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Getting Big Things
Done Through

VALUE
MANAGEMENT

MANAGEMENT DE LA

Réaliser de grandes
choses avec le

VALEUR

Institutionalizing VM
in the Philippines





Rhiza CASTILLO

Institutionalizing VM in the Philippines



Christine LAUMOND

Rhiza and Christine work for SYSTRA Philippines, a subsidiary of an international mass transportation infrastructure and design firm, serving both private and public sector clients.

They both completed their Module 1 training in Toronto (by Lucie Parrot and Tom Fletcher) in October 2016, after which they received their VMA certifications. While working towards becoming CVS, they have already participated in 25 VM workshops and over a dozen training / capacity building courses for government projects.

Agenda



1. Background
2. Institutionalization Efforts by NEDA
3. Institutionalization in Government





Background



Background



REPUBLIC OF THE PHILIPPINES
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY

- The Philippines' premier socioeconomic planning body
- Review, evaluation and monitoring of infrastructure projects
- Short-term policy review and critical analyses of development issues and policy alternatives
- At the forefront of institutionalizing VM for national government infrastructure investment undertakings



Background



2009



Development of NEDA's Value Analysis Handbook



Practice of VM by NEDA for government implementing agencies



Updates by SAVE International to its manual, certification process, and complementary techniques



2022

NEDA commissioned various activities to institutionalize VM in the Philippine Government for major infrastructure projects





Institutionalization Efforts by NEDA



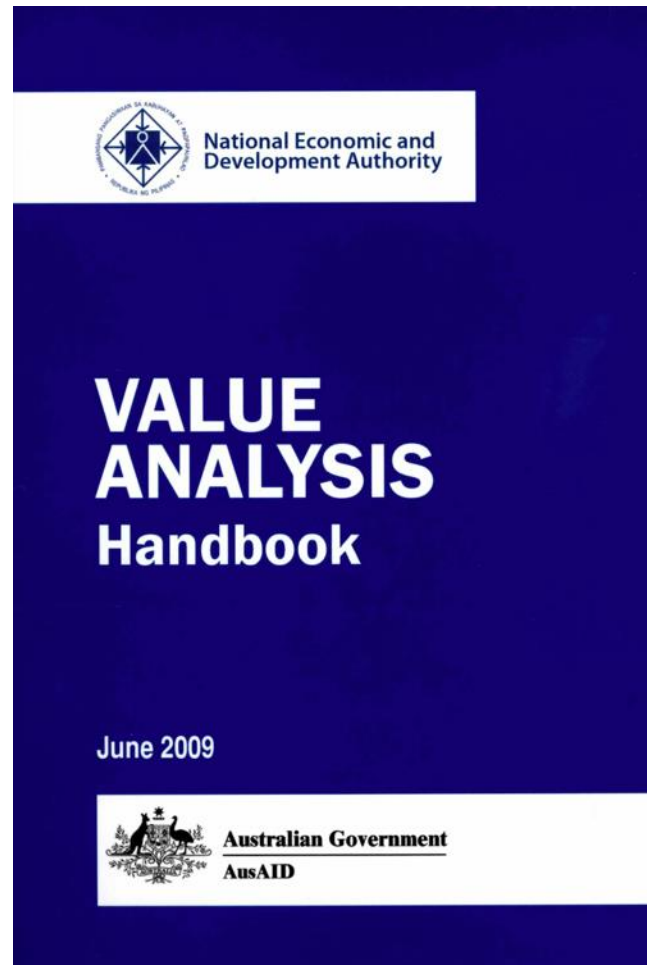
Institutionalization Objectives



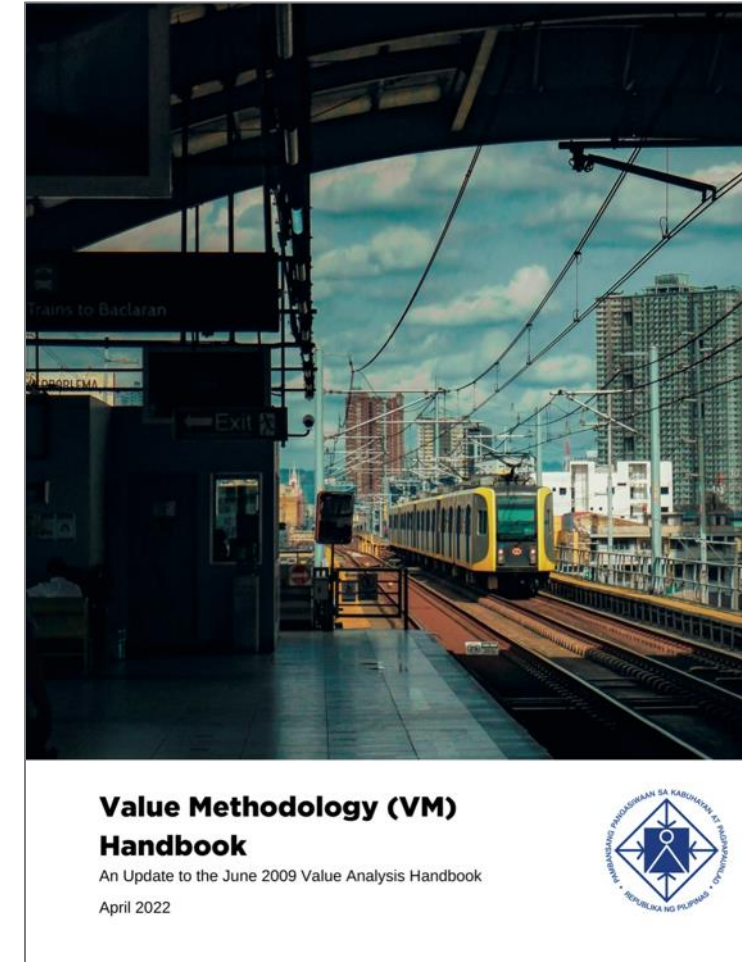
1. Integrate VM in government procedures and processes
2. Contribute to the development of the VM industry and practice for the sustained adoption of VM throughout the life of a project:
 - conceptualization
 - development
 - implementation
 - operations and maintenance.



Updating of the VM Handbook



- No Function Analysis Phase
- Team composition template for wastewater projects only
- No Value Study budget templates
- Reference documents limited to FAST Diagram, weighted evaluation and life cycle calculation



- With Function Analysis and Preparation Phase
- With team composition templates for airports, road/highways, transit, water, wastewater, and flood control
- With sample budgets for CVS, VMA and SMEs
- With tools/templates for all 8 phases of the methodology

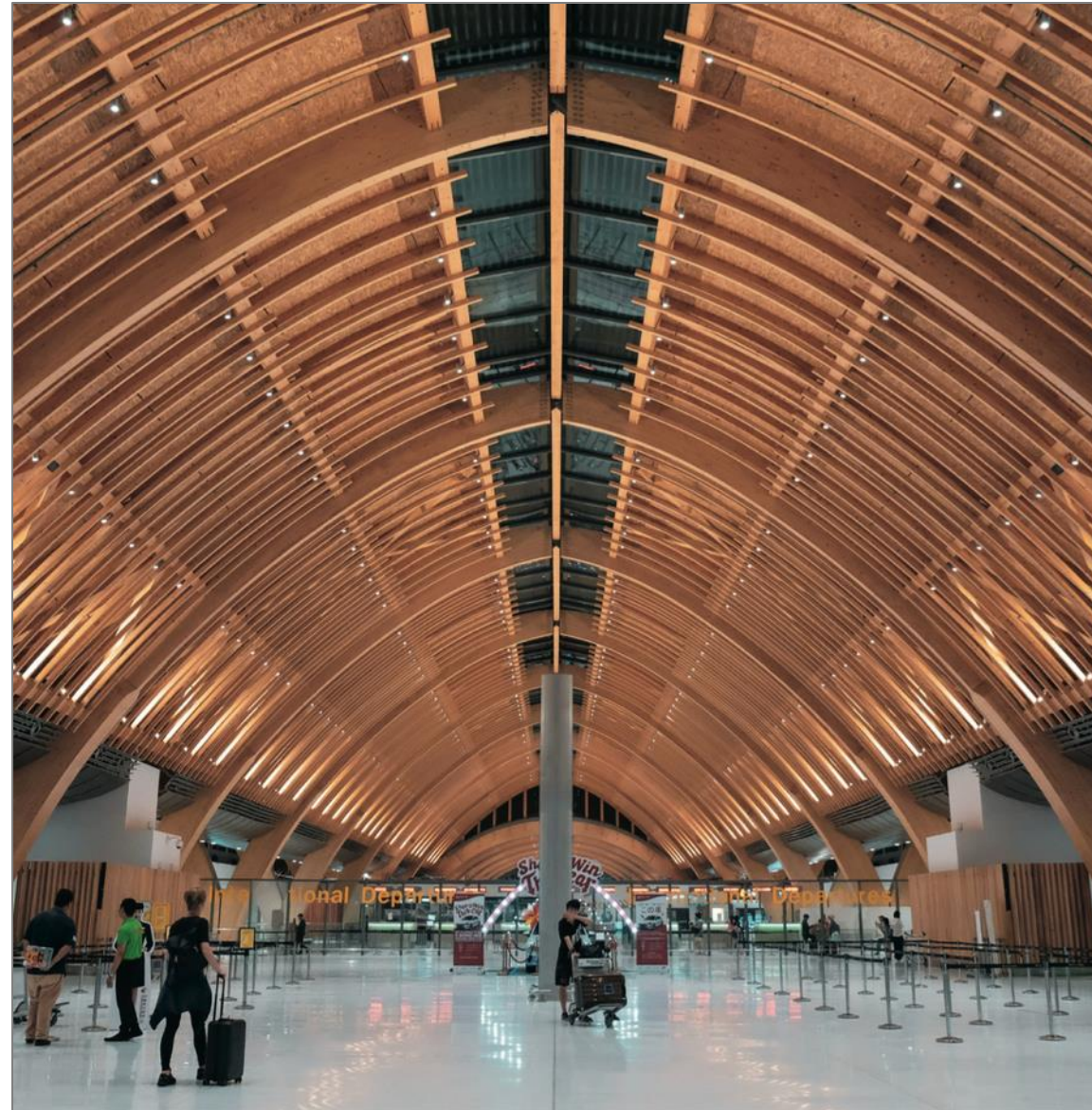


Updating of the VM Handbook



08 May 2023
Ceremonial Turnover of the
VM Handbook to select
Philippine Government line
agencies





**Value Methodology (VM)
Institutionalization Strategy
Manual**

April 2022



Recommends short-, medium-, and long-term strategies in the institutionalization of VM in Philippine government agencies.

- establishing and maintaining a VM program
- planning, executing and implementing VM studies
- records management
- educating and training
- advocacy
- continuous improvement
- reporting and monitoring.

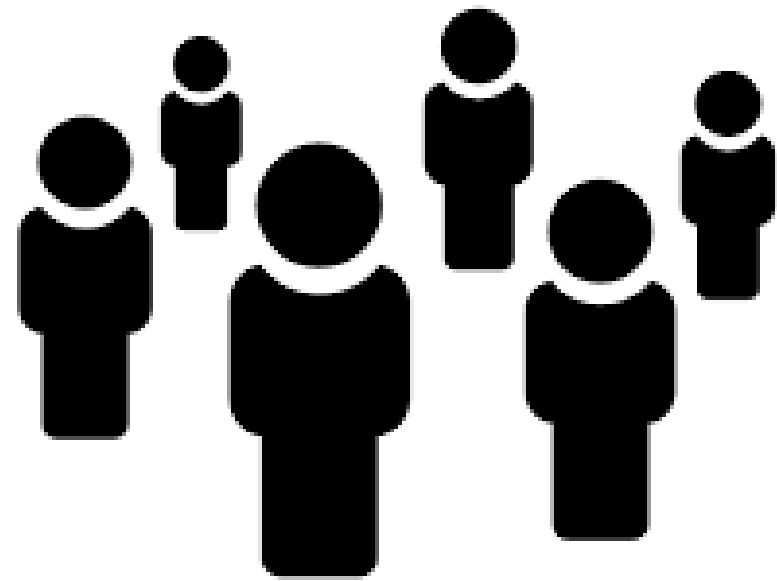
Road Map



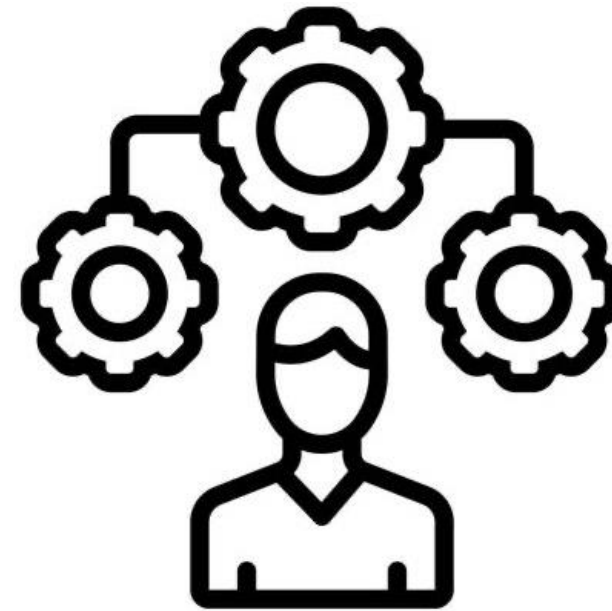
Elements of Institutionalization



Public Policy



Professional Association



Program Considerations



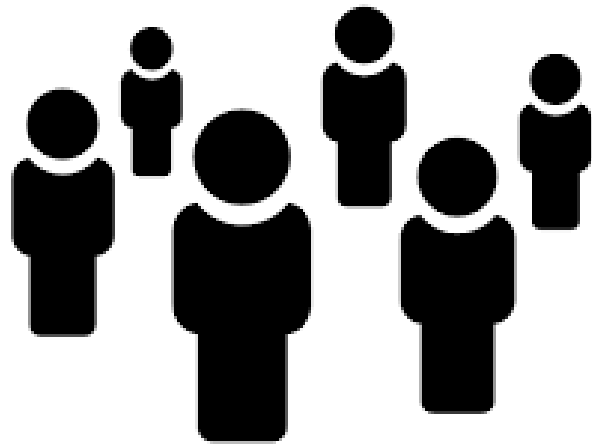
Communication Plan





1. Issue public law/mandate directing government agencies in the use of VM
2. Revise/update existing NEDA-ICC Project Evaluation Procedures and Guidelines that cover:
 - Solicited and unsolicited PPP projects
 - Joint venture projects
3. Enjoin private sector proponents working on government projects under the BOT Law to adhere to the public policy

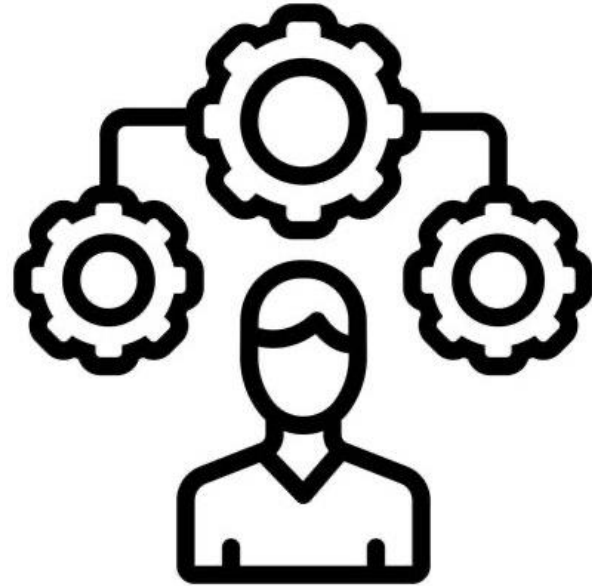
Professional Association



1. Establish/re-establish a professional association of VM practitioners from the public and private sectors
2. Associate with SAVE International as an Approved Chapter in order to:
 - Access educational events and relevant materials
 - Network with global VM practitioners from government, private sector and academe
 - Keep abreast of updated VM policies, standards and certification opportunities



Program Considerations



1. Program development – records management, education and training, advocacy, continuous improvement, reporting and monitoring
2. Policy, standards and procedures – define organizational policies, goals and objectives of the VM Program, standards to be adopted, standard operating procedures
3. Senior Management Champion
4. Program Manager



Communication Plan



1. Continuous education and training
2. Collaborate with SAVE International on the certification process
3. Use of the Updated VM Handbook, and relevant materials available from SAVE
4. Dedicated webpages for public use of the VM Handbook and other tools
5. Program metrics to measure success/results of VM studies.





Institutionalization in the Philippine Government



Irrigation Administration



The National Irrigation Administration has integrated VM in its planning and design procedures, and has started to require a VM component in all feasibility studies contracted to private consultants.

Policies issued include:

1. Memorandum Circular 88 series of 2020: NIA Guidelines in Undertaking Value Engineering or Value Analysis (VE/VA) Study Activities during the Detailed Engineering Studies or Detailed Engineering Design Stage of Project Development
2. General Guidelines and Criteria for Planning, Design, Construction, Operation and Maintenance of Reservoir Dams (1st Edition, October 2019)



Transportation



The Department of Transportation has commissioned several Value Studies through the funding of NEDA, pending the preparation of its own policies and guidelines.

VM, options analysis and multi-criteria analysis are typically required for all feasibility studies undertaken by their private consultants.

