

## HUMAN RESOURCE MANAGEMENT

The Human Resource Directorate continued to focus its energies on addressing the welfare of the Agency's employees. Training and Development, Staff Morale, Performance Management and Social Activities affecting staff were highlighted during the period under review.

These activities were implemented to help ensure that the Agency's long term objective of developing a cadre of high quality employees who are responsive, customer friendly and committed.

A major plank in the approach to Performance Management was the Rewards and Recognition Programme. Several employees were recognized for outstanding performance, as well as for providing technical assistance through training of their colleagues.

Technical and professional training and development were carried out in several areas among key stakeholders, contractors, consultants and staff. Importantly, generic training was also done in such areas as customer service, environmental stewardship and professional excellence in the workplace. Over 5,000 man-hours of training to improve knowledge of new and existing computer software applications was also an important aspect of the training activities.

Other activities pursued included the monitoring of utility usage, relocation of departments, formulation and implementation of motor vehicle sale policy, arranging a summer programme for the child care facility and completing the Health and Safety Manual.

In addition, the Agency made strides in regularizing the employment and assignments of employees. It ensured the coverage of permanent staff under the



Staff engaged in one of the many training sessions

Executive Agency's Pension Plan, Group Life and NWA Supplemental Plan and Health Insurance. Requests for Duty Concessions were also approved by the Department.

The Staff Development Committee contributed to the success of many activities, namely socials, games evenings and out-reach.

## HUMAN RESOURCE MANAGEMENT

Monthly HRMA Updates were distributed to staff electronically. These increased awareness among staff and highlighted important events, developments and achievements.

Visits by the HR Team to the Regions facilitated updates on policy issues and provided a forum to discuss concerns and needs. The professional and academic achievements of staff members were acknowledged and condolences were offered to those who suffered bereavement.



A collage of Rewards and Recognition presentations



## COMMUNICATION AND CUSTOMER SERVICES DEPARTMENT

The Agency maintained a strong and visible customer service programme during 2003/2004. Although these activities were affected by financial constraints, the Agency was able to provide a satisfactory level of customer service and dissemination of information.

### CUSTOMER SATISFACTION

Ensuring satisfied customers has been the primary focus of the Agency's Commercial programme. Our assessment of customer satisfaction was linked to the level of awareness of our functions, responsibilities and the impact that these have had on the movement of people, goods and services. The NWA, being a customer oriented organization, recognizes the need to meet its customers' expectations. Customers expect quality, competence, empathy, professionalism and personnel who listen and have the authority to make decisions about their needs, problems and complaints.

The Agency has implemented several programmes during its three years of existence which have significantly improved the main road network. The impact of these activities has led to the desired customer feedback.

The customer is indeed King. Our efforts at communicating our intentions and activities to our customers were given prominence throughout the period under review. We organized several community/town meetings and attended several others arranged by organized community groups and service clubs. The critical role of face to face interaction between the customers and the Agency was highlighted in these meetings. Our customers were brought in at the beginning of our plans, they participated in the plans, and in so doing became owners of the processes. This showed tremendous benefits as the works were executed without much difficulties. While not all customer complaints were resolved in a timely manner, the Agency gained considerable goodwill with the public. This was maintained through our outreach services.

We embarked on a series of sustained communication strategies through various radio and T.V programmes, complemented with brochures, posters and pamphlets. Our customers now know more about what we are doing, when it will happen, who will do the work and they are able to call us on our customer service line **663-7623 (One Road)** to make suggestions, give ideas or bring to our attention, the things that affect their lives on our roads.

## FLOOD DAMAGE REHABILITATION PROGRAMMES

At the end of March 2004, loan disbursement totaled approximately US\$17M. It is anticipated that completion of existing contracts will be achieved during the third quarter of the 2004/2005 financial year.

This programme, no different from others of a similar nature, has had its fair share of problems. These range from timely payments to contractors, the below par performance of some of the consultants, more than expected Variation Orders, to the large number of contracts to be administered and of course inclement weather patterns, especially in the Eastern parishes.

Valuable lessons have been learnt and we have taken the necessary steps to correct them.



Retaining wall along the Orange Bay to Rodney Hall road, Portland

## FLOOD DAMAGE REHABILITATION PROGRAMMES

### INTER-AMERICAN DEVELOPMENT BANK (IADB) FLOOD DAMAGE PROGRAMME

In September 2002, the five parishes of Clarendon, Manchester, St. Elizabeth, St. Catherine and St. Thomas were devastated during the passage of Hurricanes Lili and Isadore. This US\$20M programme which is jointly funded by the Government of Jamaica and Inter-American Development Bank, sought to restore some of these damaged roadways. The IADB provided a loan of US\$16M while the GOJ component was US\$4M. Activities were centered mainly on the identification, prioritization and packaging of new works.

Commencement surveys, designs and the preparation of tender documents were done for these works. We also carried out institutional strengthening programmes in a bid to ensure that adequate progress would be made to meet the termination of the IADB financing period.

During the first quarter of 2004, the emphasis shifted to implementation of some seventeen road rehabilitation projects, comprising 181 km of roadway.

The majority of these projects are now just over 70% complete. However, various delays have affected a number of these projects, which have subsequently fallen behind schedule.

### CARIBBEAN DEVELOPMENT BANK (CDB) FLOOD DAMAGE PROGRAMME

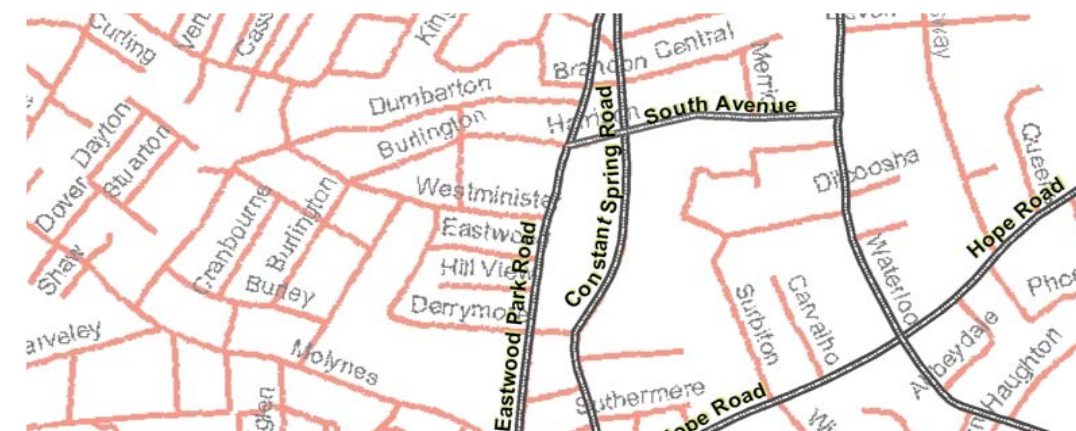
The programme was designed to restore the most critical sections of the road and road infrastructure damaged throughout the island by flood rains of 2001 and 2002. Funding for the programme was secured through a loan agreement with the Caribbean Development Bank and additional financial input from the Government of Jamaica amounting to approximately US\$40M.

Tenders were invited and contracts awarded for projects. Approximately 50 civil works contracts are underway and are at various stages of completion. These range from a low of 10 % to a high of 90%. Consulting Engineers, as well as the National Works Agency staff supervise these projects. We have restored damaged roads, built retaining walls, carried out river training works and reinstated damaged gullies, islandwide.

## GEOGRAPHICAL INFORMATION SYSTEMS

The Agency upgraded several aspects of its planning processes by utilizing Geographic Information Systems (GIS) and Image software. The acquisition of the software improved our ability to organize and collate information related to all our projects in a central Geographic Information System. The installation of the software allows for ease in the generation of base maps and reduces the need for painstaking identification of proposed project sites for roads and other infrastructural development.

The software allows for the creation of IKONOS images, which are satellite images or photographic representations of the island's geography. It also provides digital road information. The wide range of information generated from the use of the technology, such as demarcation of flood prone areas, location of waterways, settlements and gullies, alternative routes for critical bridges, assists in the preparation plans, research and analysis of traffic flows, and development of contract documents. The GIS Department has also partnered with other government organizations, to provide information for incorporation into their planning process. In this way, the Agency has earned some much needed revenue.



Example of Map done by GIS Department

### Mapping

The Agency has begun exploring mapping of road features such as landslips, road failures and culverts. This was done in some areas of St. Thomas and Hanover. We are currently undertaking classification of roads by Constituency, data collection on existing roads in need of repairs, breakaways and missing bridge rails.

The establishment of the GIS is at a critical stage. Additional training is required so that the systems can be managed and developed appropriately. A number of customer friendly products can be developed with well trained personnel. Although these products have the potential to generate additional revenue, they are also effective tools to establish comprehensive designs and manage relevant transportation data model.



# “TREE-MENDOUS” BEAUTIFICATION: ADOPT-A-ROADWAY PROJECT

The "Tree-mendous" Beautification: Adopt-A-Roadway Project, was conceptualized by the Ministry of Transport & Works and the National Works Agency in mid-2002, in support of the Agency's vision to develop the island's main road network to world class standards. Through this project, we encourage the "adoption" of verges, and sections of roadways, by corporate citizens and other civic-minded commercial enterprises, who would undertake the responsibility of beautifying and maintaining these areas.

To date, organizations have undertaken the responsibility of beautifying median strips, verges and road sections. Under this programme, Red Stripe adopted the Three-Miles Intersection;

Additionally, five other companies:

- Guardian Life;
- Life of Jamaica;
- Jamaica Mortgage Bank;
- JN Real Estate;
- National Commercial Bank

came together to sponsor the beautification of Trafalgar Road. The NWA is encouraged by the active and growing participation of a variety of entities, in this project. We are indeed, proud of the progress being made on the "Tree-mendous" Beautification Project.



A section of the verge at Three Miles, which has been adopted by Red Stripe.

# BRIDGE PROGRAMMES

## R A Murray Bridge Programme

This programme is for a duration of five years with the construction of an average eight bridges per year valued at 25 Million Canadian Dollars. Under phase one of the programme, eight bridges are currently being constructed and are at varying stages of completion. These include:

- Bandbury in St Catherine
- Fort George in St .Mary
- Black River in Portland
- Serge Island in St. Thomas
- Styxx River in Westmoreland
- Alligator Church in Portland
- Milk River in Clarendon and Washington Boulevard in Kingston

The Fort George & Washington Boulevard Bridges have been completed. The Serge Island Bridge is 80% complete; we have now received practical completion for Styxx River Bridge, while Banbury Bridge is 30% complete. The packages for the Black River, Seven Rivers and Milk River bridges are now ready to go to tender.

Under Phase two of the programme, we have identified eight bridges and have completed the designs and fabrication. The bridges are now on the high seas enroute to Jamaica and should arrive here by the end June 2005.

These include:

- Angels in St. Catherine
- Martha Brae in Trelawny
- Bog Walk in St. Catherine
- Worthy Park in St. Catherine
- Johnson River St Thomas
- Gordon Town in St. Andrew
- Queens in Hanover &
- Waterloo in St. Andrew.

These eight bridges, along with the three previously mentioned that are now ready to go to tender will cost the government approximately \$479.1M.

During the period under review, the NWA also carried out building services for the government. Among them are the:

- Construction of the new offices of the Ministry of Transport & Works (still in progress)
- Building of the May Pen Revenue Centre
- Building of the Santa Cruz Post Office &
- Building of the Port Antonio Revenue Centre.

## BRIDGE PROGRAMMES

In Kingston & St. Andrew, residents and motorists have complained bitterly over the years about the state of the Fords, especially when it rains heavily in the hills of St. Andrew. Two of these Fords will be replaced soon by bridges. These are the Queensborough and Cassia Park. The designs for these are between 50 & 80% complete. The design for 11 other bridges is between 10 & 30 % complete. These include:

- Guanaboa
- Stubbs
- Barham
- Harbour Head
- Leith Hall
- Fontabelle
- Delveland
- Vanity Fare
- Maggart
- Ward River

The designs are to be completed shortly and by the end of June, 2005 we will be inviting tenders for their construction. The Black River Truss Bridge in St. Elizabeth and the Spanish Town Road Bridge over the Sandy Gully are currently undergoing repairs under the programme.



Workmen spreading concrete on the deck of the Sandy Gully Bridge, Spanish Town Road, Kingston.

## QUALITY ASSURANCE

Since the establishment of the Quality Assurance Department at the NWA, every effort is being made to ensure that we get value for money. Shoddy works from contractors have been rejected, some have had their contracts terminated for poor performance, and repair works have been at their personal costs.

During the review period, focus was placed on Quality Management System Development, Implementation, Evaluation and Monitoring. This, as the Agency marches towards becoming ISO 9001 compliant by December 2005.

So far the management commitment is in place, the project team to organize and implement the process is in place, the main processes have been analyzed, quality system elements have been designed and the pre-assessment to validate the implementation was held between March 30 & 31, 2005. Since that time an action plan has been developed to correct the areas of non-compliance that have been identified. These should be corrected in time for a final audit in December this year.

The quest of value for money mentioned earlier was underpinned by the number of random tests that were carried out on projects. These tests range from California Bearing Ratio, Gradation, Nuclear Density, Corings, Comprehensive Strength, to Bitumen Extraction, Pavement Design and Evaluation. Some 1,937 tests were carried out.



California Bearing Ratio machine, used in the lab to measure the amount of load material can withstand before deformation.



### ASSET MANAGEMENT

#### Recovery of Cost for Damaged Road Furniture

Over the years, many of the road furniture have been severely damaged as a result of motor vehicle accidents. We therefore set out on a campaign to recover the cost of repairs from insurance companies carrying the liabilities of clients who are guilty of causing such damage.

To date we have successfully pursued 4 cases recovering approximately \$500,000.00 and are currently pursuing another 5 cases. Our effort has been hampered by the lack of information from the offending parties. However, we are working closely with the Police in this regard and we will not relent in our bid to ensure that damaged road furniture is replaced within a reasonable time.

### INTERNAL AUDIT

The Internal Audit Department was established in accordance with the Financial Administration and Audit Act (FAA) and section 14.2 of the Financial Instructions to Executive Agencies (FIEA) 2003. During the fiscal year 2003/2004, eight audits were pursued and completed. This is a 67% achievement from a revised target of 12 audits. Notably, five audits and reviews that were not scheduled were also completed.

The audits covered critical areas of the Agency's operations, including payroll, cash management system and material usage. The results are now being discussed at the highest level of the organization with a view to strengthen areas of weakness and consolidate areas of strength.

We have thoroughly examined well over 700 bridges that span just under 5,000 km of main road across the island. This survey has given us a true picture of the state of our bridges and has put us in a position to take the necessary steps to protect them. We have posted weight limits of 12 tonnes on a significant number of the Truss Bridges and have developed programmes to deal with the repairs and replacement of those that require such treatment.



Bailey Bridge

#### Mabey&Johnson Priority Bridge Programme

Under this programme, the government intends to spend just over 22.8M pounds over the next two years to complete rehabilitation of 40 bridges. The contract calls for the design, fabrication and supply of Compact Steel Bridges & Associated Equipment & Services. So far, 43 bridges have been identified for replacement and two for rehabilitation.



Construction of a new bridge along Washington Blvd, Kingston

NORTH GULLY

The restoration of sections of the North Gully in Montego Bay, St. James was done at a cost of \$188M. We reconstructed the 21 feet wide by 10 feet high gully with reinforced concrete in Upper King Street, Rosemont, Salt Spring and Green Pond. The works were completed in August last year. There has been much ado about cleaning of a section of the gully within close proximity to the Howard Cooke Boulevard.

The cleaning of the North Gully is not the responsibility of the Ministry of Transport & Works nor the National Works Agency. However, on several occasions we have assisted the St. James Parish Council with its cleaning upon their request. We also clean the South Gully in Montego Bay, because of its unique construction and the specialized equipment needed to keep it clean. This equipment is owned and operated by the National Works Agency.



North Gully: Stephen Shaw (right) Community Relations Officer, Western Region discussing the North Gully restoration



AUDITOR GENERAL'S DEPARTMENT  
P.O. BOX 455,  
KINGSTON 10,  
JAMAICA

ANY REPLY OR SUBSEQUENT REFERENCE  
TO THIS COMMUNICATION SHOULD BE  
ADDRESSED TO THE AUDITOR GENERAL  
AND NOT TO ANY OFFICER BY NAME  
AND THE FOLLOWING REFERENCE  
QUOTED:—

May 13, 2005

49 — E164/2

Chief Executive Officer  
National Works Agency  
140 Maxfield Avenue  
KINGSTON 10

RE: AUDITED FINANCIAL STATEMENTS  
FINANCIAL YEAR 2003/2004

Enclosed is a copy of the audited financial statements of your agency for  
the year ended March 31, 2004.

*J. B. A.*

for Auditor General

End.



Auditor General's Report  
National Works Agency  
Financial Statements  
for year Ended March 31, 2004

I have audited the attached Balance Sheet of the National Works Agency as at March 31, 2004 and the Income and Expenditure Account and Cash Flow Statement for the year then ended. These Financial Statements are the responsibility of the Agency's Management. My responsibility is to express an opinion on the Statements based on my audit.

I conducted my audit in accordance with auditing standards issued by the International Organization of Supreme Audit Institutions (INTOSAI). Those standards require that I plan and perform an audit to obtain reasonable assurance whether the Financial Statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall Statement presentation. I believe my audit provides a reasonable basis for my opinion.

In my opinion, proper accounting records have been kept and the financial statements mentioned above which are in agreement therewith give a true and fair view of the financial position of the National Works Agency as at 31<sup>st</sup> March, 2004, and of the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting standards.

*M. Sturckman*  
Auditor General  
12/5/2005

Segment Three

Under the project, the 120 km stretch of roadway from Ocho Rios in St. Ann to Fair Prospect in Portland will be reconstructed and rehabilitated where necessary as we seek to preserve the integrity of the pristine beauty of the area. We will be staying on the existing alignment for as much as it is humanly possible.

The project is being funded by the European Union and they have given strict guidelines for the grant funds. These include clear and unrestricted access to the contractor, regarding for instance, the acquisition of all necessary lands, resettlement of affected persons and the relocation of the utilities prior to January 1, 2004.

As at March 2004, 99% of the land has been acquired, 96% of the utilities have been relocated, 96% of the resettlement of affected persons have been completed, nine community meetings were held, and the necessary Environmental Permit granted by the National Environment and Protection Agency (NEPA), paving the way for the project to begin by August 2005.



Residents of St. Mary participating in a Town meeting held in Annotto Bay to discuss the Northern Coastal Highway



NORTHERN COASTAL HIGHWAY  
IMPROVEMENT PROJECT

Segment One

The 71.2 km stretch between Negril and Montego Bay is now complete and the great inconvenience that was caused by the works is now a thing of the past. The only complaint at this time, is the speed with which one now gets from Montego Bay to Negril. As a matter of fact, Air Jamaica Express has cancelled flights into Negril from Montego Bay because of the easier road access.

The approaches to the bridges has started to settle. However, nothing is wrong with the structure of the bridges themselves. They are sound and their integrity is in tact. Further, the consultants, Stanley Consult International have agreed to pay for the remedial work to the approaches. Under the circumstances, this commitment on their part is rear and noteworthy.

Segment Two

This 97 km stretch from Montego Bay to Ocho Rios is well underway. We have advanced the land Acquisition and utility relocation to 90%, while fully resettling the persons affected by the project.

We have re-scoped the works to create the Falmouth, Duncans, Coopers Pen and Rio Bueno By-Passes. This has reduced the land acquisition costs and traf- fic congestion in the resort areas, as well as avoiding costly rock excavation while reducing travel time between destinations.


Road safety has been enhanced. The reservation has been expanded to facilitate future lane expansion. The shoulders are being paved to reduce maintenance cost and enhance the safety of pedestrians and non- motorized equipment oper- ators.

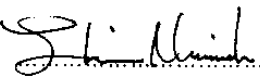
We are constructing underpasses and interchanges to facilitate safe and easy entrance and exit to and from the highway. This will also allow golf carts, pedes- trians and small trucks to move safely from the adjoining properties. The full con- struction costs of these facilities are being borne by the private owners.

Approximately 50 km of NWC pipe lines are being realigned to the new road shoulder to ensure that repairs or extension excavation in the future do not affect the roadway.

NATIONAL WORKS AGENCY  
BALANCE SHEET AS AT 2004 MARCH 31.

	Notes	March 2004	March 2003
<b>FIXED ASSETS</b>			
Plant, Machinery and Equipment		147,577,983	143,052,069
Computers and Office Equipment		50,037,067	19,582,208
Furniture,Fixtures and Fittings		12,588,765	10,334,589
Vehicles		29,289,548	32,466,703
Specialist Assets		23,333,054	9,864,607
<b>Total Fixed Assets</b>	<b>1</b>	<b>262,826,418</b>	<b>215,300,175</b>
Depreciation Provision	<b>2</b>	<b>(106,963,204)</b>	<b>(71,678,586)</b>
<b>Net Fixed Assets</b>		<b>155,863,213</b>	<b>143,621,589</b>
Investment in EALF			
<b>CURRENT ASSETS</b>			
Inventories		-	-
Trade and other Receivables	<b>4</b>	700,970,495	512,387,355
Client Deposit	<b>5</b>	201,857,052	
Cash and cash equivalents	<b>3</b>	6,445,991	13,866,404
		909,273,538	526,253,759
<b>CURRENT LIABILITIES</b>			
Creditors	<b>6</b>	719,140,698	371,707,748
<b>Net Current Assets</b>		<b>190,132,840</b>	<b>154,546,011</b>
Provisions			
<b>NET ASSETS</b>		<b>345,996,053</b>	<b>298,167,600</b>
<b>Long Term Liabilites</b>			
		<b>345,996,053</b>	<b>298,167,600</b>
<b>Financed by:</b>			
Capital - (GOJ Investment)		166,939,973	166,939,973
General Reserve - (Retained Earnings)		107,177,457	81,950,146
Revaluation Reserve			
Donated Assets Reserve		60,866,488	24,050,170
Retained Surplus		11,012,135	25,227,311
		<b>345,996,053</b>	<b>298,167,600</b>

  
..... Chief Executive Officer  
Ivan P. Anderson

  
..... Director Finance & Accounts  
L. Elaine Neita



## FINANCIAL STATEMENTS

### NATIONAL WORKS AGENCY INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD ENDING MARCH 31, 2004

	<u>Notes</u>	<u>March 2004</u>	<u>March 2003</u>
		\$	\$
<b>Income</b>			
Management Fees		275,187,097	315,698,709
Motor Vehicles & Equipment Hireage		44,503,777	65,328,558
Technical Services		1,104,650	298,470
Others		20,916,310	8,601,687
<b>Total Income</b>		<b>341,711,833</b>	<b>389,927,423</b>
<b>Expenses</b>			
Staff cost	7	430,142,354	361,494,429
Goods and services		77,123,265	96,187,271
Premises related expenses		37,485,885	47,696,991
Other Costs		10,411,254	5,610,604
Depreciation		38,655,567	47,935,725
Interest and charges		141,852	229,113
<b>Total Operating Expenses</b>		<b>593,960,177</b>	<b>559,154,133</b>
<b>Operating Surplus/(Deficit)</b>		<b>(252,248,344)</b>	<b>(169,226,710)</b>
(Loss)/profit on disposal of fixed assets		3,852,092	
Interest expense			
Interest income		56,162	2,194
GOJ(50%) Gross Revenue collected		(162,187,836)	(191,847,172)
<b>Net Suplus /(Deficit )before GOJ Financing</b>		<b>(410,527,926)</b>	<b>(361,071,689)</b>
GOJ Financing from Consolidated Fund		421,540,061	386,299,000
<b>Retained Surplus/(deficit) after GOJ Financing</b>		<b>11,012,135</b>	<b>25,227,311</b>

## MAJOR PROJECTS

The OPEC funded aspect of the programme is now in progress. OPEC is funding 87% and the GOJ 13%. This project will cost approximately \$236M. The roads that are being upgraded include Luana to Sandy Ground in St. Elizabeth, Truro Gate to Locust Tree and Torrington to Galloway, Westmoreland. These works are progressing slowly and as at the end of March 2004 their completion ranged from 2% to 7 %.



Workmen constructing a retaining wall along the  
Stony Hill to Toms River road, St. Andrew



MAJOR PROJECTS

KUWAIT/OPEC FUND ASSISTED ROAD REHABILITATION PROGRAMME

This programme is jointly funded by the Government of Jamaica and Kuwait in the ratio of 30/70. Under this contract, five roads were selected for total rehabilitation. Stony Hill to Toms River in St. Andrew, Spanish Town By-Pass in St. Catherine, Mandeville - Mark Post, Williamsfield to Greenvale via Mandeville and Whitney Turn to Trinity in Manchester.

The contracts for these roads covers some 40.2 km valued at approximately \$1.2B. The Manchester roads are all 96 % complete, Stony Hill to Toms River 18% and Spanish Town Bypass 7%.

Cash flow problems and traffic management constraints have hampered the works along the Bypass, as works have been suspended. No decision has yet been made about restarting work on this project. The Stony Hill to Toms River project was dogged by the killing of three men by gunmen. While work has restarted on this project, outstanding payments to the contractor has slowed the progress significantly.

Again, we have learnt some valuable lessons. The Government's contribution needs to be in place prior to the contract being awarded. This will result in speedier completion of the projects. Our communication and customer service activities will have to be intensified, in order to forge a greater level of community participation. There is also room for improvement in the co-ordination of the activities of the utility companies ie National Water Commission (NWC), Cable and Wireless Jamaica (C&WJ) and Jamaica Public Service Company (JPSCo).



Recently rehabilitated Williamsfield to Mandeville to Greenvale main road in Manchester

FINANCIAL STATEMENTS

NATIONAL WORKS AGENCY STATEMENT OF CASH FLOW For year ended March 31,2004		
	Financial Year 2003/2004	Financial Year 2002/003
	\$	\$
Net Expenditure	(252,248,344)	(169,226,710)
Adjustments		
Depreciation	38,655,567	47,935,725
Increase (decrease) in provision for bad debt		
(Gains)/ losses on investments		-
Donated Asset Revenue	(17,392,324)	(4,100,882)
Interest paid to GOJ	56,162	2,194
Other Amounts paid to GOJ	(162,187,836)	(191,847,172)
(Gains)/Lossess on Sale of Fixed Assets		-
Foreign Currency gain/(loss)		-
Increase(Decrease) in Current Liabilities	347,432,950	274,107,813
(Increase)/Decrease in Current Assets	(390,440,191)	(330,424,179)
Total Adjustments	(183,875,672)	(204,326,501)
Net Cash provided by Operating Activities	(436,124,016)	(373,553,211)
Investing Activities		
Capital Expenditure	(3,438,187)	(9,407,626)
Proceeds from Sale of Fixed Assets	10,601,730	
Payments to/from EAIF		
Net Cash Flow from Investing Activities	7,163,543	(9,407,626)
Finance		
Loans from GOJ		-
Loan Repayments		-
Net Financing	0	-
Recurrent Financing from Consolidated Fund	421,540,061	386,299,000
Increase/(decrease) in Cash and Cash Equivalents	(7,420,413)	3,338,163
Opening Cash Balance	13,866,404	10,528,241
Increase/(decrease) in Cash and Cash Equivalents	(7,420,413)	3,338,163
Closing Cash Balance	6,445,991	13,866,404



## FINANCIAL STATEMENTS

### STATEMENT OF CHANGES IN NET ASSETS/EQUITY Financial Year 2003 /2004 (in thousands of dollars)

	Contributed Capital	Revaluation/ Donated Asset Reserve	Translation Reserve	Accumulated Surpluses/ (Deficits)	Total
<b>Balance as at April 01, 2002</b>	<b>183,563</b>	<b>12,837</b>		<b>81,950</b>	<b>278,350</b>
Restated balance					
Surplus on revaluation of property					
Increase in value Donated Assets					
Currency translation differences					
Net gains and losses not recognized in the statement of financial performance	(16,623)	11,214		25,227	
Net surplus/deficit for the period	(16,623)	11,214		25,227	19,818
<b>Balance as at March 31, 2003</b>	<b>166,940</b>	<b>24,051</b>		<b>107,177</b>	<b>298,168</b>
Deficit on revaluation of property/valuation of fixed assets transferred from MTW					
Surplus on revaluation of investments					
Net gains and losses not recognized in the statement of financial performance		36,816		11,012	
Net surplus/deficit for the period		36,816		11,012	47,828
<b>Balance as at March 31, 2004</b>	<b>166,940</b>	<b>60,867</b>		<b>118,189</b>	<b>345,996</b>

## URBAN TRAFFIC MANAGEMENT THE SPANISH TOWN BYPASS TIDAL FLOW

Under the new system, motorists travelling east (toward Kingston) were allowed to use the Bypass in the mornings, while motorists travelling westward from Kingston toward Linstead or Old Harbour were routed through Spanish Town.

These changes were reversed in the evenings with modifications. Motorists travelling from the direction of Old Harbour Round-a-bout were allowed to travel through Spanish Town and on to the Twickenham Park main road. Motorists travelling West were allowed to use the Bypass, while motorists travelling to Spanish Town from Kingston were routed along Port Henderson or Salt Pond roads from the Bypass.

The use of the Twickenham Park main road was restricted to vehicles less than 12 tons. Persons operating vehicles over this weight limit were advised to use the route through Lakes Pen and Port Henderson roads.

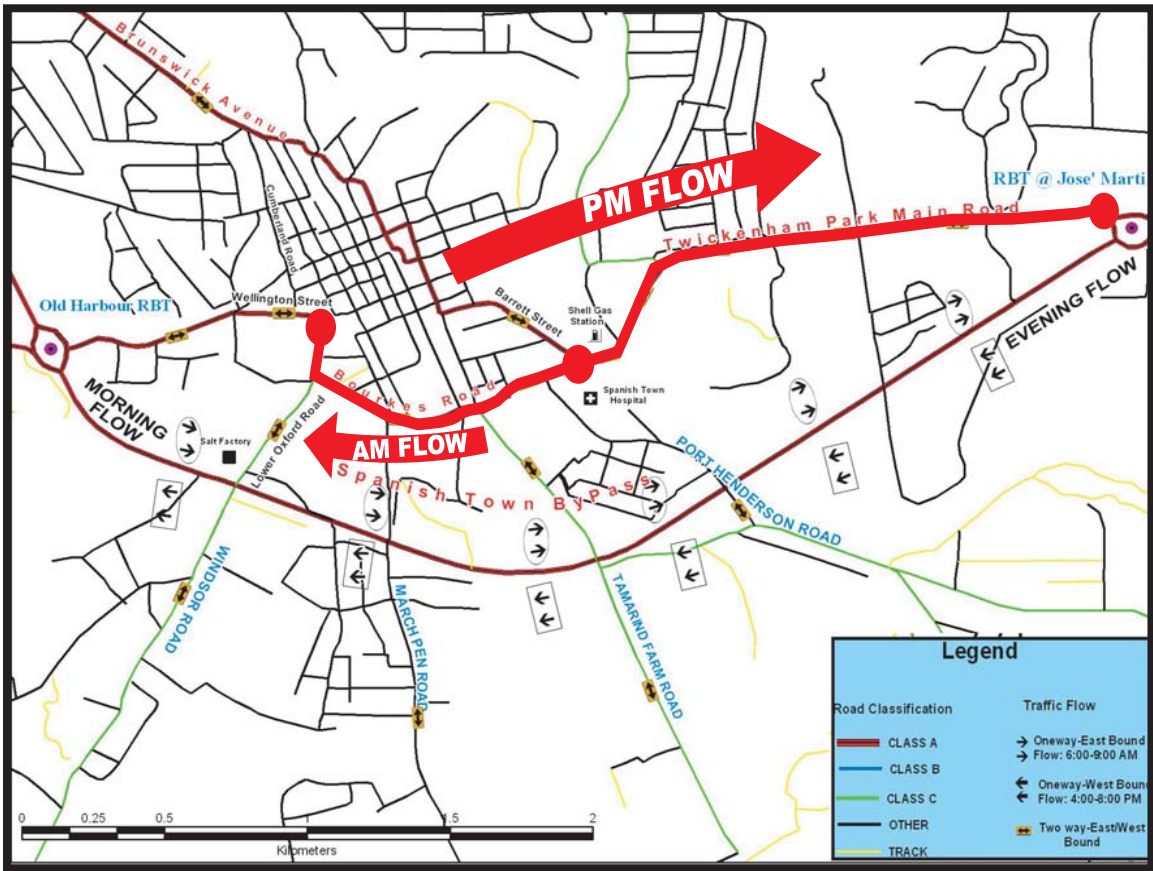
The changes were made with the full participation of the NWA, MTW, St. Catherine Parish Council, the Members of Parliament and other stakeholders from the Spanish Town community.

Although there were teething pains, the Works Agency is satisfied with the way the new system has worked.

The National Works Agency has, as part of its ongoing Traffic Management Programme, implemented projects aimed at reducing congestion and travel times along major corridors in urban centres islandwide. One such project was the implementation of a Tidal Flow System along the Spanish Town Bypass.

Over the years, the increase in traffic volumes along this corridor has resulted in lengthy delays for motorists especially during morning and afternoon peak hours. After analyses of traffic flows along the Spanish Town Bypass and its environs, on September 8, 2003 the National Works Agency introduced a Tidal Flow/staggered One Way System along the Spanish Town Bypass, St. Catherine, and implemented other changes to traffic movement within Spanish Town. The new system was operational on Mondays to Fridays, between the peak hours of 6:00 a.m. to 8:30 a.m. and 5:00 p.m. to 7:30 p.m.

Following the introduction of the staggered One-Way System, travel time between the Old Harbour Round-a-bout and the Jose Marti Round-a-bout was reduced by 30 minutes.



Map showing the new traffic flows along the Spanish Town by-pass.

NOTES TO THE FINANCIAL STATEMENTS

Financial year ended March 31, 2004

*Basis of preparation and significant accounting policies*

The financial statements have been prepared under the historical cost convention modified for the inclusion of some fixed assets at valuation and in accordance with the Jamaica Generally Accepted Accounting Principles (GAAP), which is based on statements of Standard Accounting Practice (SSAP) issued by the Institute of Chartered Accountants of Jamaica (ICAJ). Any departure from GAAP is only as it relates to specific instructions by GOJ Financial Instructions to Executive Agencies (FIEA).

The financial statements have been prepared on the basis of fundamental accounting concepts identified by SSAP 2: Going concern, Accruals, Consistency, Prudence and Materiality.

The reporting currency is Jamaican Dollars.



The significant accounting policies follow:

**Note 1-Fixed Assets**

The agency acquired additional office equipment and furniture, motor vehicle for the amount of \$3.4 million for this financial year. The agency also brought into its inventory of fixed Assets computer hardware purchased through the Public Sector Modernization Programme (PSMP). The total value of this acquisition – \$(28,298,000.00) has been treated as Donated Assets. Additionally, the Agency’s Corporate Office Computer network was financed through this Programme at a cost of \$13,468,447.00. Computer equipment to value of \$1,029,255.26 was also purchased by TRDI through the Phase III Pilot Maintenance Programme. A Range Rover Discovery equipped with a Road Surface Profiler system was also acquired as donated asset through the Kuwait Fund Assisted Road Rehabilitation Project for the value of US \$105,330.00 In accordance with FIEA 11.14.4, the Donated Asset Reserve reflects the net book value of these assets. The value of this reserve at the end of this year stands at \$60,866,487.83.

The agency also sold some old motor vehicles to staff .These vehicles had formed part of the fixed asset transferred from the Ministry of Transport and Works. Other Motor Vehicles assigned to Managers and Directors were also

URBAN/RURAL TOWNSHIP REHABILITATION AND MAINTENANCE PROGRAMME

The main roads in the parish capitals and major townships across the island had to be upgraded. In this regard, we initiated and implemented the Urban/Rural Township Rehabilitation and Maintenance Programme. Approximately 275 roads, totaling 200km belonging to the Parish Councils in every parish capital and some major towns across the country, were targeted for repairs at a cost of just over \$1.2B.

Twenty contracts were awarded between June and November 2002 and by March 2004 the project was 99% complete. This programme was one of, if not the best that was executed. Happily, it has come out within the budget. This certainly goes to show that with proper measurements and strict monitoring, excellence can be achieved. In this regard, it must be noted that Mr. Wesley Blake, the Project Manager did extremely well.

This programme also had some first for Jamaica. For the first time contractors were required to design, build and maintain the roads for a period of 3 years. However, after practical completion certificates were issued, the maintenance aspect had to be cancelled, because of a lack of funds. Taking over certificates were issued to 17 of the 20 contractors and by the end of June 2004, we anticipate the completion of final accounts. There was also a patching component to the programme and we were able to patch approximately 140,889 square meters by June 2003.



Resurfacing work underway along Richmond Park Avenue, Kingston

Verification of Key Performance Indicators -  
2003 / 2004

Performance Targets	% Achieved	Audit Comment
Carry out baseline survey to determine roughness on 20 kms of road widening and realignment projects and develop programs to reduce roughness.	2.00	Documents/data examined considered adequate to demonstrate achievement of target.
<b>Environment</b> Develop program to monitor adverse environmental effects of major programs. Commence the monitoring of at least one major project.	5.00	Documents/data examined considered adequate to demonstrate achievement of target.
Communication & Customer Service Update road user satisfaction survey data.	1.00	Documents/data examined considered adequate to demonstrate achievement of target.
Meet with public in communities on 12 occasions.	1.00	Documents/data examined considered adequate to demonstrate achievement of target.
75% of response or acknowledgments within 14 days.	0.50	Documents/data examined considered adequate to demonstrate achievement of target.
Provide website access to Agency news and listing of NWA roads.	1.00	Documents/data examined considered adequate to demonstrate achievement of target.
Press Releases available to staff and public within 72 hours.	1.00	Verified from actual observation over the year under review. Target considered to have been achieved.
Improve the working conditions in Trelawny and St. Mary for internal and external customers.	0.50	Documents/data examined considered adequate to demonstrate achievement of target.
Implement a program to recognize high performance.	5.00	Verified from actual observation over the year under review, via attendance at Quarterly Awards Presentations. Target considered to have been achieved.
Implement a Training and Development Program in keeping with our corporate plan.	5.00	Documents/data examined considered adequate to demonstrate achievement of target.

Based on our examination of supporting data, the position can be summarized as follows:

Total percentage achievement claimed :	87.3%
Percentage not yet agreed	( 3.0%)
Overall percentage agreed	84.3%

The remaining 3% relates to information supplied by Major Projects. The data supplied requires more analysis and discussion with the Director of Major Projects before we can do a proper evaluation. It should be noted that the percentage achievement values add up to 87.3% and not 85.85% as noted on Annex A.

FINANCIAL STATEMENTS

disposed of in accordance with MOFP directive. Total Profit on disposal of motor vehicles amounted to\$3.9 million.

(Fixed Assets Schedule attached.)

Note 2 –Depreciation

Fixed Assets are depreciated by the straight line method at annual rates estimated to write off the difference between cost or valuation and estimated residual value over the following estimated useful life of the asset:

Plant, Machinery and Equipment	not exceeding	10 years
Furniture fixtures and Fittings	“	10 years
Computers Office Equipment	“	5 years
Motor Vehicles	“	5 years
Specialist Assets	“	20 years



	Plant, Machinery & Equipment	Computers & Office Equipment	Furniture, Fixtures & Fittings	Motor Vehicles	Specialist Assets	TOTAL
Initial Cost/ Balance as at 01/04/2003	143,062,069.39	19,582,207.76	10,334,588.50	32,466,702.82	9,864,606.82	215,300,175.29
Purchases/ Disposals	4,525,914.00	30,454,859.59	2,254,176.25	6,943,431.40 (10,120,586.20)	13,468,447.20	57,646,828.44 (10,120,586.20)
BALANCE	147,577,983.39	50,037,067.35	12,588,764.75	29,289,548.02	23,333,054.02	\$ 262,826,417.53
Depreciation Balance as at 01/04/2003	46,086,851.04	6,255,079.56	2,174,074.15	15,867,789.94	1,294,791.33	71,678,586.02
Prov Written Off Expense	17,052,042.12	10,095,855.52	1,852,211.07	(3,370,948.63)	1,533,733.32	(3,370,948.63)
Balance as at 31/03/2004	63,138,893.16	16,350,935.08	4,026,285.22	20,618,566.04	2,828,524.65	106,963,204.15
NET BOOK VALUE	84,439,090.23	33,686,132.27	8,562,479.53	8,670,981.98	20,504,529.37	\$ 155,863,213.38

FIXED ASSET SCHEDULE  
FOR YEAR ENDED  
March 31, 2004

Performance Targets	% Achieved	Audit Comment
maintenance program to ensure that roads are covered by contractors for at least 60% of the year.		Adequate to demonstrate achievement of target.
Complete 80% of the NARIP Program.	15.00	Documents/data examined considered adequate to demonstrate achievement of target.
Complete 80% of the Urban Rural Program.	5.00	Documents/data examined considered adequate to demonstrate achievement of target.
Complete 70% of the Major Patching Program.	5.00	Documents/data examined considered adequate to demonstrate achievement of target.
Commence the implementation of five bridge projects.	2.50	Documents/data examined considered adequate to demonstrate achievement of target.
Develop baseline information on delays on critical corridors. Develop plan to reduce delays on critical corridors.	0.50	Documents/data examined considered adequate to demonstrate achievement of target.
Identify and prioritize areas for flood mitigation works. Commence the implementation of four flood mitigation projects.	3.00	Documents/data examined considered adequate to demonstrate achievement of target.
Complete the implementation of the IDB Emergency Rehabilitation Program (more than 90% of the projects practically complete.)	5.00	Documents/data examined considered adequate to demonstrate achievement of target.
Complete the implementation of the CDB Emergency Rehabilitation Program (more than 60% of the projects practically complete.)	4.30	Documents/data examined considered adequate to demonstrate achievement of target.
<b>Efficiency</b> Establish baseline information to determine number of projects which overrun in time and costs.	3.00	
Develop tool for project prioritization and discuss and agree with stakeholders.	1.00	Documents/data examined considered adequate to demonstrate achievement of target.
<b>Development &amp; Growth</b> Develop post project audit criteria and evaluate the performance of at least one major project.	0.00	Not completed.

## Verification of Key Performance Indicators - 2003 / 2004

Verification of the Key Performance Indicators (KPI's) for the year April 2003 to March 2004 was carried out as follows.

- (a) KPI 's for the year April 2003 to March 2004 were identified from Annex A of the Performance Report for Period ended March 2004.
- (b) Supporting documentation relating to the KPI 's for the critical success factors were examined. The objective of this examination was to ascertain if the data demonstrated the achievement of the KPI 's. Discussions were also held with appropriate members of staff to seek clarification, where necessary, of information and schedules obtained.

Arising from the work performed as noted above, the following is a summation of our findings.

Performance Targets	% Achieved	Audit Comment
<b><u>Safety</u></b>	1.25	Documents/data examined considered adequate to demonstrate achievement of target.
Gather information from police and other sources on locations of accidents caused by bad road conditions and develop plan for mitigation.		
Gather information from police and other sources on locations of road fatalities caused by road conditions and develop plan for mitigation.	1.25	Documents/data examined considered adequate to demonstrate achievement of target.
Identify priority black spot locations and develop signage and marking plan including pedestrian crossings.	2.00	Documents/data examined considered adequate to demonstrate achievement of target.
Identify locations where retaining walls are missing causing safety hazards. Develop plan for mitigation.	2.00	Documents/data examined considered adequate to demonstrate achievement of target.
<b><u>Reliability / Availability of the network</u></b>	3.00	
Carry out baseline survey to determine Km of the main road network closed as a result of floods or other natural disasters. Develop and commence implementation of plan to reopen roads.		Documents/data examined considered adequate to demonstrate achievement of target.
Carry out baseline survey to determine roughness on 20% of the network and develop a program to have it reduced.	3.5	Documents/data examined considered adequate to demonstrate achievement of target.
Continue the implementation of the routine	8.00	Documents/data examined considered

## FINANCIAL STATEMENTS

Depreciation has been provided for all Assets including those transferred from the Ministry of Transport and Works; those purchased directly by the Agency as well as on donated assets acquired during this year.

### **Note 3 Bank Balances**

Operational Bank Account	\$ 5,914,303.09
Appropriations – in –Aid Bank Account	<u>531,688.18</u>
<b>Total</b>	<b>\$ 6,445,991.27</b>

### **Note 4 – Trade & Other Receivables**

Accounts Receivable	\$448,770,970.54
Contracts Receivable	212,963,279.20
Salary Advance	158,719.56
Staff Loan	8,801,443.74
Prepayment and other advances	<u>30,276,081.50</u>
<b>Total</b>	<b>\$700,970,494.54</b>

Accounts receivable is stated after a provision for doubtful debt of \$Nil for this period. The major portion of the receivables represents amounts outstanding



from the Ministry of Transport and Works' Capital A&B as well as its deferred financed projects for Project Management Fees.

The Contracts receivable Account of \$212,963,297.20 represents outstanding amounts payable on those contracts entered into by the Agency on behalf of its clients for which no financing was received.

Advances on salary were made to staff with a balance of \$158,719.56 remaining at the end of the financial year. The Staff also received loans repayable at 8% per annum fixed interest for educational purposes, as well as to purchase Motor Vehicles acquired through the disposal of old Agency Vehicles.

The Road Fund

The Road Maintenance Fund began its operations in July 2003 and was established to provide stable funding for maintenance activities. Just over J\$250 million, or one third of the motor vehicle licensing fees, are paid over to the fund, annually.

The Fund financed a \$179 million Routine Maintenance Programme for all parishes except Kingston. In addition the Fund financed maintenance and deployment of a fleet of twelve spray patching machines as well as Traffic Management Projects such as intersection improvements.

Challenges...

The journey to that Culture of Excellence, of which we speak, has not been a smooth one. One of the more pervasive challenges has been that of tackling extortion. We spearheaded discussions with our Ministers and members of the Master Builders Association to find ways to eradicate extortion wherever it occurred. We have instructed our contractors to report any incidents and in extreme cases, discontinued work in affected areas.

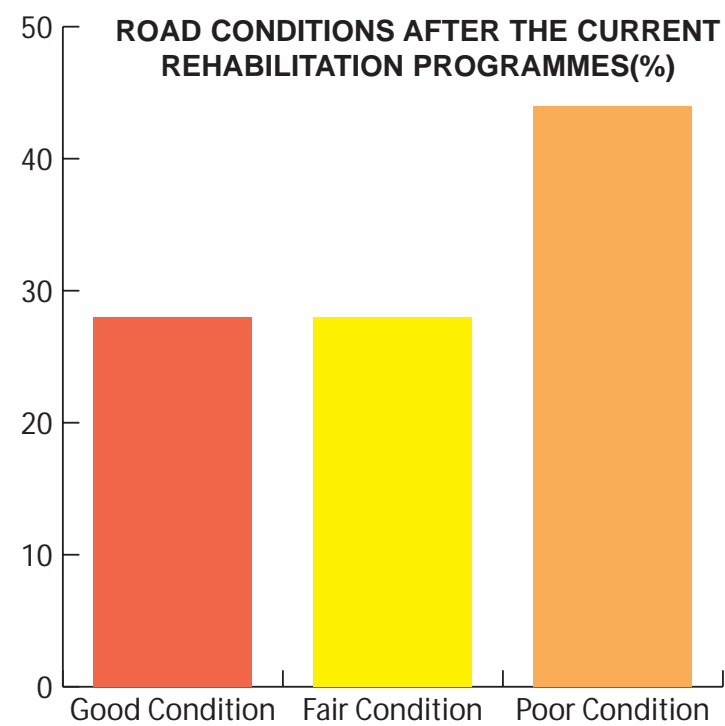
Again in May 2003, we experienced heavy rainfall that caused further damage to the network in St. Thomas, Portland and St. Andrew. The damage to the network was minimal compared to the flood rains in 2002, but was nonetheless significant. Given this trend, the Agency designed and submitted to cabinet for approval, a Drain Cleaning and Flood Mitigation Programme, for low lying and flood prone areas in parishes such as Clarendon, St. Catherine and St. Thomas. When implemented, this programme should see a reduction in the negative effects of flood events on the main road network.

The Way Forward

Over the past year, we have made remarkable strides towards achieving excellence in our operations. We may not have met all our targets; however, we continued to invest heavily in the development and maintenance of road infrastructure in particular, drainage.

We profited tremendously from the involvement of our team members in identifying solutions to those hurdles we encountered in the last fiscal year. This approach must be maintained as we will continue to create a Culture of Excellence. Undoubtedly, the prevailing economic climate and the heightened awareness of our customers, stipulate that new and particularly challenging situations will confront us in the year ahead. In responding we will have to be more innovative and strengthen the management of all projects, so that we continue to receive value for money.

centage from 48 to 44. Another 703 kilometres of the network had been transformed to good condition. This move was represented by the increase from 13% to 28 %.



This success was underpinned by implementation of training in 20 technical/professional areas inclusive of Project Management, Pavement Design and Overlay, Contract Management and Monitoring. We standardized documents used in the Project Management process as well as completed Procedures Manuals to ensure uniformity in our operations. The team increased its vigilance of contractors and consultants and implemented random testing at different stages of the road construction/maintenance programmes. Post Project reviews were implemented as a means of assessment and source for improving our operations. The lessons learnt from one project were incorporated into the design of new ones.

**Excellence in Communicating to Internal and External Customers**

The National Works Agency has enjoyed a remarkably amount of goodwill from our customers both internally and externally. We are also one of, if not the most visible public sector entity across the island. Our presence in the media and the deepening relations among team members can be attributed to a vibrant and responsive Communications team. This year the department has spearheaded several projects that have expanded the channels of communication and anchored the image of the Agency, externally.

**Note 5 - Client Deposit**

At the end of financial year 2003/2004 the Agency had short - term Deposits totaling \$201,857,052 on behalf of its clients. The Agency has no beneficial interest in the application of these funds. Accordingly only the net balances if any, due on these accounts are disclosed.

**Note 6- Creditors**

Accounts Payable	\$284,394,693.06
Client Deposit Liability	201,857,052.00
NWA Contracts	212,963,279.20
Other Current Liabilities	<u>19,925,674.09</u>
<b>Total</b>	<b>\$719,140,698.35</b>

Accounts payable includes an amount of approximately **\$248,000,000** which represents 50% of Gross Revenue earned but uncollected to be paid to GOJ.

The liability account created because of deposits being held for clients amounts to \$201,857,052.00. Additionally, the Agency ended the year with outstanding Accounts Payable on contracts entered into on behalf of its clients of approximately \$212,963,279.



PERSPECTIVES  
“CREATING A CULTURE OF EXCELLENCE”

**Note 7 Income and expenditure Account –Staff costs**

Staff Cost increased by \$68 million or 19% over the corresponding period of the last financial year. This is as a result of the reclassification of salaries in October 2003 and April 2004. Additionally travel allowance was increased under the Industrial Disputes Tribunal Award handed down by the Court of Appeal in April 2003. Employer's Contribution relating to the executive agencies pension scheme commenced during this year as well as provision of Group Life Insurance for all of the Agency's staff.

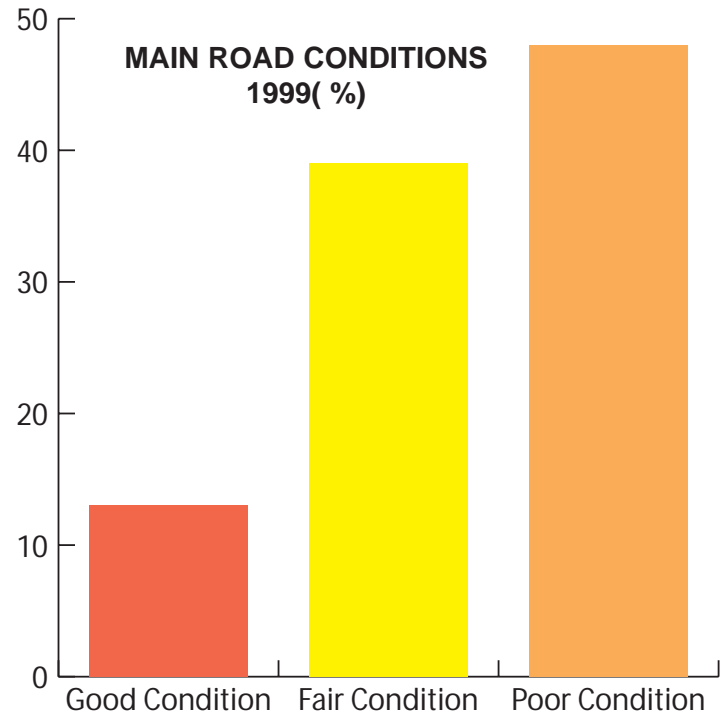
The required disclosure of Employees in receipt of emoluments of over J\$1 million per annum is provided hereunder:

NUMBER OF EMPLOYEES	SALARY RANGE (\$Million)
5	1.00 - 1.25
7	1.26 - 1.50
20	1.51 - 1.75
3	1.76 - 2.00
1	2.01 - 2.25
5	2.26 - 2.50
6	2.51 - 2.75
Nil	2.76 - 3.00
Nil	3.01 - 3.25
Nil	3.26 - 3.50
Nil	3.51 - 3.75
Nil	3.76 - 4.00
2	4.01 - 4.25

- Empowering staff through improvements in working environment, equipment and tools
- Adequate and stable funding. Identification of ways to increase revenues while decreasing expenditure.

**OUR ACHIEVEMENTS:**

In 1999 the Ministry of Transport & Works conducted a survey of the conditions on the Main Road Network. The Survey revealed that 13 % or 128 main roads were in good condition, 39% or 265 roads were in fair condition, whereas 48% or 380 roadways were in poor condition. *See chart below:*



Last year, we implemented several programmes to arrest the poor road conditions on the main road network. Many of these, including the National Road Improvement Programme - our flagship programme, and the Urban Rural Rehabilitation Programme, are substantially complete. The Kuwait Assisted Road Rehabilitation Project got underway and we continued work on Segment Two of the Northern Costal Highway. In addition, Routine Maintenance activities were undertaken to complement rehabilitation works. We revisited the conditions of the roadways to asses the impact of these works on the main road network.

Of the 4,795 kilometres of main road, approximately 173.2 kilometres, previously categorized as being in poor condition improved, thus the reduction in the per-

## PERSPECTIVES

### “CREATING A CULTURE OF EXCELLENCE”



*Mr. Ivan Anderson*  
**Chief Executive Officer**

*“It is not our wealth, which has built our roads, but our roads which built our wealth...”*  
Federal Highways Administration

The National Works Agency, this year intensified its pursuit of excellence in every aspect of its operations. We embraced this drive, as a means to support our planning, building and maintenance processes. Essentially, we believe the pursuit of excellence in our people, management of projects, resource and policies, excellence in communicating to clients, customers and stakeholders and excellence in innovation, foster and support the creation of *Safe, Reliable and Quality main roads*.

We know, from our experiences and that of other countries, that the "Road to Development is the Development of

Roads". In fact, a 1999 International Comparison of the Economic and Financial Rate of Return of Development Projects, funded by the World Bank, revealed that Investments in Roads and Highways were the highest contributor to National Economic Development.

#### **Critical Success Factors**

We believe that the Culture of Excellence must be deliberately and actively cultivated. It requires hard work and dedication from team members. We also recognize that such a change doesn't occur immediately but over time. In this context, the Agency set about designing a blueprint for success. We started this process by engaging team members in an assessment of current practices and identification of best practices. We arrived at seven critical success factors that served to guide our operations throughout:

- Improved and Effective Management of Project Implementation
- Increased Customer Focus (both internal and external);
- Enhanced and effective communication of our objectives, strategies and schedules- Solid Communication Plan
- Deepening of long term planning processes
- Agreement on and implement of policies, guidelines & procedures





*Hon. Dr. Carlton Davis*  
**Cabinet Secretary**

The National Works Agency has positioned itself at the center of the country's developmental agenda by aggressively pursuing its mandate of providing a road network that can facilitate the easy movement of people, goods and services to support the country's growth prospects.

During the year under review, the Agency continued to give priority attention to those projects that impact on the lives of people in their communities.

The National Road Improvement

Programme, Rural Township Roads Rehabilitation, Bridge Development and Drain Cleaning Projects are examples.

The Agency's commitment to giving the Jamaican people value for money is demonstrated by the establishment of mechanisms to enhance quality control, monitoring and accountability in the execution of contracts.

The Agency is enjoying the confidence of the Jamaican people as a Government institution that responds promptly to their concerns even if such responses do not necessarily lead to an immediate solution to their problems.

I congratulate the management and staff of the Agency for another successful year.



*Hon. Dr. Fenton Ferguson*

**Minister of State,  
Ministry of Transport & Works**

This year, as on previous occasions, the NWA has relentlessly pursued its mandate to provide safe, reliable, and quality roads. In this regard, I must record my utmost pleasure at the determined effort of the Project Managers as they strove to successfully execute a number of programmes such as the Urban/Rural Township; Major Patching; Mabey and Johnson Bridge Programme, and the Kuwait Funded Programme, among others, in the face of severe flood-producing weather systems.

It was not only road surfaces that were addressed over the 2003/2004 financial year. Construction and maintenance of bridges, drains, retaining walls and other structures were also completed.

Meanwhile, the premier project, the Northern Coastal Highway Improvement Project (NCHIP), continued a pace with work on Segment Two from Montego Bay to Ocho Rios. The work has begun to benefit motorists along this corridor. In the same breath, we acknowledge that where motorists experienced delays they invariably accepted that it was an inevitable part of the making of a major highway.

The establishment of the Road Maintenance Fund also paved the way for a predictable flow of funds dedicated to the maintenance of our major roadways. The Fund also financed several projects geared at improving key intersections in the Corporate area and already improvements are evident along the Half Way Tree Road corridor.

I want to place on record our continued appreciation for the timely intervention of the Caribbean Development Bank (CDB), the Inter-American Development Bank (IADB), and in particular, the European Union (EU) which has granted the funds for the construction of Segment Three of the NCHIP.

The Executive Office, Senior Management, Supervisors, and Line Staff of the NWA must be commended for their perseverance under challenging circumstances. To our other customers, suppliers, and contractors, I also say thanks. I look forward to us working together for an improved 2004/2005.





*Hon. Robert Pickersgill*  
**Minister of Transport & Works**

Throughout the year in review the National Works Agency (NWA) strengthened its profile as an institution that is integrally engaged in the overall effort toward enhanced national development.

While it continued to implement programmes aimed at improving the country's road and bridge infrastructure, the Agency also had to deal with the exigencies immediately arising from the impact of flood rains in May and September 2003 and bringing relief to the communities most affected. In this regard, the NWA has demonstrated its capacity to adapt and deal with unplanned developments, a capacity which will no doubt put the country in good stead.

Several programmes were implemented last year which have helped to improve the poor conditions on the main road network. They included the National

Road Improvement Programme (NARIP), Urban Rural Rehabilitation Programme, Northern Coastal Highway Improvement Programme (NCHIP)-Segment Two, Kuwaiti Assisted Road Rehabilitation Project, as well as a variety of Drain Cleaning and Bridge Development projects. These projects have impacted meaningfully on the lives of people in several communities.

The Agency had also embarked on several capacity building ventures such as training in technical and professional areas, standardization of documents used in Project Management processes and orientation/training for contractors. In addition, there is now greater scrutiny of Contractors and Consultants and the programme of random testing at different stages of the road construction/maintenance programmes is ongoing.

These developments should result in greater efficiency and productivity of programmes carried out under the aegis of the NWA, and redound to the benefit of taxpayers and residents in their various communities.

As NWA continues the pursuit of its mandate to provide a modern network of safe, reliable and quality roads, the work of the Agency should now benefit from a source of structured funding, dedicated to maintenance and improvement projects, as a result of the establishment of the Road Maintenance Fund (RMF).

Congratulations are due to the Chief Executive Officer, Directors and Staff of the Agency who, notwithstanding resource constraints, have gone the extra mile to achieve yet another successful year of operations.

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## **Annual Report 2003-2004**

*'Developing Safe, Reliable and Quality Roads'*