

INSTITUTIONAL DEVELOPMENT ACTION PLAN

Objective	Elements	Actions Taken or Under Way	Actions to be Taken
A. Road Sector Institutional Framework and Strategy			
Enhance sector institutional framework with a sustainable long-term strategy for the road sector	Develop road policy	Highways Act (1925) and Highways Rules (2001) developed Roads Division split from the Roads and Railway Division of the Ministry of Communications (MOC).	Redefine MOC and RHD functions and powers with adequate legal backing.
	Develop road investment program	Road master plan developed Annual financing plan for maintenance prepared	Based on road asset management systems, prepare long-term investment and reconstruction programs, taking into account priority on maintenance and financial constraints.
B. Organization Reform and Strengthening			
Improve efficiency of road development and management	1. Institutional		
	Reorganize road sector institutions to modernize sector development and management	RHD management services wing strengthened (human resources, auditing, legal support, management information systems). Bridge Management Wing established.	Review road institutions and develop a restructuring roadmap to make RHD a state-of-the-art modern road agency. Equip the RHD technical wing with skills and knowledge of modern technologies.
	Enhance RHD planning capacity	Decentralized from 8 to 9 zones. Planning and Maintenance Wing established.	Continue further streamlining of the zonal management. Strengthen analytical skills for effective use of the planning tool.
	Enhance environment and social management capacity	Road asset management systems computerized (e.g., HDM) with GIS. Social and Environment Circle established.	Undertake monitoring and feedbacks from achievements against the targets Engage more staff with appropriate technical knowledge and skills.

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	Enhance the capacity of human resources	<p>Training center developed.</p> <p>Annual training provided to engineers.</p>	<p>Project management unit equipped with specialists and nodal officers to be in charge</p> <p>Develop and provide learning and training program.</p> <p>Increase the number of staff for planning, quality assurance, road safety and pre-construction activities (e.g., social and environment).</p> <p>Ensure promotion opportunities and adequate staffing.</p>
	<p>2. Business process</p> <p>Improve business practices</p> <p>Improve transparency and efficiency of procurement and contracting processes</p> <p>Improve transparency and efficiency of resource use</p>	<p>More financial authority delegated to Chief Engineer and division engineers.</p> <p>Codes and manuals updated for streamlined business process</p> <p>E-tendering systems initiated on the pilot basis.</p> <p>Standard bid documents developed.</p> <p>Management information systems computerized and utilized (e.g., CMS) for daily contract administration.</p> <p>RHD equipped with computers and connected with all district offices via internet systems.</p> <p>All liability of pending payments for works eliminated.</p>	<p>Continue update and revision of the codes and manuals for more decentralization and streamlining of the business process</p> <p>Roll out the e-tendering systems.</p> <p>Computerize all activities for tendering process, e.g., submission, quotation, evaluation.</p> <p>Enhance project and contract management skills of RHD.</p> <p>Strengthen internal control mechanism with spot checks between the quality and quantity of works undertaken and the accounting information.</p> <p>Establish monitoring and reporting systems for a shorter period, e.g., weekly.</p> <p>Disclose the target and achievement including payments of all works on its website.</p>

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	Improve quality assurance	<p>RHD quality control mechanism instituted at headquarters.</p> <p>Peer quality check systems introduced (i.e., different division engineers undertake quality check).</p>	<p>Government's timely release of funds for payment of works.</p> <p>Timely use of CMS for all district offices.</p> <p>Introduce third-party quality control mechanism.</p> <p>Strengthen divisional testing laboratory.</p> <p>Set up mobile quality control squads in all district offices.</p> <p>Develop quality assurance strategy.</p>
C. Private Sector Participation			
Improve quality and efficiency of road development and management	<p>Increase private sector participation in road financing</p> <p>Increase cost-effectiveness of road construction and maintenance</p>	<p>Enabling environment, e.g., laws, regulations, PPP projects processing/procedures developed.</p> <p>PPP Cell established in RHD.</p> <p>Performance based contracts (PBC) implemented</p> <p>All maintenance works outsourced to the private sector.</p>	<p>Increase PBC on developed/rehabilitated roads.</p> <p>Implement PPP schemes, e.g., build-operate-transfer schemes, maintain-operate-transfer contracts and maintenance-inclusive construction contracts.</p> <p>Establish non-lapsable road fund.</p>
D. Road Development and Maintenance Financing			
Ensure that the road network sustained efficiently with safety.	Secure financing to maintain and rehabilitate the road asset.	<p>Routine maintenance financed 100%.</p> <p>Overall maintenance budget increased to eliminate the backlog maintenance.</p> <p>Emergency Rehabilitation Works Program executed.</p>	<p>Ensure 100% financing to routine maintenance.</p> <p>Increase the budget for road maintenance for the next 10 years in line with the maintenance financing strategy.</p> <p>Increase the amount and frequency of Rehabilitation Works Program, e.g., use of the annual development program budget for heavy rehabilitation works.</p>

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	Improve transparency and efficiency of use of allocated funds	<p>GIS-based system developed for condition- based budget estimate for maintenance.</p> <p>Financial monitoring system developed, i.e., CMS.</p> <p>Weekly updating and monitoring scheme introduced on road conditions</p>	<p>Institutionalize the data collection and update program.</p> <p>Optimize resource allocation based on road conditions under budget constraints.</p> <p>Introduce modern technologies for maintenance, quality assurance systems and internal auditing mechanism.</p> <p>Develop operation manuals and standard contracts for maintenance, including various contractual arrangements.</p> <p>Enhance quality of works with improved quality assurance systems (refer to “Business Process” above).</p> <p>Disclose the target and progress on the website with enhanced reporting systems (refer to “Business Process” above).</p>
E. Road Safety			
Improve road safety	Enhance the Government capacity to improve and manage traffic safety	<p>The road safety cell established in RHD.</p> <p>Road safety audit undertaken.</p>	<p>Engage more staff with appropriate technical knowledge and skills.</p> <p>Undertake road safety audit for all road projects.</p> <p>Develop and monitor a road safety program at all districts.</p>
F. Overloading			
Reduce overloading	Enhance the Government capacity to reduce overloading	<p>Overloading control policy developed.</p> <p>Weigh-bridges installed in selected spots.</p> <p>Action plans laid out to enhance control of overloading</p>	<p>Install more weighbridges.</p> <p>Set up the overloading control program and action plans.</p> <p>Set up an institutional setup and implementation arrangement for efficient and effective enforcement of the overloading control.</p>