

**DEPARTMENT CIRCULAR NO. DC 2003-07-008**

**CREATION AND ESTABLISHMENT OF A PROJECT MANAGEMENT OFFICE  
TO MANAGE THE IMPLEMENTATION OF THE WORLD BANK-FINANCED  
RURAL POWER PROJECT**

**WHEREAS**, the Department of Energy (DOE), in pursuance of its mandate under the "Electric Power Industry Reform Act of 2001" or "EPIW has envisioned the achievement of country's total electrification;

**WHEREAS**, rural power development is a flagship program of the DOE that would provide support for the implementation of reforms and priority investments critical for achieving the goals in a sustainable manner in partnership with the private sector;

**WHEREAS**, on 27 February 2003, the NEDA-Investment Coordination Committee Cabinet Committee (ICC-CC) has approved the proposed Rural Power Project (the Project) to be financed by the World Bank through its Adaptable Program Lending (APL) Facility with co-financing from the Global Environment Facility (GEF) in support of the country's total electrification program;

**WHEREAS**, the Project provides a programmatic structure, piloting new strategies and business models in implementing rural electrification program consistent with EPIRA;

**WHEREAS**, there is the need to create and establish an adequate and full-time Project Management Office (PMO) to ensure the implementation and monitoring of the investment and capacity-building components of the Project is done in a timely, organized, and efficient manner;

**WHEREAS**, one of the conditions in the loan consideration by the NEDA-ICC is that the DOE shall ensure that the establishment of such PMO shall not lead to the creation of new positions, given the rationalization program of the Department of Budget and Management,

**NOW, THEREFORE**, the DOE hereby creates and establishes the Project Management Office for the effective management of the Rural Power Project, and ensure the integration and consistency with the rest of the rural electrification programs and activities of the Government through the Department of Energy.

**Section 1. Composition.** The PMO shall be composed of the following personnel:

Manager: Asst. Director Mylene C. Capongcol, EPIMB

Members: Mr. Noel D. Binag, EPIMB-REAMD  
Mr. Bienvenido C. Mendoza, EPIMB-REAMD  
Ms. Alicia A. de Guzman, EPIMR-REAMD  
Mr. Ramoncito D. Paiso,  
Mr. Gabriel Zamudio,  
Ms. Edith C. Retiro,  
Member, EUMB-REMD  
Member, NEA  
Member, NPC-SPUG

Other staff from the Energy Family may be assigned as need arises.

## **Section 2. Responsibilities.**

The PMO shall administer, in behalf of the DOE, the GEF Grant component and oversee the overall policy and technical aspects of the Project. It shall provide technical secretariat support to the Inter-Agency Project Supervisory Committee (PSC) and Technical Working Group (TWG), and ensure effective coordination of activities of the various organizations involved in the implementation of Project components as well as manage and supervise the different activities and tasks as approved in the Project Work and Financial Plan.

Specifically, the PMO shall carry out, among others, the following tasks:

- (i) Manage the Technical Assistance (TA) activities relative to the sub-grant administration; institutional and capacity building for project stakeholders; and training/workshops/seminars;
- (ii) Coordinate closely with the UNDP-DSSC in the implementation of activities assigned them such as on the procurement of consultant services, goods and equipment, etc.
- (iii) Prepare the annual plan and budgets for the Program Management and TAs activities;
- (iv) Review and endorse output-based contracts with the Qualified Third Parties (QTPs), Non-Governmental Organizations (NGOs), and other project participants for provision of subsidies from the Universal Charge;
- (v) Authorize the payments from the Special Account;
- (vi) Maintain the Project Accounts;
- (vii) Issue Project Financial Reports;
- (viii) Maintain the Project Management Information System;
- (ix) Review the audit and verification reports in compliance with project requirements;
- (x) Monitor the Project and submit attendant reports including:
  - project implementation
  - off-grid market development
  - mid-term review progress report in advance of an external mid-term review
- (xi) Facilitate Bank supervision missions and take follow-up actions as agreed,
- (xii) Coordinate and ensure compliance to Environmental and Social Policies under the Project; and
- (xiii) Performs other tasks that may be assigned during project implementation.

**Section 3. Reporting.** The PMO shall report directly to the Secretary through the Undersecretary assigned for Power Sector.

**Section 4. Funds.** The funds required for the day-to-day operations of the PMO shall be sourced from the WB-GEF Grant provided to the DOE. The GOP counterpart funds shall also be made available to the PMO for specific line-item budget ineligible for financing by the WB-GEF.

The PMO shall hold office at the 3d Floor, NPTL Building, DOE Complex, Energy Center, Merritt Road, Fort Bonifacio, Taguig, Metro Manila, Philippines.

All Orders, Memoranda or other issuances or portions thereof which are inconsistent with this Order are hereby superseded, modified or amended accordingly.

This Special Order shall take effect immediately.

(Sgd.)

**VINCENT S. PÉREZ, JR.**

Secretary

July 16, 2003, Fort Bonifacio, Taguig, Metro Manila