGU Responsiveness of HRMD Plans				
Institutionalising Key LGU Internal Control Systems through Effective Documentation				
Enhancing the Competencies of PRMF Partners in Public Procurement Processes				

Capacity Development – Options for Funding

- Options for Approval
 - **Digital Imagery per Province**
 - Used to map land cover, land use, environmentally sensitive areas, assets, infrastructure, coastal features etc
 - Georectified – an essential data infrastructure for GIS
 - **Digital Terrain Model for each Province**
 - Used to build topographic models for road development and other infrastructure development
 - Progressively develop an accurate terrain model for catchment modelling, flood modelling, climate change impact, visual impact, soil erosion, runoff calculations



Capacity Development

Province Specific Activities

- Given by Strategic Priority and Annual Objective
- Focus on:
 - Achieving and institutionalising incentive targets
 - Updating the PRNDP through participatory planning
 - Technical engineering training for contract management
 - Budget and expenditure management, Revenue Generation
 - Human Resource Management
 - Procurement
 - Monitoring and evaluation
 - Internal audit and control
 - Information Systems
 - Environmental Management



Demand for Better Governance

- Scoping study completed to understand civil society involvement in governance and roads
 - National level respondents
 - Provincial Respondents – CSO networks, associations etc
- Draft civil society engagement strategy
 - Overarching perspective and broad strategies based on local research and focus group discussions
 - Province specific strategies will be developed based on surveys and local discussions
- Community engagement strategy will be developed based on a forum and experiences with first year roads



Year 2 Physical Works – Changes and Timetable

- Changes to Physical Works Program
 - Bohol – changing 3 road rehabilitation projects
 - Misamis Occidental – 4 road maintenance contracts to start beginning of next financial year and an additional minor road extension to be included
 - Optional Projects identified to improve first year designs if funding is available (approx \$2million)
 - Installation of guard rails
 - Sealing of steep slopes
 - Slope stabilisation
 - Bridge repair or replacement



Physical Works Program - Timetable

- Completing Deferred Roads for Year 1
- Designing Year 2 Roads
- Completing Year 2 Roads



Road Rehabilitation and Maintenance

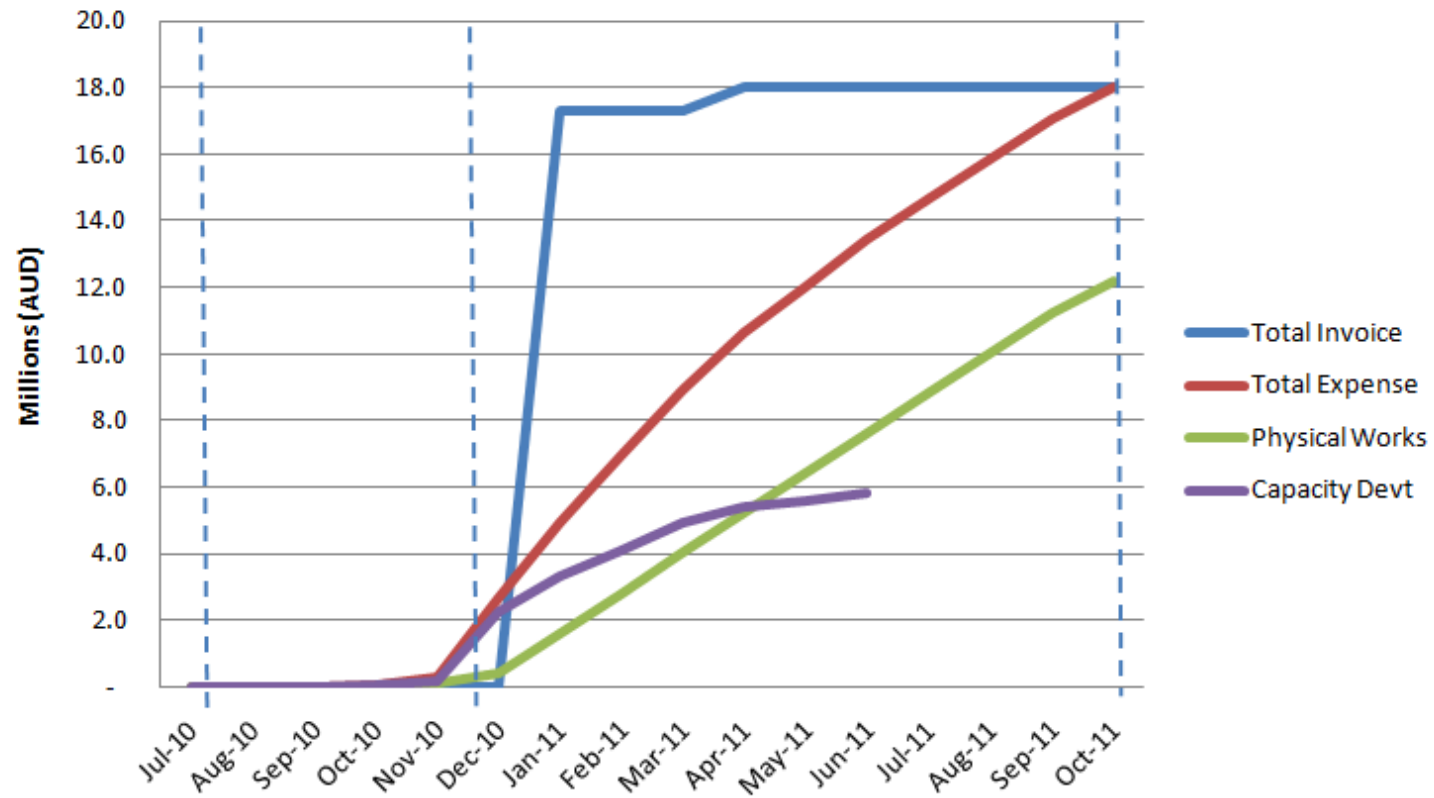
- Facility-wide road maintenance strategy drafted
- Development of Province-specific strategies using Guimaras as the pilot site
- Conducted a road maintenance forum with stakeholders to test assumptions and explore options
- Focus of the strategy – Area based and Long Term
 - Ensuring core provincial roads are in a maintainable state
 - Provincial Government can provide ongoing funds for maintenance
 - Stimulate private sector investment
 - Create local employment
 - Minimise transaction and project management costs



Expenditure for Year 2

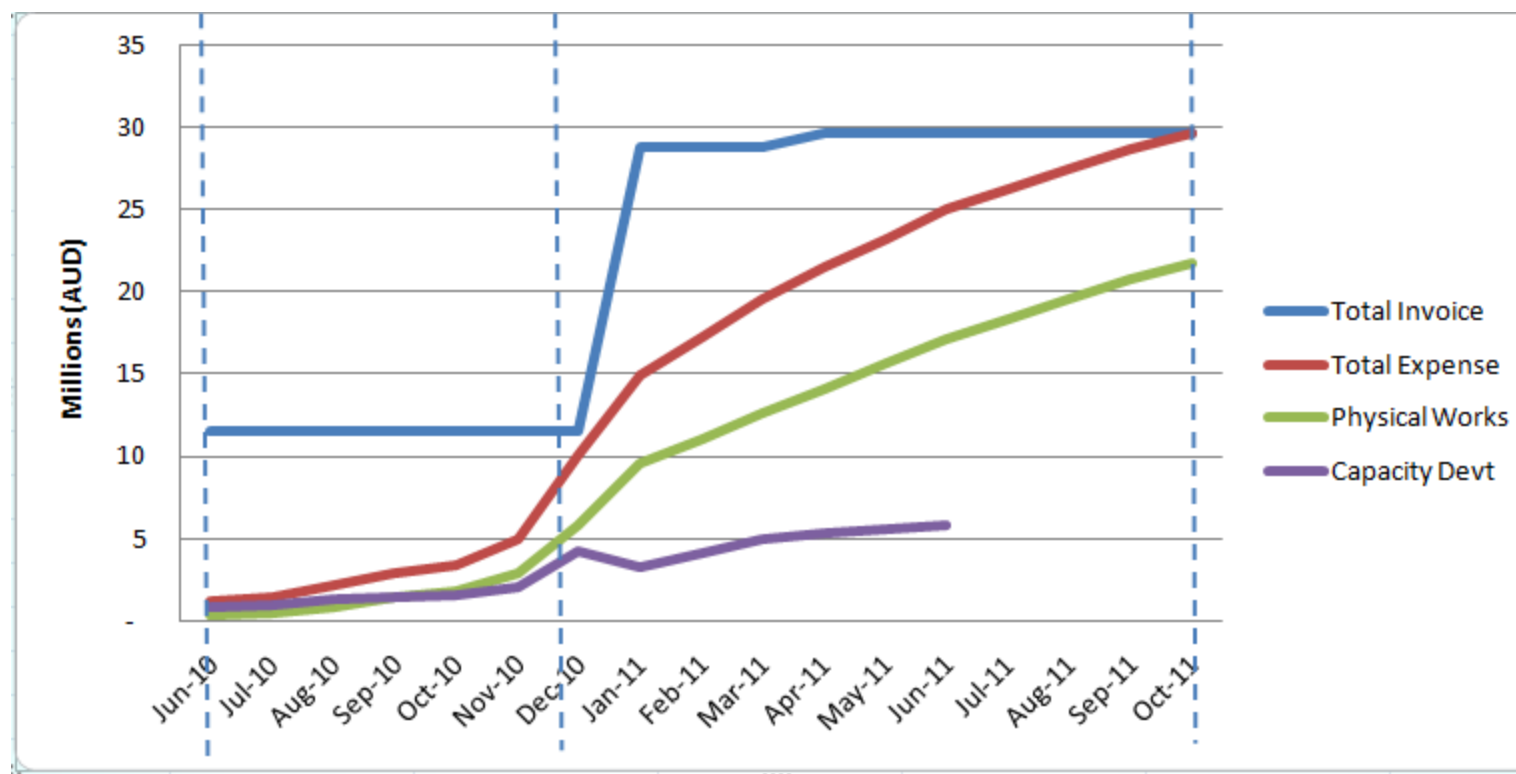


FY 2010-2011 Imprest Expenditure



Notes: Cash from year 1 will be used to finance the activities September to December 2010
 Imprest Invoice to AusAID will start in January
 Most activities for Year 2 is capacity building/purchase of GIS equipment

FY 2009-2011 Actual and Projected Expenditure



Notes: Combined FY 2009-2010 and FY 2010-2011 allocation, actual and projected expenditure

Imprest invoice will commence on January 2011

The 3rd batch of Physical Works will be awarded in May and completion will extend September

June to November 2010 is actual expenditure

December 2010 to October 2011 is projected expenditure

Developing the Reform Program and Graduation Strategies

- Reform Program and Graduation Strategies currently being developed based on 9 Key Result Areas
- Each is described in terms of:
 - End State – the goal for the functional area
 - Lead Department
 - Compliance requirement – government rules, policies etc
 - Means of verification – minimum acceptable standard
 - Sustainability indicator – sufficient organisational capital to be sustained
 - Current Provincial Rating
- The Reform Program will be described in terms of annual objectives and strategies to achieve the end state



Key Result Area Example

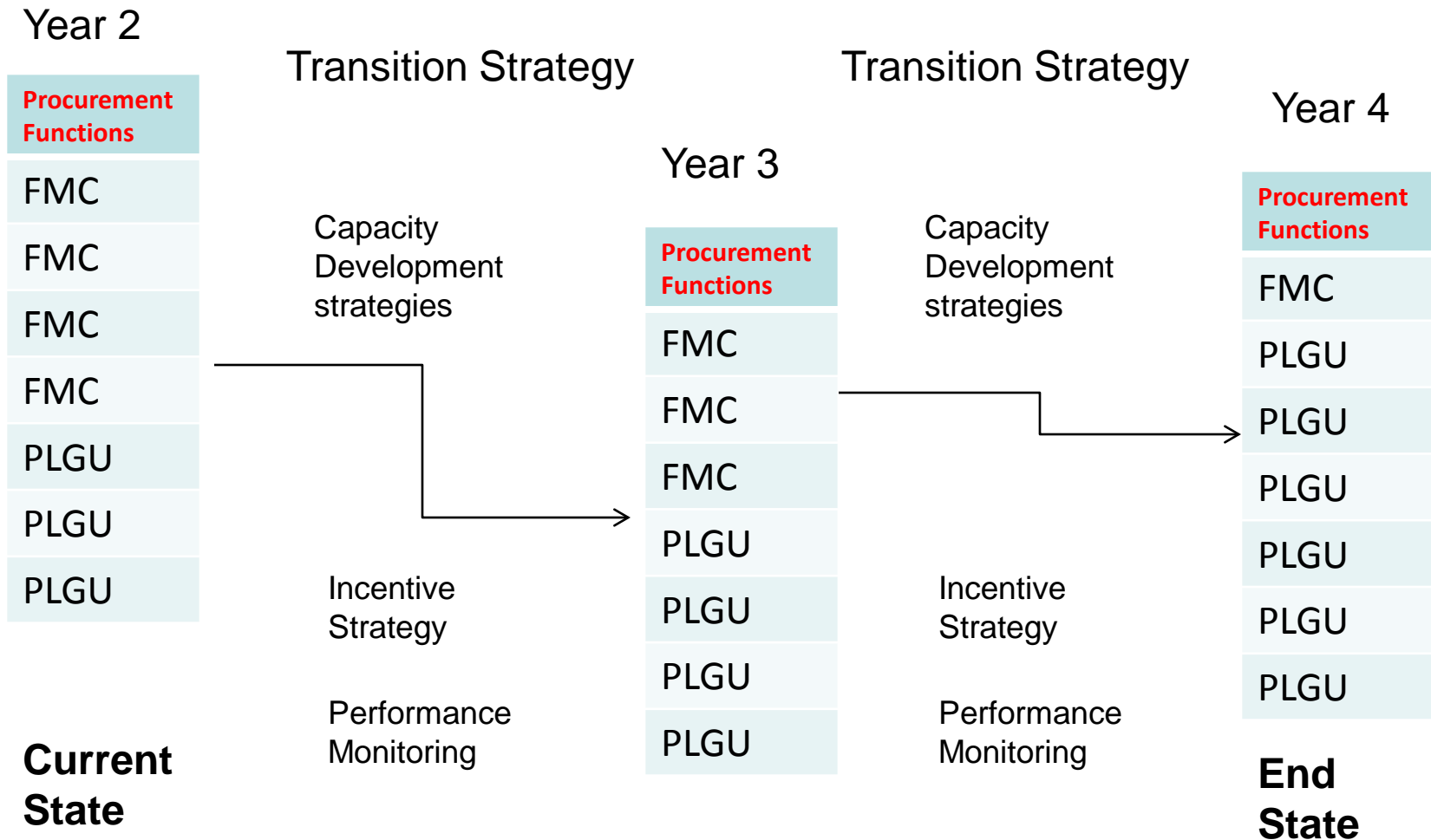
Road Sector Planning – 6 End State Goals

Goal – End State 1.	The Provincial Road Network Development Plan is updated, maintained and based on road network analysis and participatory planning techniques
Lead Department	Provincial Planning and Development Office
Compliance Requirement	Provincial Local Planning and Expenditure Management (PLPEM, JMC 01-07) DILG Design Guidelines for Local Roads
Means of Verification	Annual update of the PRNDP with funds provided by the Provincial Government
Current Rating (1-5)	2 – Non compliant – not yet institutionalised

Developing the Reform Program and Graduation Strategies

Key Result Areas	Combined Rating				
	1	2	3	4	5
1.0 Road Sector Planning (2.17)					
2.0 Road Services Delivery (2.29)					
3.0 Budget and Expenditure Management (2.8)					
4.0 Internal Control and Internal Audit (1.8)					
5.0 Procurement (2.7)					
6.0 Human Resource Development (2.67)					
7.0 Environmental Management (1.67)					
8.0 Information Systems Management (2.0)					
9.0 Monitoring and Evaluation Systems (2.0)					

Reform Agenda – Road Map



Year 2 Incentive Criteria

TIED

1. Development of Multi-Year Budgets linked to Provincial Plans
2. Establishment and Effectiveness of Internal Control Procedures and Internal Audit
3. Development and Implementation of a multi-year HRMDP
4. Level of Contracting Out of Road services Using Own-Source Funds

UNTIED

5. Increase in Locally Generated Tax and Fee Revenue



Development of Multi-Year Budgets linked to Provincial Plans

1. **Annual Investment Plan 2011** which includes priorities in the PRNDP and the PDIP
2. The **Appropriation Ordinance 2011** must fund the AIP for 2011
3. The **ELA must include the 3-year PPAs** and policy recommendations of the PRNDP.
4. A **Provincial M&E System** established for the PRNDP and an annual monitoring and evaluation report must be produced.
5. A **formal monthly meeting** is conducted among department heads, presided by the Governor/Administrator, that discusses road sector concerns among others.
6. **PDC is convened** on a frequency as required by the Local Government Code. All meetings are properly constituted and meets minimum quorum requirements including civil society representation.



Establishment and Effectiveness of Internal Control Procedures and Internal Audit

1. **Department Head** designated and reporting directly to the Governor.
2. **PIAO Operations Manual**
3. **Audit Plan for 2011** with an annual budget approved by the SP.
4. **Staff** are designated to the PIAO
5. The PIAO will lead the development and completion of a **risk assessment** matrix for the PEO; PPDO; PAO; PBO; PTO; and the BAC.
6. **One internal audit report** is completed that covers the PEO's road maintenance activities for 2010 using the procedures detailed in the approved Operations Manual, and submitted by the PIAO to the Governor for acceptance.



Development and Implementation of a Multi-Year HRMD Plan

1. A report to show the process of using the staff and skills inventory to inform the HRMDP and CDP.
2. A five-year HRMDP approved by the Governor and the SP.
3. An annual budget allocation for 2011, approved by the SP, which together with the PRMF, funds all activities for the implementation of the HRMDP and Capacity Development Program for 2011.
4. An M&E System for monitoring capacity development and human resource management approved by the Governor and the SP.
5. Completed at least one a capacity building activity, using Provincial Government funds, from design to implementation to evaluation.
6. Updated job descriptions that meet CSC standards.



Level of Contracting Out of Road services Using Own-Source Funds

1. Contracting Out of road services

- ADS
 - LGU must have contracted out at least 50% the value of 2010 road maintenance budget using RA9184
- BUK
 - LGU must have contracted out at least 15% the value of 2010 road maintenance budget using RA9184
- BHL, GUI, MOC, MOR, SDN
 - LGUs must have contracted out at least 10% the value of 2010 road maintenance budget using RA9184



Level of Contracting Out of Road services Using Own-Source Funds

- **Full road inventory detailing all provincial roads**, their respective condition, traffic volume, width, length and other relevant factors is prepared, placed in a GIS database, and completed by the Provincial Government, and submitted to, and approved by, DILG by 31 March 2011.
- Improved procurement process/system
 - A filing system, which meets the requirements of GPRA 9184, established to store BAC records, decisions and contractor performance information.



Thank You

