



**DEPARTMENT OF FINANCE
DEPARTMENT OF BUDGET AND MANAGEMENT
NATIONAL ECONOMIC AND DEVELOPMENT AUTHORITY**

Agency Asset Management Plan (AAMP) Template

Background and Context

Per the Department of Finance-Department of Budget and Management-National Economic and Development Authority (DOF-DBM-NEDA) Joint Memorandum Circular (JMC) No. 2020-1¹, the agencies covered by the Philippine Government Asset Management Policy (PGAMP) shall submit their respective AAMPs.

The AAMP is a two (2)-year roadmap that aims to demonstrate how the agency's intended investment strategy will achieve its development activity and agency goals through its asset management system (AMS). It is the agency's written representation of intended capital maintenance and operational programs for its existing asset base, and investment in new infrastructure which is based on its understanding of demand, customer requirements, and the details of its network or portfolio of assets.

Per the National Asset Management Plan (NAMP) 2022-2023², the Department of Education, Department of Health, and Department of Public Works and Highways were identified as the pilot agencies to be at the fore in formulating their respective AAMPs based on the principles enunciated and template provided under the PGAMP. Further, per item 8.7 of the PGAMP, the entirety of the composition of the agency-level working group on asset management (WG-AM) shall oversee the overall implementation of the AAMP. Similarly, the Departments of Social Welfare and Development, Information and Communications Technology, Transportation, and Science and Technology, as well as the National Irrigation Administration and Power Sector Assets and Liabilities Management Corporation, as the agencies involved in the population of the National Asset Registry System, were identified as the 2nd batch of agencies for the PGAMP roll-out and formulation of AAMPs for 2022.

In view of the foregoing, provided herein is the AAMP template containing the required minimum information, for the guidance of the agencies concerned. It must be noted that the template relies heavily on the agency's inputs and available information. Hence, the same may be customized or simplified by the agency based on available data/information, with remarks/justification as to the non-inclusion of the other parts of the template. Finally, the agency must refer to the NAMP for further guidance on the various parts of the AAMP template.

¹ "Implementation of a Philippine Government Asset Management Policy (PGAMP)" dated 24 September 2020

² Adopted through DOF-DBM-NEDA JMC No. 2022-1 dated 28 January 2022 with subject, "Adoption of a National Asset Management Plan (NAMP) as Part of the Implementation of the Philippine Government Asset Management Policy (PGAMP)"

Recommended Contents	Description/Guidance/ Minimum Information Required
<p>Table of Contents</p>	<p>Complete tabulation of the sections and subsections covered in the AAMP, including a separate list of the tables and figures, for the reference of readers. Please refer to NAMP 2022-2023 as pattern.</p>
<p>1.0 Executive Summary</p> <ul style="list-style-type: none"> ● The agency’s mandate/role with respect to the management of government’s assets and key levels of service (covers Sections 2.0 to 5.0 of the AAMP); <i>should be supported with legal bases for said mandate/role and its levels of service</i> ● The agency’s key AM programs (covers Sections 2.0 and 3.0 of the AAMP) ● The agency’s strategic issues and risks (covers Sections 6.0 to 9.0 of the AAMP) ● The agency’s demand growth and financial forecasts (covers Section 10.0 of the AAMP) ● The agency’s AM continual improvement plan (covers Section 11.0 of the AAMP) 	<p>At the outset, AM plans should provide a logical flow through the asset management process and ‘tell the asset management story’.³</p> <p>The story sets the scene with the state of the assets and key issues, followed by what is expected from the assets and services (levels of service [LoS] and demand), how the agency intends to provide the service, the financial implications, and the tasks required to improve asset management planning capability over time.⁴</p> <p>The executive summary is a concise stand-alone document aimed at non-technical readers⁵ that provides an overview of the main aspects of the plan, as well as highlights the main points covered under the subsequent sections of the AAMP, particularly on the levels of service, growth forecasts, key AM issues, significant works programs and financial forecasts of the agency concerned.</p> <p>The summary of the AAMP shall provide the highlights and overview of each of the succeeding sections through a single narrative. Considering the overarching scope of the section, it shall be accomplished upon the completion of the other sections of the AAMP.</p> <p>Similar to the NAMP 2022-2023, the executive summary of the AAMP need not be divided into specific subsections.</p> <p>Instead, each subsection may be discussed within the paragraphs of one narrative, considering the interconnectedness and high level of linkages in the sections of the AAMP.</p>

³ AM 203 Lifecycle Planning, Institute of Public Works Engineering Australasia (2022)

⁴ Ibid.

⁵ Ibid.

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	<p>Nonetheless, the agency may opt to provide subsections, which meet the aforesaid minimum information for an executive summary, as shown in the bullet points.</p> <p>To avoid repetitive messages and promote conciseness of texts, the summary may be limited to the overview of the main aspects of the plan. The detailed discussion on the aspects of the plan should be reserved within their respective sections.</p> <p>Further, for a quick-look and to encapsulate the main points of the AAMP, the agency is highly encouraged to develop an infographic or similar visual elements to summarize the AAMP. The visual summary should contain a concise overview of the agency's assets, expected LoS, growth and demand factors, financial summary, and the key outcomes or challenges in asset management.</p> <p>The executive summary may be limited to a maximum of four (4) pages.</p>
<p>2.0 Introduction</p> <p>2.1 The [Agency] Asset Management Plan 2022-2023: Purpose, Strategic Alignment, and Key Partners and Stakeholders</p> <p>2.2 The Organizational Set-up in AM and the Agency Working Group on Asset Management (WG-AM)</p> <p>2.3 AM Objectives, Measures, and Indicators</p> <p>2.4 Our Successes, Issues, Opportunities, and Risks</p>	<p>This section documents the agency's strategic objectives, intended outcomes, and AM activities/processes, and identifies key partners, customers and stakeholders relevant to its assets.</p> <p>It also provides the strategic alignment of the plan and the agency's service delivery with national key strategic documents of the government and other development plans (i.e., <i>AmBisyon Natin</i> 2040, PDP 2017-2022, United Nations Sustainable Development Goals, etc.).</p> <p>On the organizational set-up in AM, the template also includes the roles of the agency WG-AM in supporting and developing maturity in AM practices, processes and systems. It may also feature the linkages and coordination of the WG-AM with the DBCC TWG-AM in the achievement of their goals and objectives.</p> <p>The section further requires discussion on the agency's strategic goals and objectives, as well as documents asset information and data that can be used to measure asset performance. To determine and report the</p>

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	<p>successes and issues on the performance of assets and identify gaps and challenges in service delivery, the template also requires the documentation of agency indicators for the purpose.</p> <p>Reference to local issuances should be properly indicated in the footnotes. For instance, when referencing the PGAMP, the DOF-DBM-NEDA JMC No. 2020-1 must be properly cited in the footnotes.</p> <p>In view of the foregoing, the introduction should contain the minimum information required under the pertinent items in Annex A of the PGAMP JMC, i.e., I (Objectives), II (Organizational Set-up in Asset Management), and III (Agency Working Group on Asset Management); a background of where the agency is now in terms of AM; its goals and objectives for AM (its commitment to community vision); the plan framework (how the AAMP fits in the organization⁶; and the AAMP structure (see recommended subsections 2.1 and 2.2), timeframe, and responsibilities (see recommended subsection 2.2) and its interactions with the PGAMP, NAMP, and other documents (see recommended subsection 2.1).</p>
<p>3.0 Asset Management Practice</p> <ul style="list-style-type: none"> 3.1 The Philippine Government Asset Management Policy (PGAMP) 3.2 Asset Management Practice Overview 3.3 Asset Management Systems 3.4 Implementation of the National Asset Registry System (NARS) 3.5 Building Capabilities and Capacity in Asset Management 	<p>This section covers item X (Capacity Building) of Annex A of the PGAMP JMC.</p> <p>The section requires the discussion on the PGAMP and the AM principles espoused therein, as well as the interaction or linkage of the AAMP and current agency AM processes with the AM policies and strategies in the PGAMP and NAMP.</p> <p>The section also provides an overview of the agency's AM practice components, which include policies, plans, documentation defining or guiding AM policy and strategy, data sources supporting AM decision making, and capacity building efforts.</p> <p>It documents the application of the agency's existing AMS, as well as emphasizes its role in the population of the NARS. On building AM capabilities and capacities, the agency shall outline the AM responsibilities and the</p>

⁶ International Infrastructure Management Manual

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	<p>corresponding capacities and capabilities required. This shall aid in planning relevant programs/activities for the purpose.</p>
<p>4.0 State of [Agency] Assets</p> <ul style="list-style-type: none"> 4.1 Assets Included in the AAMP 4.2 Managing Our Asset Data 4.3 Our Asset Information 4.4 Asset Condition 	<p>This section covers item V (Summary of the Inventory of Assets) of Annex A of the PGAMP JMC.</p> <p>Apart from the summary of the inventory of assets, Section 4.0 looks into the management of asset information, performance, and condition.</p> <p>The section defines and lists the critical and strategic assets covered in the AAMP, as well as the agency’s role in determining the same. Relatedly, it shall provide a discussion on the management of asset data or information, particularly on the technical standards that the agency relies on to ensure completion, accuracy, consistency, reliability, and confidence of asset data and information.</p> <p>The agency shall describe its existing Asset Management Information System (AMIS) and its link to the information available in the NARS. Further, the section requires a description of the condition of assets managed by the agency, as well as background on the processes for collecting asset condition data.</p> <p>In sum, this section should contain minimum information on the agency’s critical and strategically important non-financial assets which are included in the plan, as well as other information about said assets and their condition; and how the agency manages its asset data.</p>
<p>5.0 Levels of Service</p> <ul style="list-style-type: none"> 5.1 Levels of Service Drivers 5.2 Levels of Service Overview 	<p>This section covers item VI (Asset Performance) of Annex A of the PGAMP JMC.</p> <p>The section defines the drivers of LoS, such as customer feedback/expectations (what customers want), and legislation, issuances, or compliance requirements (what we have to do).</p> <p>Relative thereto, the agency must also discuss its</p>

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	<p>existing practices (current levels of service/what we provide now) in accessing its current LoS in relation to standards of service (desired levels of service/what our customers would like).</p> <p>The agency shall present the identified opportunities for developing the target LoS, gaps and challenges, as well as options for service delivery to address said gaps. The desired LoS of the agency is represented by targeted improvements to service delivery in the short, medium, and long term.</p>
<p>6.0 Lifecycle Management Planning</p> <ul style="list-style-type: none"> 6.1 Lifecycle Management Systems 6.2 Our Maintenance Plan 6.3 Operating and Maintenance Practices 6.4 Our Asset Rehabilitation and Replacement Plan Considering the Age and Lives of Our Assets 6.5 Our New Asset Requirements 6.6 Our Disposal Plan 	<p>This section covers items IV (Agency Specific Policies and Practices on Asset Management), VII (Intended Actions on the Assets), and VIII (Maintenance Plan) of Annex A of the PGAMP JMC.</p> <p>The section tackles the policies and practices of the agency on asset utilization. It covers discussion on the agency’s plan and cost implications/forecasts for the maintenance and operation of assets. Specifically, the section aims to discuss the agency’s maintenance program and existing practices. It further summarizes the cost implication or forecasts of maintenance and operation plans necessary to keep the asset operation at the agreed service condition. Separate cost estimates on asset replacement, rehabilitation, and upgrades must also be included in this section.</p> <p>As input to the agency asset rehabilitation and replacement plan, the same shall document information on the asset lifecycle that is useful in the management of the useful life of the asset. Relevant information on age and lives of assets must also be included. The aforesaid information are essential in planning for the management of the asset, particularly for its rehabilitation or replacement.</p> <p>The section shall further discuss the decision-making process of the agency on the process of asset acquisition, replacement, and/or decommissioning.</p>
<p>7.0 Sustainable Planning</p>	<p>This section provides a discussion on the existing growth and demand factors and their implications to AM planning. Understanding, monitoring, and responding to</p>

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<ul style="list-style-type: none"> 7.1 Our Growth and Demand Factors and Implications 7.2 Predicting Demand for Infrastructure 7.3 Managing and Responding to Demand 7.4 Sustainability in Service Planning and Delivery 7.5 Economic Sustainability: Projects and Assets 	<p>the aforesaid factors is vital in assessing and forecasting the agency’s service demand.</p> <p>These factors may refer to economic, social, ecological, and other identified factors that affect government assets demand and management planning.</p> <p>The section considers the impact on the outlined growth factors to the demand on assets, as well as the response of the agency to the demand during the period covered by the AAMP.</p> <p>To meet the current and forecasted demand, this section also features the cost implication of investing in infrastructure projects that address major challenges posed by the aforesaid growth factors.</p> <p>On ensuring sustainability in service planning and delivery, the agency shall discuss sustainable practices in service delivery and AM, if any. To implement greater sustainability, the agency may also develop its sustainability objectives, opportunities, challenges, and action plan. Relative thereto, the agency may identify actions or projects and their respective cost implication in supporting sustainability objectives.</p>
<p>8.0 Natural Hazard Resilience Planning</p> <ul style="list-style-type: none"> 8.1 Summary of Hazard Exposure and Impact on Infrastructure 8.2 Current Agency Resilience Improvement Programs 8.3 Process Description: Natural Hazard Risk Assessment and Planning 8.4 Natural Hazard Risk Assessment Outcomes 	<p>This section covers item IX (Risk Analysis) of Annex A of the PGAMP JMC.</p> <p>Sections 8 and 9 seek to understand and document the exposure of the strategic non-financial assets of the agency to natural hazards and other risks, as well as their impact to asset performance and service delivery.</p> <p>In accomplishing these sections, the agency shall take into account existing practices, processes and programs on risk mitigation and management, as well as the supporting legislation, policy and compliance requirements in support thereof.</p>
<p>9.0 Infrastructure Risk Management Planning</p> <ul style="list-style-type: none"> 9.1 Risk Management Context 9.2 Risk Assessment Process and Outcome 	<p>The agency shall also provide an overview and assessment of its risk management performance and identify the top infrastructure and asset risks that require investments to control or mitigate.</p>

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<p>9.3 Addressing Risk Challenges</p>	<p>This section must likewise emphasize the National Indemnity Insurance Program and its impact to the agency's management of natural hazards and risks.</p> <p>Further, the agency shall also identify planning, management, delivery, and physical asset risks and information relative thereto in order to accomplish the agency Risk Register (Annex 12.1)</p>
<p>10.0 Financial Planning</p> <p>10.1 Financial Summary Review 10.2 Cost and Funding of Our Assets 10.3 Disaster Risk Finance 10.4 Operations and Maintenance Investment 10.5 Capital Investment 10.6 Financial Statements and Projections 10.7 Financial Methodology and Assumptions</p>	<p>This section covers item XI (Budgetary Requirements) of Annex A of the PGAMP JMC.</p> <p>Relative to said item indicated in Annex A of the PGAMP JMC, this section primarily documents financial policies and data to support the agency activities under the AAMP, including the forecasted expenditure and performance.</p> <p>Further it seeks to include more detailed budget information for maintenance forecasts, insurance, capital update program or disposal.</p> <p>It shall contain the funding strategy and cost estimates needed to implement the agency's intended AM actions including, but not limited to, the maintenance and replacement of assets, new capital investments to meet LoS requirements, and capital investment, update, or disposal programs.</p> <p>Moreover, the section delves into the agency's approach to disaster risk finance and reviews financial forecasting assumptions, projections, and methodologies.</p>
<p>11.0 Performance Planning and Continual Improvement</p> <p>11.1 The Purpose of Improvement Planning 11.2 Our Improvement Actions 11.3 Prioritizing Proposed Actions and Timetable</p>	<p>In this section, the agency shall present the summary of the current state of the AM practices and its desired improvements during the duration of the AAMP cycle or in its future iterations.</p> <p>This section primarily aims to link the results of AM maturity assessment to the desired improvement of AM practices. Relatedly, it features the process of documenting improvement items of the agency through the identification of improvement actions and planning.</p> <p>To assist in identifying improvement actions to be</p>

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	<p>delivered in the current and future AAMP cycles, the agency shall consider the Maturity Assessment Questionnaire administered by the World Bank (WB) and its results. The maturity assessment process introduced by the WB may be adopted and customized by the agency for improvement planning in future iterations of the AAMP.</p>
<p>12.0 Annexes</p> <p>12.1 Risk Register Template</p>	<p>The agency is required to include its risk register, if available. Otherwise, the agency may refer to the risk register template affixed herein, for its use. The agency may include other relevant and pertinent data/information to the AAMP, such as, but not limited to, maintenance response service levels, capital works programs, among others, as part of the annexes.</p>
<p>13.0 Glossary of Terms</p>	<p>For the list of terms and definitions, the agency may refer to the Glossary of Terms (Section 13.0) of the NAMP 2022-2023.</p> <p>It must be noted that the glossary, as reference of the readers or stakeholders, shall contain specialized/technical terms or concepts that have a specific, relevant, and unique definition based on the context of the agency. Hence, the agency may customize this section depending on the usage of the terms in the plan.</p>

12.1 Risk Register Template

12.3.1 Risk Category: Planning Risk

Risk Type	Specific Risk Description	Consequences					Consequence Rating	Likelihood	Level of Gross Risk	Mitigation Strategy (Existing Controls)		Residual Risk			Further Action Requirements?	Priority	Funded?	Data Items	Reference
		Corporate Image	Financial	Environment	Health & Safety	Service level/ Effectiveness				Action	Costs	Consequence Rating	Likelihood Rating	Net Risk					

12.3.1 Risk Category: Delivery Risk

Risk Type	Specific Risk Description	Consequences					Consequence Rating	Likelihood	Level of Gross Risk	Mitigation Strategy (Existing Controls)		Residual Risk			Further Action Requirements?	Priority	Funded?	Data Items	Reference
		Corporate Image	Financial	Environment	Health & Safety	Service level/ Effectiveness				Action	Costs	Consequence Rating	Likelihood Rating	Net Risk					
Management Process																			
Relationships																			
Resources																			
Control																			

12.3.3 Risk Category: Physical Asset Risks

Risk Type	Specific Risk Description	Consequences					Consequence Rating	Likelihood	Level of Gross Risk	Mitigation Strategy (Existing Controls)		Residual Risk			Further Action Requirements?	Priority	Funded?	Data Items	Reference
		Corporate Image	Financial	Environment	Health & Safety	Service level/ Effectiveness				Action	Costs	Consequence Rating	Likelihood Rating	Net Risk					
Performance																			
Natural Hazards																			
Safety/ Security																			
Roads/Pavements																			
Bridges																			
Side walks																			
Parking																			
Cycle Way																			

12.3.4 Risk Category: Management Risk

Risk Type	Specific Risk Description	Consequences					Consequence Rating	Likelihood	Level of Gross Risk	Mitigation Strategy (Existing Controls)		Residual Risk			Further Action Requirements?	Priority	Funded?	Data Items	Reference
		Corporate Image	Financial	Environment	Health & Safety	Service level/ Effectiveness				Action	Costs	Consequence Rating	Likelihood Rating	Net Risk					
Finances																			
People																			
Resources																			
Politics																			