



REPUBLIC OF THE PHILIPPINES
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
MANILA

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DEPARTMENT ORDER)
NO. 34)
Series of 2011 *(XKB 06-29-11)*)

SUBJECT: **IMPLEMENTATION ARRANGEMENTS AND
CREATION OF A PROJECT MANAGEMENT
OFFICE FOR THE JICA-ASSISTED ROAD
UPGRADING AND PRESERVATION PROJECT**

To ensure efficient and effective implementation of the Japan International Cooperation Agency (JICA)-Assisted Road Upgrading and Preservation Project (J-RUPP) and the achievement of the goals and target results of the Project, the following implementation arrangements are hereby prescribed:

1.0 Overall Leadership

The overall direction and leadership for the implementation of the J-RUPP shall be provided by the Secretary, with the support of the DPWH Management Committee (ManCom). Directly assisting the Secretary in his overall direction of the project shall be the Undersecretary and Assistant Secretary for PMO Operations.

2.0 Oversight

The DPWH ManCom shall serve as the policy governing body for the J-RUPP. The ManCom shall address major issues pertaining to policies and institutional reforms, including the formulation of the corresponding DPWH position on concomitant implementation issues that require management attention. The ManCom shall formulate recommendations on such issues for the consideration of the Secretary.

3.0 Direct Management

A Project Management Office (PMO) is hereby created and shall be responsible for the general administration of the J-RUPP. The J-RUPP-PMO shall be primarily responsible and accountable for the management of program inputs and delivery of project outputs. It shall ensure the timely completion of all tasks as laid out in the Minutes of Discussions (MOD) dated 20 November 2009. The PMO shall also act as the Secretariat of the ManCom on matters pertaining to the J-RUPP.

4.0 J-RUPP-PMO Composition

- 4.1 The organization structure for implementation shall be in accordance with Attachment 6 of the Minutes of Discussions dated 20 November 2009.
- 4.2 The J-RUPP-PMO shall be headed by a Project Director who shall manage the day-to-day activities of the project. The Project Director shall report directly to the Undersecretary for PMO Operations, through the Assistant Secretary for PMO Operations.

- 4.3 The three major components of J-RUPP, namely: a) Upgrading and Improvement (UI); b) Asset Preservation Contract (APC) and Preventive Maintenance (PM); and, c) Institutional Capacity Development (ICD) shall be headed by Component Managers to be designated by the Secretary.
- 4.4 The concerned Undersecretary for Technical Services is hereby designated as Project Adviser to the J-RUPP in the implementation of the Institutional Capacity Development Component.
- 4.5 Pending approval of the DPWH Rationalization Plan, the Office of the Project Director shall have, for the meantime, four (4) management support units responsible for administrative, finance, procurement and monitoring and evaluation activities.

5.0 J-RUPP-PMO Roles and Responsibilities

- 5.1 The functions and responsibilities of the J-RUPP-PMO shall include the following:
 - 5.1.1 Coordinate all implementation tasks with the respective implementing units of DPWH, e.g., BOM, MIS, Regional Offices/District Engineering Offices, as well as external entities, e.g., Road Board and Bantay Lansangan;
 - 5.1.2 Direct, manage, and implement projects and services, both for civil works and consultancy, including the management of the following activities:
 - 5.1.2.1 Conduct of pre-construction activities, bidding and contractual proceedings;
 - 5.1.2.2 Direction and supervision of the preparation and implementation of work and financial plans, procurement and construction schedules; and,
 - 5.1.2.3 Managing allocations, facilities and resources assigned for the implementation of the project;
 - 5.1.3 Exercise overall responsibility for the successful implementation and completion of the projects, services and activities of the project, as follows:
 - 5.1.3.1 Monitor pre-construction and construction activities and evaluate progress against plans, and in case of delays, institute appropriate measures to catch-up with the plans;
 - 5.1.3.2 Oversee project implementation performance in accordance with stipulated contractual obligations;
 - 5.1.3.3 Establish systems and procedures and undertake appropriate measures whenever necessary to mitigate cost and time overruns;

5.1.3.4 Administer, coordinate and supervise the implementation and execution of loan and/or financial agreements to ensure compliance with requirements and covenants of loan agreements; and,

5.1.3.5 Develop, adopt and maintain appropriate systems for planning, forecasting, monitoring and reporting physical and financial performance of the program; and,

5.1.4 Prepare J-RUPP 2 concepts and objectives, based on JRUPP 1 results and program goals.

6.0 Component Implementation

6.1 Road Upgrading and Improvement (Component 1) comprising consultancy services (detailed engineering and construction supervision) and civil works shall be managed by a unit of J-RUPP-PMO designated on full-time basis to manage and implement the sub-projects and services under the direct supervision of the designated Component Manager for UI.

6.2 Asset Preservation (Component 2) comprising Asset Preservation Contract (APC) and Preventive Maintenance (PM) shall be supervised by the designated Component Manager, as follows:

6.2.1 The Asset Preservation Contract (APC) shall be managed by a unit of J-RUPP-PMO designated on full-time basis to manage and implement the sub-projects under the direct supervision of the designated Component Manager for Asset Preservation.

6.2.2 The Preventive Maintenance (PM) shall be designed, procured and managed by Regional Offices or by District Engineering Offices depending on the package size.

6.2.3 The Consulting Services to undertake project implementation and management services for the Asset Preservation Contract (APC) and the Preventive Maintenance (PM) components shall be managed by the designated J-RRUP-PMO unit under the direct supervision of the designated Component Manager for Asset Preservation.

6.3 Institutional Capacity Development (Component 3) comprising seven (7) sub-components, namely, Overloaded Vehicle Control Enhancement (ICD-1), Quality Assurance Enhancement (ICD-2), Emergency Road Disaster Recovery Equipment (ICD-3), Communication Network and IT Equipment/Software (ICD-4), JICA TCP II Support for 13 Regions (ICD-5), Capacity Enhancement of Public and Private Sectors (ICD-6) and Reform Monitoring Assistance (ICD-7) shall be coordinated by the designated Component Manager for Institutional Development.

6.4 Each Component Manager shall report to the Program Director on all activities pertaining to the implementation of their respective assigned components.

7.0 Procurement

The J-RUPP-PMO shall coordinate all procurement activities with the DPWH Central Procurement Office (CPO). Procurement for Consultancy Services, Goods and Civil Works shall be handled by the respective DPWH Bids and Awards Committees (BACs) in accordance with the JICA Procurement Guidelines.

8.0 Financial Management

Project Financial Management (FM) shall be undertaken by both the Comptrollership and Financial Management Service (CFMS) and the J-RUPP-PMO. The main FM system shall be conducted by the CFMS and shall be used to maintain the books of accounts, monitor the Special Account (SA) and prepare the Project Financial Reports required by JICA. The J-RUPP-PMO on the other hand shall institute a sub-system for the initial screening of transactions, for the preparation of disbursement vouchers, Statement of Expenditures and withdrawal application for the SA, for the management of the SA and for the preparation of other financial management reports. All billings shall be processed in accordance with JICA-approved policies and procedures as well as the government's accounting and auditing rules and regulations.

9.0 Operations Manual

The J-RUPP-PMO shall formulate an Operations Manual (OM) that provides in detail the policies and procedures, the roles and responsibilities of the various implementing units in the execution of the project. The OM shall be submitted to the ManCom for review and approval.

This Department Order supersedes Department Order No. 5, series of 2010, and may be amended and/or supplemented as the project is under implementation and when changing implementation circumstances warrant.

This Order shall take effect immediately.


ROGELIO L. SINGSON
Secretary



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