



Republic of the Philippines
DEPARTMENT OF PUBLIC WORKS AND HIGHWAYS
OFFICE OF THE SECRETARY
Manila

097.13.DPW/H
06.09.2017

08 JUN 2017

DEPARTMENT ORDER)
NO. **80**)
Series of 2017)

SUBJECT: Allocation of the Authorized 3.5% Deductions from Projects Funds for Engineering and Administrative Overhead (EAO) for FY 2017

Consistent with the commitment of the Department to fast track project implementation and the timely completion of all infrastructure projects, whether foreign-assisted or locally-funded, with the active participation of the District Engineering Offices in the implementation of Centrally/UPMO and Regional managed projects, and in accordance with Section 11, Special Provisions of General Appropriations Act (GAA) FY 2017, the breakdown of allocation of the authorized Engineering and Administrative Overhead Expenses for Capital Outlay projects is as follows:

For Foreign-Assisted Projects:

Percentage of Deductions/Retentions from Project Fund				
Central Office (CO)/PMO	Equipment	Regional Office (RO)	District Engineering Office (DEO)	TOTAL
2.25%	0.25%	0.25%	0.75%	3.50%

For Locally-Funded Projects:

Percentage of Deductions/Retentions from Project Fund				
Implementing Office	Central Office (CO)	Regional Office (RO)	District Engineering Office (DEO)	TOTAL
Central Office / PMO- Implemented	2.00%	0.50%	1.00%	3.50%
RO -Implemented	.50%	2.00%	1.00%	3.50%
DEO- Implemented	.50%	0.50%	2.50%	3.50%

For those directly released to the Regional Offices and District Offices, which are authorized to deduct not more than 2.50% and 2.00% , respectively, of project cost for EAO expenses, the breakdown of allocation which shall apply to locally-funded projects, shall be as follows:

For Directly Released to RO and DEO:

Implementing Office	Percentage of Deduction/Retentions from Project Fund		TOTAL
	Regional Office (RO)	District Engineering Office (DEO)	
RO –Implemented	2.00%	0.50%	2.50%
DEO – Implemented		2.00%	2.00%

For Local Infrastructure Program, an EAO of one percent (1%) and for other infrastructure projects of other departments/agencies being implemented by DPWH, an EAO of one half percent (.50%) of the project cost per Section 11 of the Special Provisions of the GAA, shall be imposed and shall be released fully to the Implementing Unit.

It is provided further that the engineering and administrative overhead expenses shall not be authorized for infrastructure projects costing One Million (P1,000,000.00) and below.

This Order supersedes Department Order No. 22 series of 2016, and shall take effect immediately.


MARK A. VILLAR
 Secretary

Department of Public Works and Highways
 Office of the Secretary



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8.1 MAP