

## **INSTRUCTION FOR IMPLEMENTATION OF DEPARTMENT OF WORKS 2011 TARGETS**

The Government, through the Deputy Prime Minister and new Minister for Works, Hon. Samuel T. Abal, has declared 2011 as the first year of implementation of the PNG Vision 2050.

In line with the Government's medium term (2011 - 2015) targets to achieve 3500 km of existing national roads in good condition, the *Department of Works* has aligned its targets accordingly. Hence, the purpose of the following information brief is to further disseminate these targets to all concerned stakeholders and everybody else.

# **SUBJECT: INSTRUCTION FOR THE IMPLEMENTATION OF THE TARGETED ROAD PROJECTS FOR 2011**

## **1.0 Scope and Purpose**

1.1. The scope of the instruction mainly focuses on the road projects targets for 2011

1.2. The purpose of this instruction is to:

1.2.1. inform everyone of the Department of Works project targets for 2011

1.2.2. provide direction and benchmark against which all programs can measure their performance

## **2.0. Brief Background**

The Government has declared this year 2011 as the first year of the implementation of the 2050 development plan. Department of Works is identified as the lead implementing agency of the road transport development projects. The government target is to achieve 25,000km of the existing 30,000km in good condition by 2030. Currently, Department of Works is only mandated to look after 9,000km of national road out of the total 30,000km in the country. The other 21,000km are rural roads which are under shared responsibility for maintenance and up keeping amongst the provincial and local level government. In the near medium term 2011-2015, Department of Works is expected to:

- upgrade and seal 2500km national priority roads and 1000km of other national road totaling to 3500km of the total 9000km
- Undertake survey and feasibility studies for the 16 missing links and construct 1 missing links
- Undertake survey and feasibility studies for 4 economic corridors and construct 1 economic corridor

The Department of Work's targets for this year 2011 has been tailored with the above government's targets and objectives.

### 3.0 Targets for 2011

The DoW targets will focus on the upgrading and sealing works to expand the national road network to good condition level and secondly on the opening up of the missing links.

#### 3.1. National Roads (9000km)

- o The project identification and prioritizing of the upgrading and sealing works shall be conducted in consistent with the road condition statistics of the 9000km of existing national roads provided by the Road Assert Management Branch (32% good condition, 44% in fair condition, 20% in poor condition and 4% not surveyed). **Emphasis should be assigned more on rehabilitating, upgrading and sealing of the remaining 68% which makes up the fair, poor and not surveyed categories.**
- o In line with the work plans for 2011, here below are the targets by the different programs for this year 2011:

Program	Activity	Target Road Length (km)	Target Cost (PGK)
GoPNG	Upgrade and Seal	429	133,914,084.00
HHRP	Upgrade and Seal	14.8	15,000,000.00
ADB	Upgrade and Seal	220	101,554,564.00
AUSAID TSSP	Resealing to good condition	160	101,554,342.00
World Bank	Upgrading and Sealing	95	135,000,000.00
GoPNG NRM	Resealing to good condition	2600	60,000,000.00
GOPNG Bridge Maintenance	Maintenance and replacement of bridges	40	40,000,000.00
<b>Total</b>		<b>3,588.8</b>	<b>587,022,990</b>

- o The respective activities heads, especially Project Directors are requested to review your individual targets in conformance with your work plans for 2011 with your project staff and confirm are realistic and achievable target for 2011. Ongoing projects to be completed in 2011 should be included.
- o The finalized targets shall be divided and distributed to provinces as the provincial targets and copies to the Project Coordination for compilation and recording of the same.
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### 3.2. Missing Links

In line with confirmed funding, only the following missing links will commence this year 2011. The road will be constructed to pilot track standard road which will be later upgraded to a national highway standards.

<b>Program</b>	<b>Activity/Scope</b>	<b>Target Road length(km)</b>	<b>Target Cost (PGK)</b>
<b>GoPNG- Missing links</b>	<b>1. Feasibility studies, survey and design and commence, construction of New Britain connection</b>	<b>10</b>	<b>10,000,000.00</b>
	<b>2. Feasibility studies, survey and design and commence construction of Erave - Sembirigi (SHP)</b>	<b>22</b>	<b>20,000,000.00</b>
<b>Total</b>		<b>30</b>	<b>30,000,000.00</b>

- For the successful execution of these projects, effective planning is essential. The Technical Division will liaise with the officers from the provinces where the missing links are located and undertake project feasibility studies and identify a suitable alignment for pilot track. Carry out survey and design and undertake estimate for construction. Our technical division must dedicate more emphasis on developing cost effective designs, realistic scoping, and uphold standard construction and quality procedures to ensure value for money
- Compare the construction cost with the total budgeted amount for this year 2011 and assess if the planned pilot track can be constructed within the confines of the available funding. If the allocated funding is inadequate to achieve the targeted road length, than the construction will have to planned in stages and accordingly do a cash flow projection of the shortfall cost over the corresponding years the project is planned to be completed and advice the government for funding via the normal budgetary process.
- It is important that the project commences on the right footing at the beginning than to find ourselves in a mess at the later stages of the project cycle as it is always the case in DoW.
- To expedite the process, GPS technology can be considered for the survey works on the designated alignments of the missing links. If we cannot source the expertise internally, efforts should be made sources it externally from reputable survey firms.

## **4.0 Implementation Governance and Protocol**

- 4.1. The targeted projects will be scoped, designed, procured, managed and constructed within the regulatory framework of the existing standards, process, policies, plans, structure, systems and manuals including the requirements of the donors.
- 4.2. The target cuts through the boundaries of everyone's area of responsibility. Hence, every division and branch is required to take ownership of the targets and ensure sustained commitment throughout the year by providing necessary support, leadership and direction

## **5.0. Appropriate Contract Arrangements**

- 5.1. Since contracting is the only mode of procuring the targeted works there must be effectiveness in procuring and letting of contracts.
- 5.2. It is important that the targeted projects are delivered within time, budget and importantly in accordance with the specified quality standards. It is essential for the Contract Management Branch to ensure that contracts are drawn up on the basis of realistic and achievable scopes, technical designs and Bill of Quantities. There are projects currently encumbered with increased variations mainly related to poor scoping which were not properly considered at the project inception stage. This must be addressed to avoid delays relating to time lost in pursuing variations and major contract scope changes through the rigorous government systems.
- 5.3. Evaluation and recommendation of contractors must be done in a credible manner. Contractors are our key vehicles to impel the delivery of the targeted projects. The contractor's capability in terms of having the required finance, construction equipment and experience must be properly considered before going into agreement.
- 5.4. Delays must be minimized or avoided. There is no need to hasten the procurement process to CSTB without properly evaluating our confidence level of successfully completing the project within time, budget and in accordance to the specified scope and quality.
- 5.5. The supervision structure must be standardized so that a sizeable team fit for the purpose is retained on the projects supervision organization to avoid wastage of limited supervision funds and overlapping and conflicting of responsibilities. It is vitally important that the roles, responsibilities and limits of the authority of the key personal identified in the structure are clearly defined. There have been numerous instances of individuals acting outside of their limits of authority which has resulted in issuing of wrong or unclear instruction and approvals to contractors thereby needlessly committing the state.
- 5.6. On the basis of the magnitude and complexity of the projects, competent and skilled engineers must be identified and appointed to effectively manage issues and progress works in the right direction.

## **6.0. Progress Monitoring and Reporting**

- 6.1. Monitoring and making regular assessment of the organization's targets is compulsory
- 6.2. The Project Coordination Branch will liaise with all the responsible activity heads and publish the final targets by beginning of **February 2011** for all programs including the provincial targets and the corresponding priority road names and lengths. These targets will be used as the base line data for the quarterly reviews and monitor the performance of the different programs and discuss ways to improve performance of those projects and programs running behind schedule.
- 6.3. The Project Coordination Branch will ensure that the different reporting formats currently in practice are reviewed and standardized for the department to adopt. A project progress report on quarterly basis is to be published to all activity heads. The reports will include physical and financial indicators on the basis of which it will be possible to verify achievement of the expected outcomes. An electronic copy should be issued to the IT Branch for publishing the same on the DoW website.
- 6.4. Issues affecting the project progress are clearly identified, assessed and assigned to people who are capable of managing them.

## **7.0 Expected Outcomes**

- 7.1. Sections of the national roads equivalent to the targeted length is improved within the targeted cost and quality to expand the national road network to good condition level from the current 32% by another 41% to bring the running total to 73% at the end of 2011.
- 7.2. Open two missing links and increase flow of agricultural products to main markets and consumer goods and services to village communities
- 7.3. Reduction in vehicle operating costs and travel time
- 7.4. Lower accident rates related to potholes and poor condition

## **8.0. Conclusion**

- In line with near MTDP 2011-2015 targets, our targets for this year 2011 is to upgrade and seal 3500km of the existing 9000km of the national road network in poor, unfair or unsurveyed condition category and commence construction works on the New Britain and Erave-Sembirinki (Gulf-SHP) missing links.
- The targets should give all of us something to measure our progress against and foster a culture of cooperation and teamwork towards a common goal.
- People are our most important asset and we must make sure that there is wide publicity and awareness of this highly demanding course so that everyone is fully conscious of the department's targets for the 2011.
- In the face of scarce funds and limited budgets, we must constantly choose the most cost effective approaches to maximize our output.