

Examining the Philippines' Public Investment and Bottom-up Approach to Disaster Risk Reduction and Management

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Outline

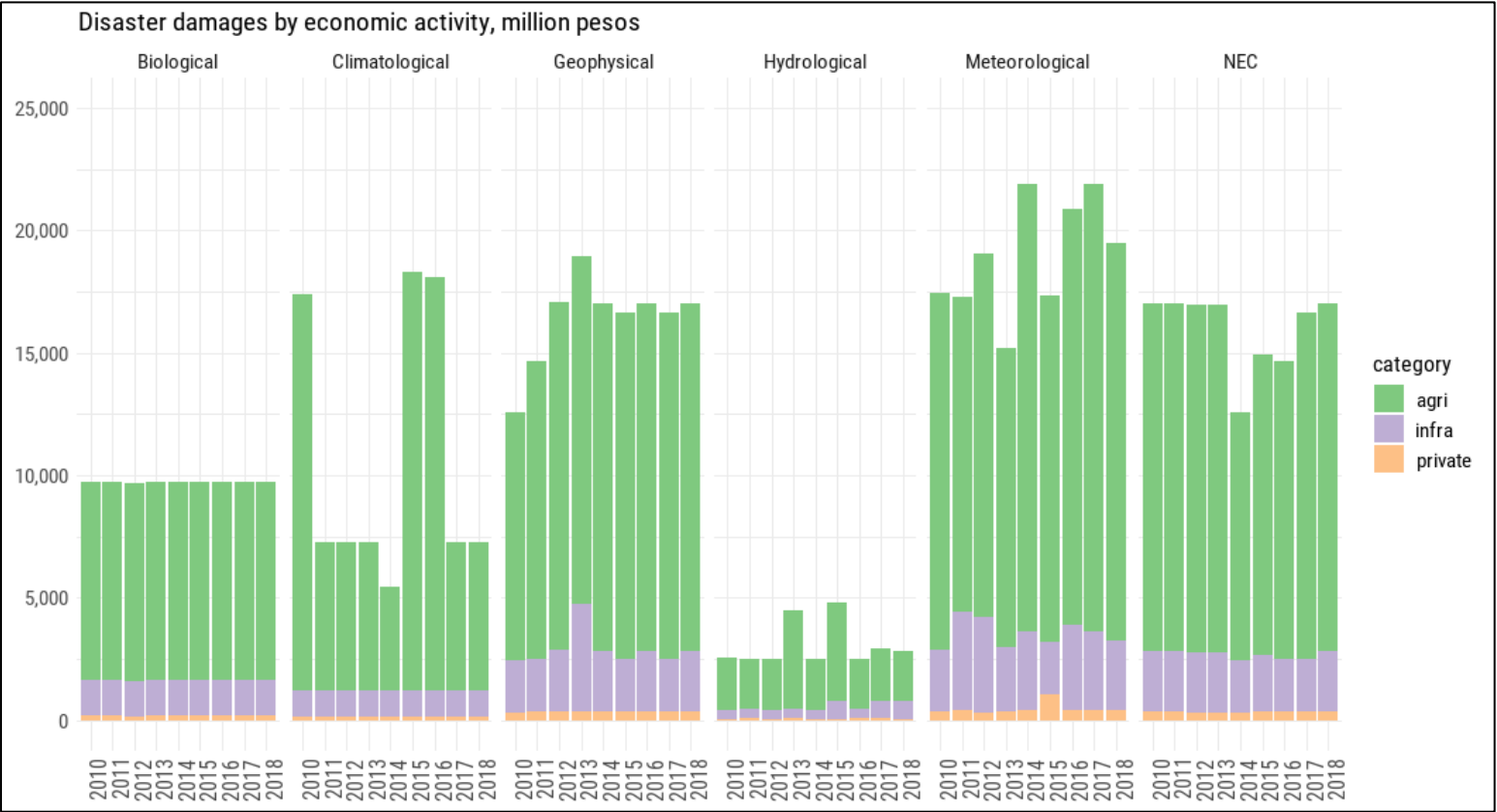
Rationale of the study
Objectives and policy questions
Methodology

Results and discussion
Policy
Institutions
Community and people
Public investment

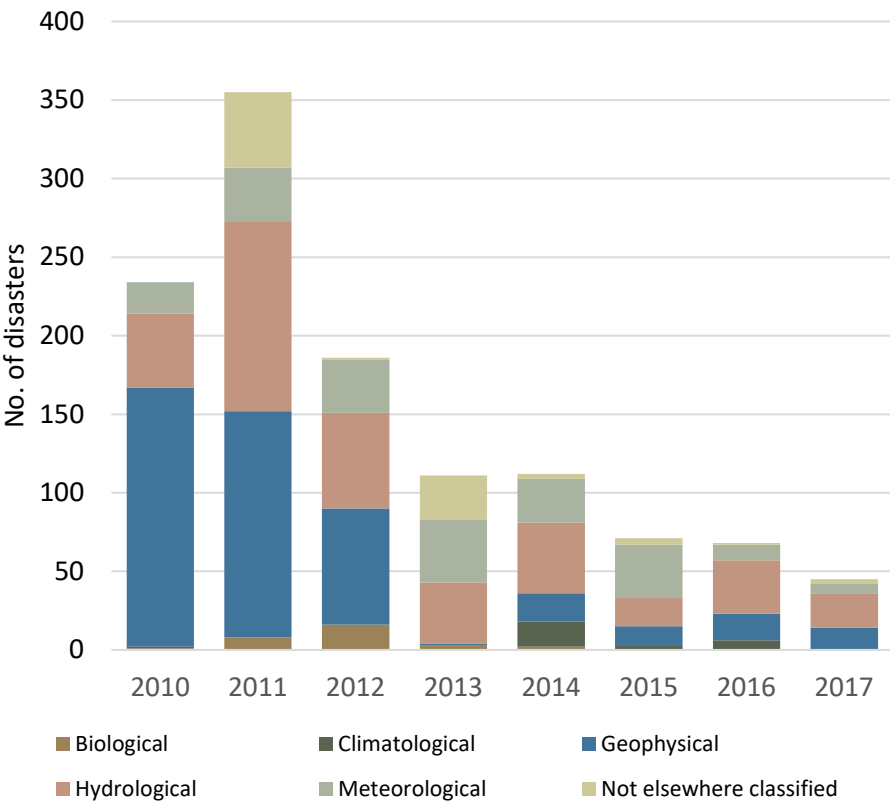
Key Insights



An average of 20 tropical cyclones enter PAR annually (PAGASA). Food production is vulnerable where farmers and fisherfolks have a poverty incidence of 31.6 and 26.2 percent respectively, the highest among all basic sectors.



Source: PSA 2020



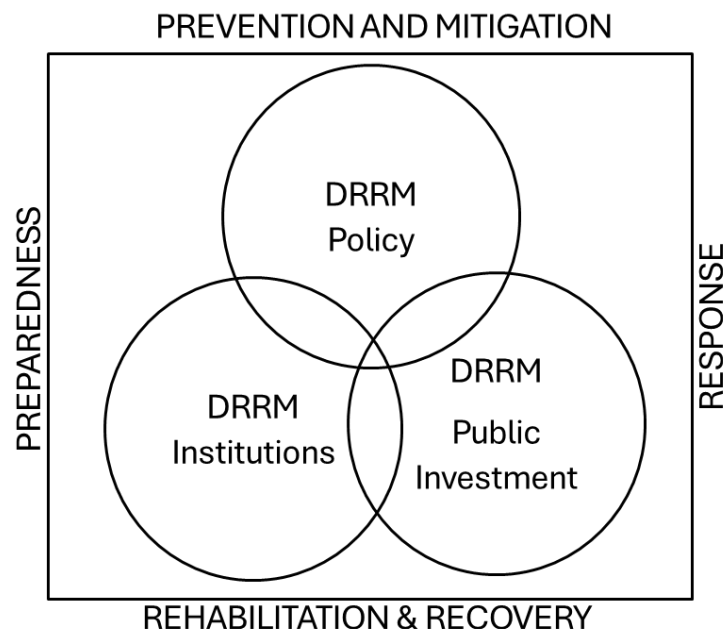
Defining community-based disaster risk management



Objectives

- Generally, the study aimed to review the policy, institutional, and public investment aspects of disaster risk reduction and management in the Philippines and how they facilitate bottom-up and participatory approaches.
- Specifically, the study sought to:
 - Review the policy and institutional framework supporting bottom-up disaster risk reduction and management in select LGUs;
 - Back-map DRRM-related budget and expenditure at the national and subnational levels using reports from the full-disclosure portal of the DILG;
 - Assess DRRM public investment trends, fund allocation mechanisms, and policy priorities; and
 - Recommend ways to address gaps and strengthen bottom-up approach mechanisms.

Methodology

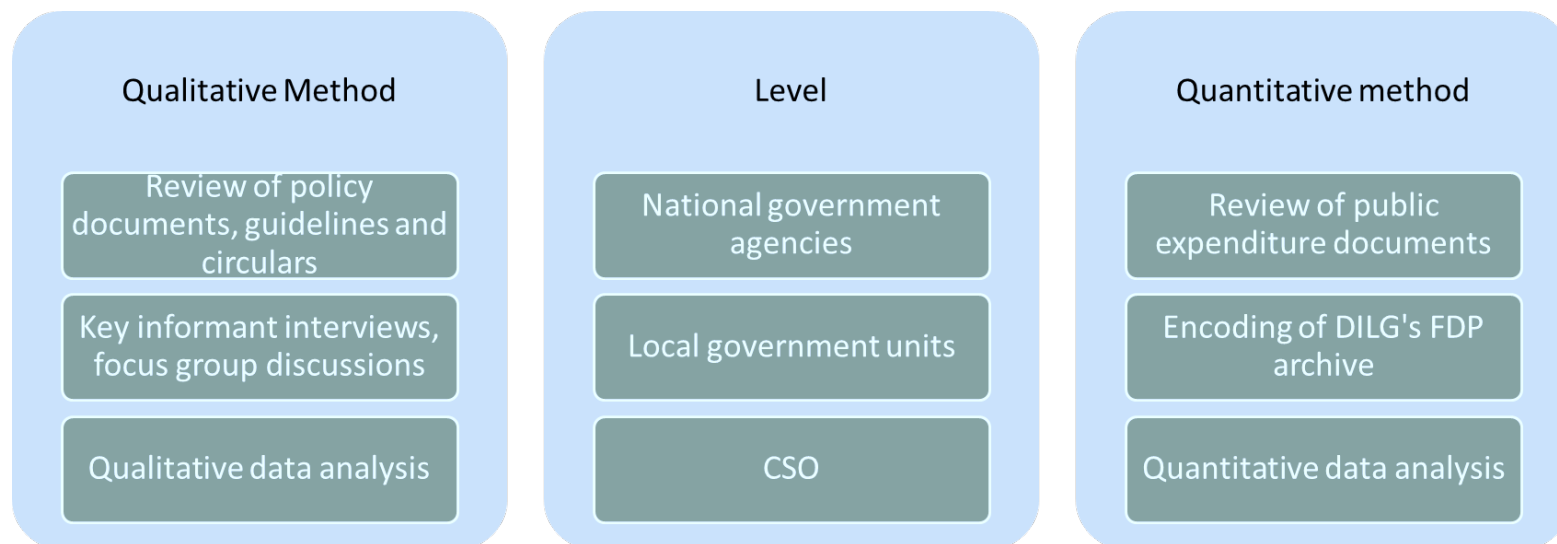


MIXED METHODS APPROACH

Qualitative analysis for KIIs/FGDs and related documents, quantitative analysis for DRR/budget expenditure reports

•THREE PRONGED APPROACH

- Policy analysis** - DRR policy and monitoring framework
- Institutional analysis** - Institutional structure and entry points for participation
- Public expenditure analysis** - National and subnational resources for DRRM

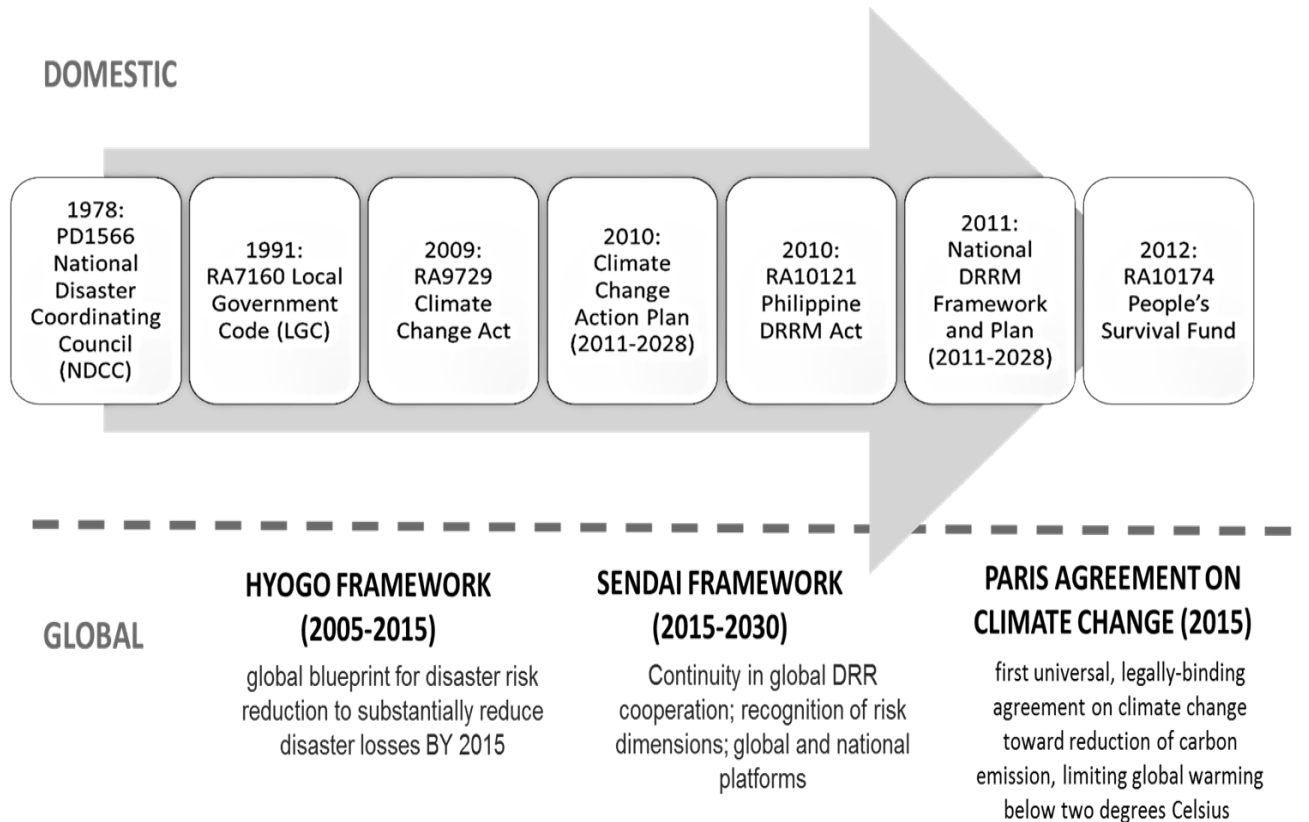


RESULTS

- Policy
- Institutions
- Community
- Public investment



DRRM Paradigm shifts: From reactionary to proactivity covering LT rehabilitation, sustainable development, poverty reduction, and good governance



- Devolution through RA 7160 – LGUs utilize 5% of estimated revenue from regular sources during calamities
- Multifaceted DRRM reflected in international agreements and national climate policies
- RA 10121 retained centralized mechanisms but mostly devolved local functions

RA 10121 as primary anchor of DRRM in PH, provided avenues for bottom-up and community-based mechanisms

FOUR PILLARS

Prevention and mitigation
Preparedness
Response
Rehabilitation & Recovery

REPRESENTATION

Multi-stakeholder council
Consultation present in crafting plans but not priorities

HORIZONTAL INTEGRATION

Streamlining of LDRRMPs into development plans

FISCAL AUTHORITY

DRRM funds specified
Fund augmentation available but not accessible

Government roles

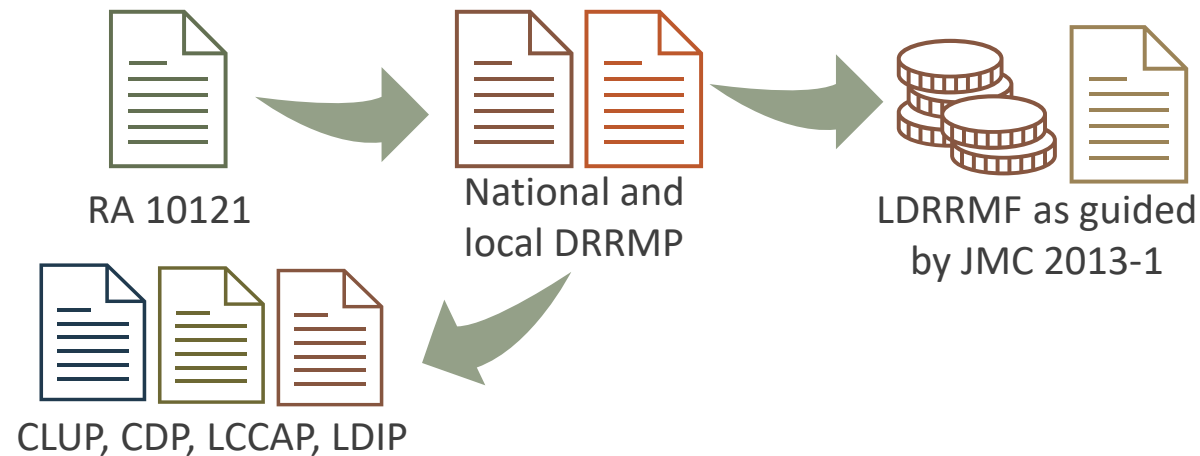
layout policy landscape, mobilize resources and engage stakeholders, mitigate damages and loss, ensure community preparedness, facilitate disaster response, safeguard livelihoods and business continuity, rebuild and rehabilitate post-disaster, incentivize apt action and behavior, ensure optimal public investment

Public participation

Proper public investment on DRRM help address risks, minimize losses and convert people/communities from passive spectators to active partners.

PREVENTION AND MITIGATION	PREPAREDNESS	RESPONSE	RECOVERY AND REHABILITATION
DRR/CC mainstreamed in policies, plans, and budgets	Awareness and enhanced capacity of community	Disaster response operations	Damages, losses, and needs assessed
DRR/CC sensitive environmental management	Equipped with skills and capability to cope with impacts of disasters	Assessment of needs and damages	Economic activities restored, strengthened or expanded
Increased resiliency of infrastructure systems	Increased capacity of LGU councils, offices, operation centers	Search, rescue, and retrieval capacity	Houses rebuilt or repaired
Community-based assessment, mapping, analysis, and monitoring	Comprehensive preparedness and response policies, plans, systems	Safe and timely evacuation	Disaster and CC-resilient infrastructure re/constructed
End-to-end monitoring, forecasting, EWS established and improved	Partnership and coordination	Temporary shelter needs	Psychologically sound, safe, secure citizenry able to go restore normal functioning
		Basic social and psychosocial services	
		System for early recovery	

RA 10121: Comprehensive, all hazards, multisectoral, interagency, and community-based approach (Section 6A)



Alignment and streamlining of documents

- Policy requires national and local DRRM plans to be anchored on national DRRM framework for alignment and streamlining
- **2013.** NDRRMC-DILG-DBM JMC 2013-01 detailing allocation and utilization guidelines of LDRRMF
- **2014.** DILG MC on mainstreaming disaster risks and climate change in LDPs
- Integration of LCCAP and LDRRMF in CLUP, CDP

Avenues for participation enshrined in various policy documents and platforms

- **PDP.** Institutionalize DRRM and CCA in various sectors and increase local government and community participation in DRRM and CCA activities
- **The Strategic National Plan.** DRR entails the participation of various stakeholders in order to mainstream DRR in relevant sectors in the society.
- **Hyogo Framework for Action, Sendai Framework, Paris Agreement.** Local and global platforms for cooperation and commitment
- **RA 10121.** Resilient communities as core; NDRRMP partnerships and working together – engaging the participation of CSOs, the private sector and volunteers in the government’s DRRM programs towards complementation of resources and effective delivery of services to the citizenry.
- **DRRM Pillar.** Strengthened partnership and participation among all key players and stakeholders; all-of-government approach.
- **LGU planning documents and processes.** Strengthened CDP, CLUP, thematic plans, BDRRMP, PPFD

Hierarchy and linkage of development plans

Notes:

PFP = (N/R/P) Physical Framework Plan

CLUP = (P/C/M) Comprehensive Land Use Plan

MTPIP = Medium Term Philippine Investment Plan

CDP = (P/C/M) Comprehensive Development Plan

PDP = Philippine Development Plan

N = National

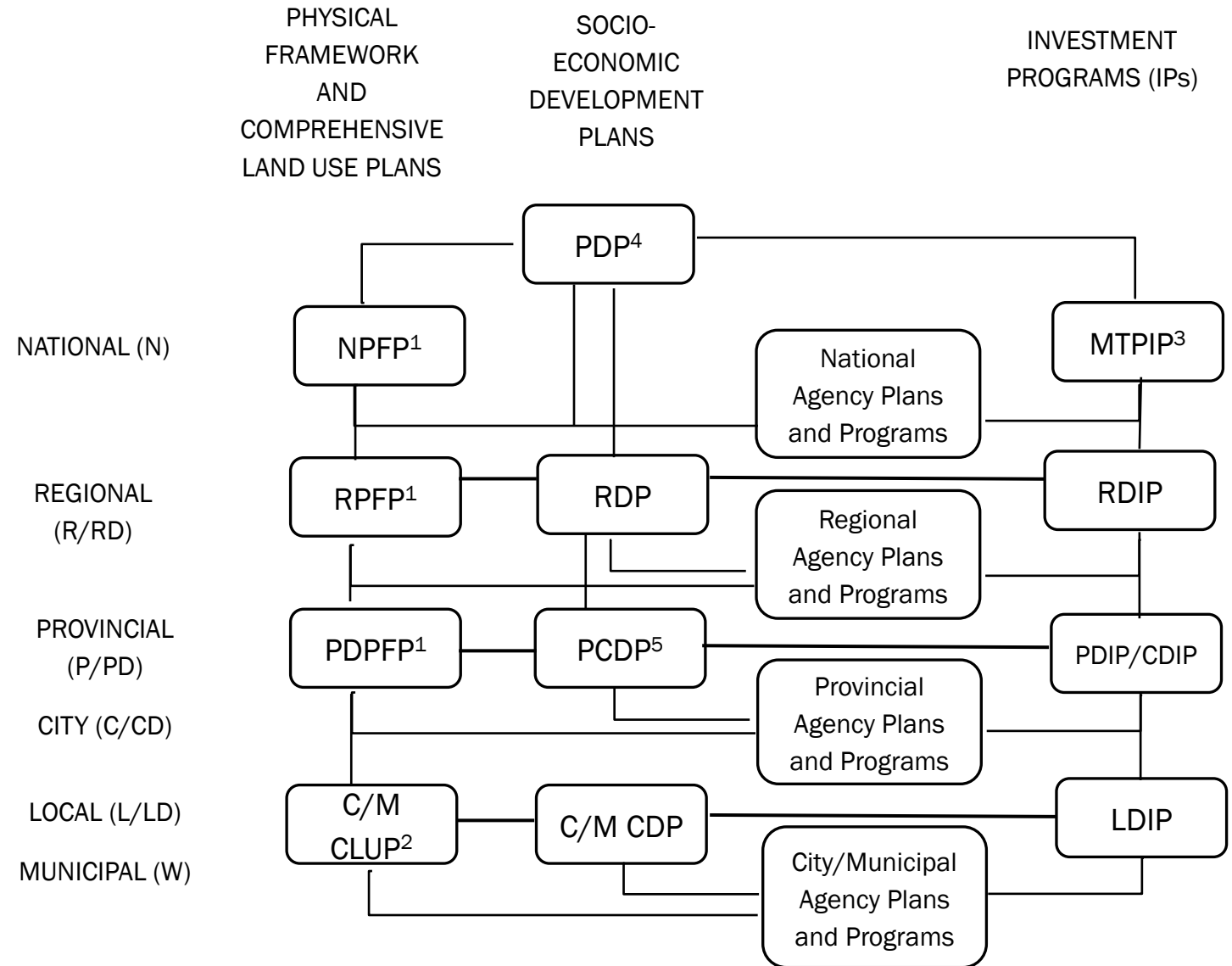
R = Regional

P = Provincial

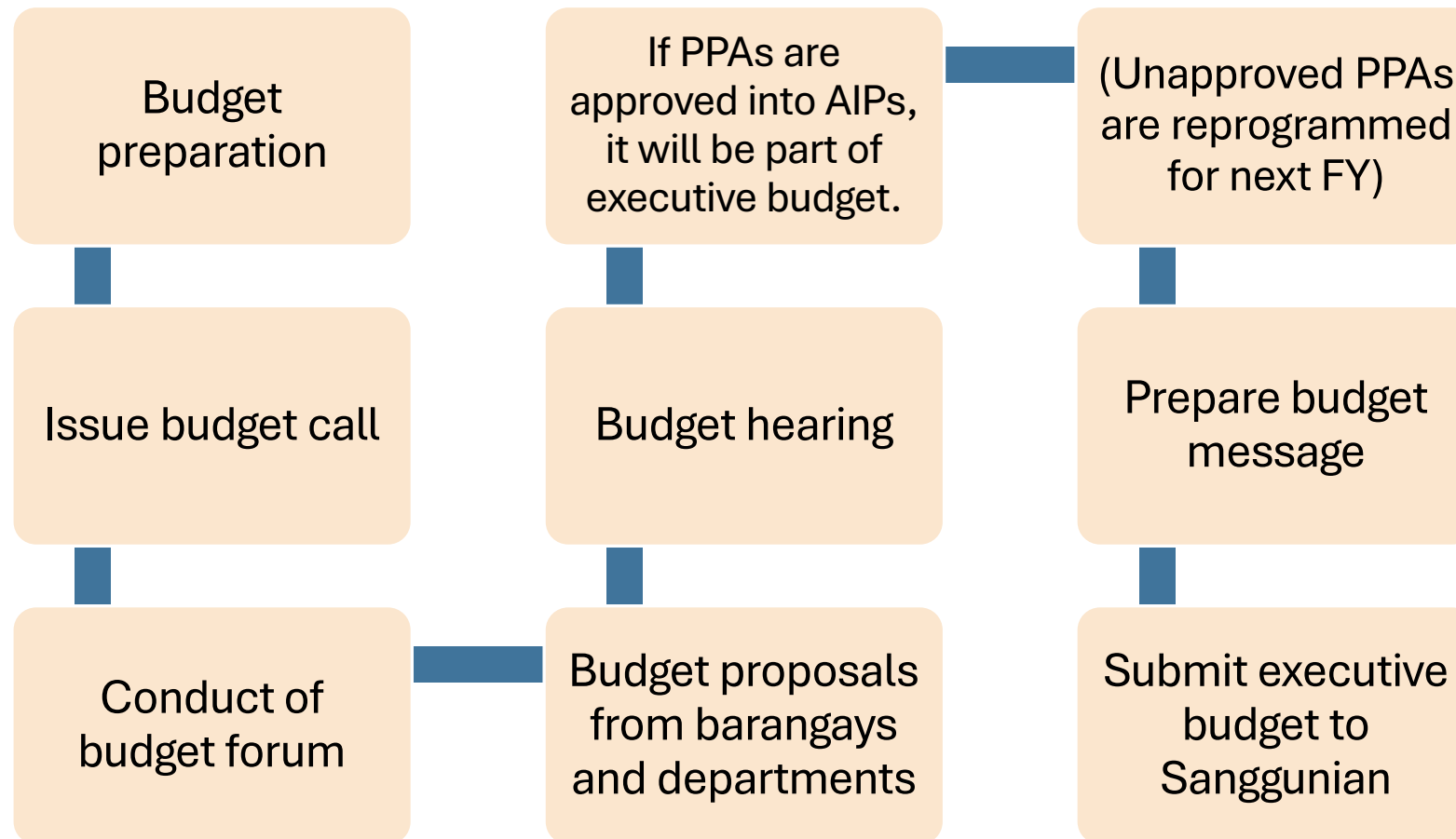
C = City

M = Municipal

Source: Housing and Land Use Regulatory Board (2013)

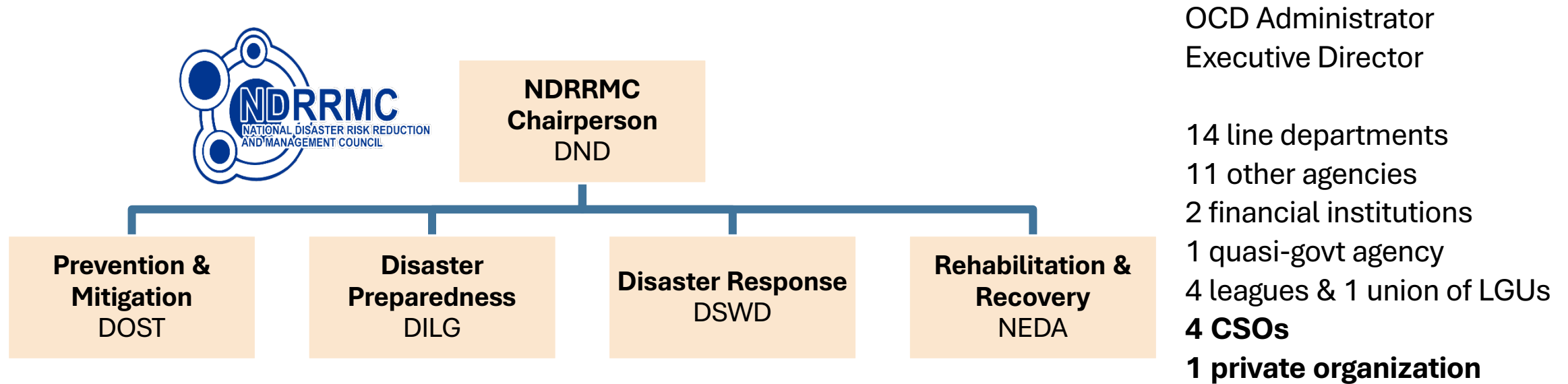


Budget process of LGUs: Where can communities be heard and represented?



- Barangays may suggest PPAs during consultation. Proposals consolidated for budget hearing by SB.
- LDRRMO can propose DRR-related PPAs
- Local chief executive can influence direction of priorities, may ensure alignment with their Executive Legislative Agenda
- Need to look at alignment of development plans across levels and the respective AIPs

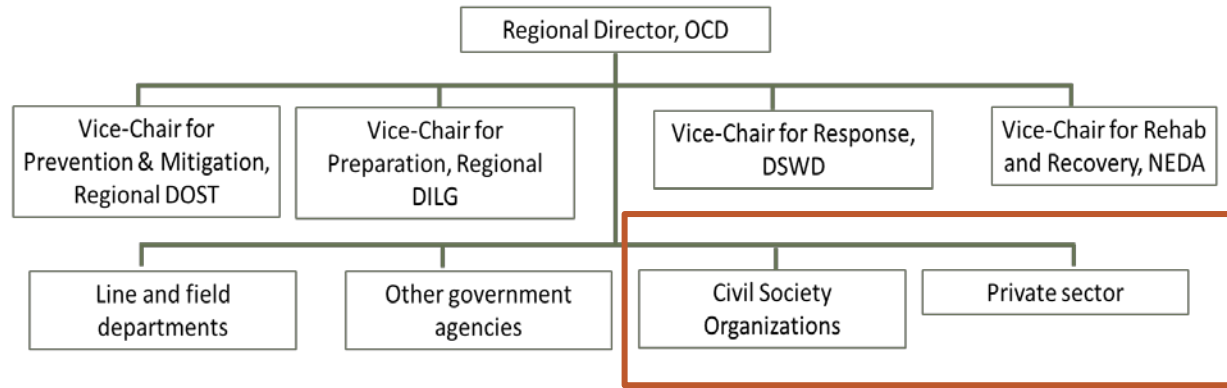
Avenues for participation enshrined in institutional structures



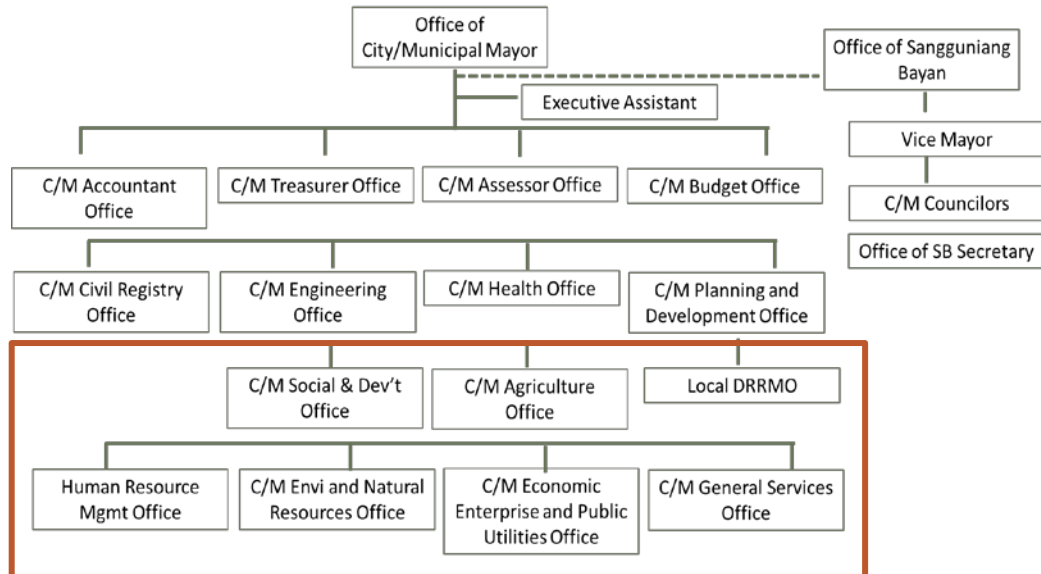
- Structurally replicated in subnational levels. Ideal local DRRM offices should comprise of at least three staff with a plantilla LDRRM officer.
- Pillars do not have equivalent departments beyond regional level. Some LGUs identified stand-ins to better delineate tasks in locality and immediate responsibilities.

Community representation in institutional structures

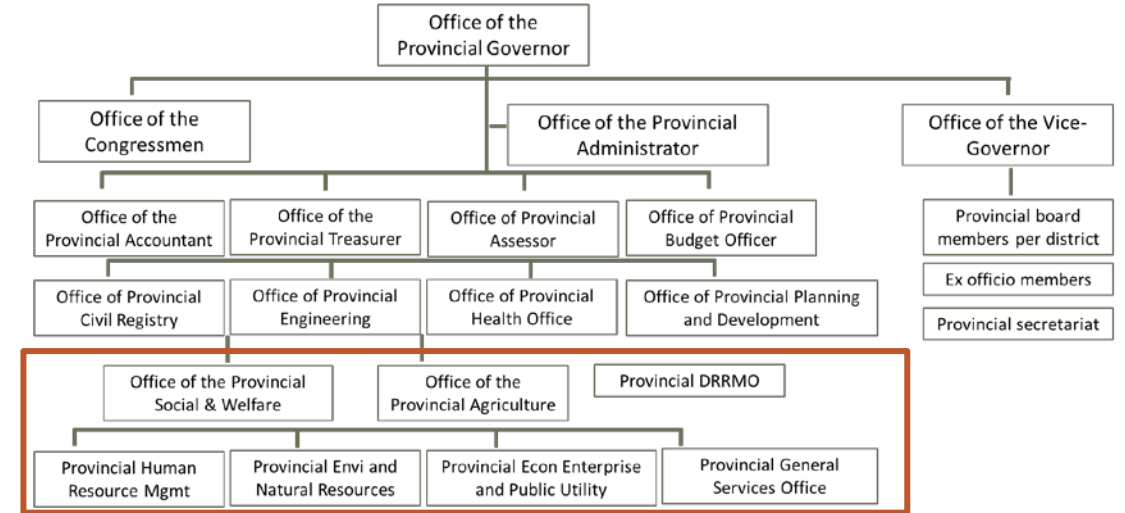
REGION



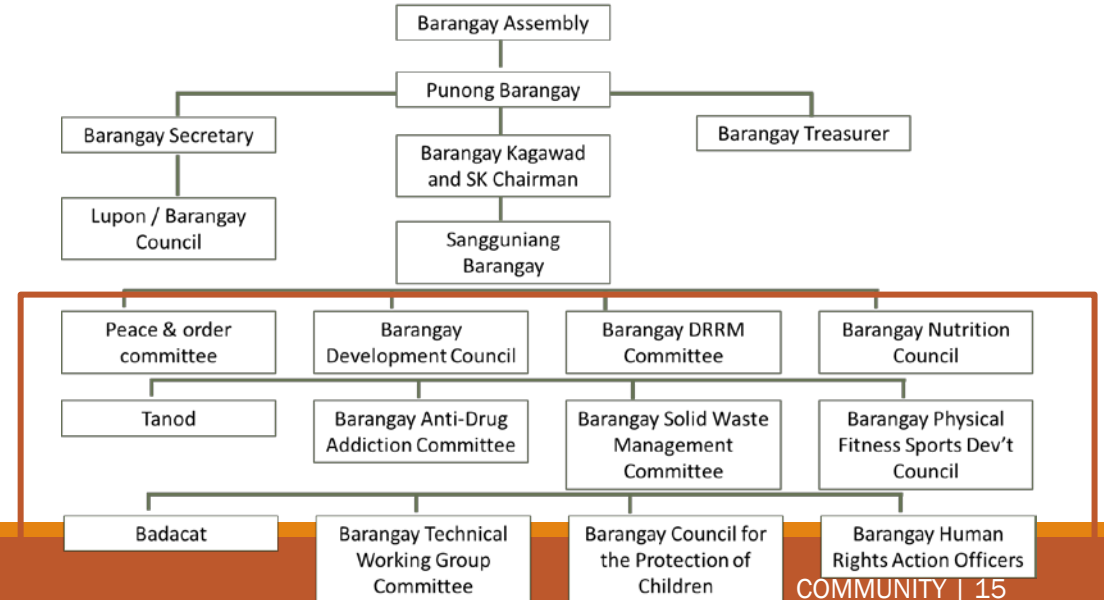
CITY/MUNICIPALITY



PROVINCE



BARANGAY



Mapping CC-DRR Investments in the Philippines

National Disaster Risk
Reduction and
Management Fund

- RA 10121, Philippine DRRM Act
- Lumpsum appropriation under GAA intended for relief and rehabilitation services

Local Disaster Risk
Reduction and
Management Fund

- Encourages LGU investment in DRRM
- Not less than 5% of estimated revenue from regular sources

People's Survival Fund

- RA 10174, Climate Change Act
- Annual fund to implement CCA projects that will better equip vulnerable communities against CC impacts

Official Development
Assistance

- RA 8182, ODA Act of 1996
- Loan or grant to promote sustainable social and economic development and welfare

DRRM public investment lodged in various national and local funding

USER	SOURCE	PERCENT	QUALIFICATION	OTHER REMARKS
NGA	Appropriated budget		National DRRM Fund	GAA
			Activities considered under prevention and mitigation, and preparedness pillars	Mitigation fund
			Immediate assistance, relief and response after disasters	Quick response fund
	ODA		Grant or loan from external agencies e.g. ADB, UNDP, World Bank	
LGU	IRA/revenue	5%	Estimated revenue from regular sources during calamities	Local DRRM Fund
		70% of LDRRMF	Should reflect activities indicated in Annual Investment Plan; may be capital outlay or infrastructure (e.g. drainage, seawall)	Mitigation Fund
		30% of LDRRMF	Immediate assistance, relief and response after disasters e.g. relief goods	Quick response fund
	Special Trust Fund		Unexpended LDRRMF from previous years, support DRRM activities for the next five years	STF
	General fund		If STF remains unexpended, the fund will revert to GF	Can be used for non-DRRM programs
	20% Local Development Fund		LGU may program here other DRRM projects	
	People's Survival Fund		Intended for LGUs/NGOs/POs to implement climate adaptation projects	Annual application through CCC

Climate actions on the ground tracked through Climate Change Expenditure Tagging (CCET) across various fund sources

CC investment in national programs, activities and projects, in PHP hundred millions

Department	2017	2018	2019	2020	2021	2022	Total	Adaptation	Mitigation
DPWH	1,611.00	2,237.33	1,546.36	1,522.16	2,405.09	2,156.65	11,478.58	11,478.58	-
DA	120.79	134.74	237.56	127.72	195.03	237.48	1,053.31	1,041.73	12.04
DENR	136.66	59.03	97.78	64.74	92.28	96.74	547.23	315.92	289.53
BSGC	56.02	60.09	50.95	52.76	45.00	92.09	356.90	348.44	8.46
DOTr	-	-	-	-	-	195.78	195.78	21.39	174.39
ALGU	-	15.95	32.77	35.05	47.76	56.13	187.65	94.92	109.92
DOST	12.78	15.18	11.00	12.01	11.62	9.47	72.05	67.87	8.65
DSWD	-	-	-	-	16.18	16.42	32.60	32.60	-
DOLE	4.99	10.12	2.94	7.51	-	-	25.56	25.56	-
DAR	3.02	4.30	4.73	2.80	3.01	2.41	20.26	20.26	-
<i>Others</i>	10.90	12.28	14.57	14.73	7.69	34.16	94.33	74.79	22.06
TOTAL	1,956.16	2,549.03	1,998.65	1,839.47	2,823.65	2,897.32	14,064.27	13,522.07	625.06

Notes: 2017-2020 – Actual; 2021-2022 - GAA

Source: CCC 2022

CCET shows big adaptation allocations. Priority varies according to agency.

Fund	Category	Percentage	Amount (in millions)
NEP	Adaptation	0.84	282.21
NEP	Mitigation	0.16	52.05
GAA	Adaptation	0.93	800.27
GAA	Mitigation	0.07	59.25

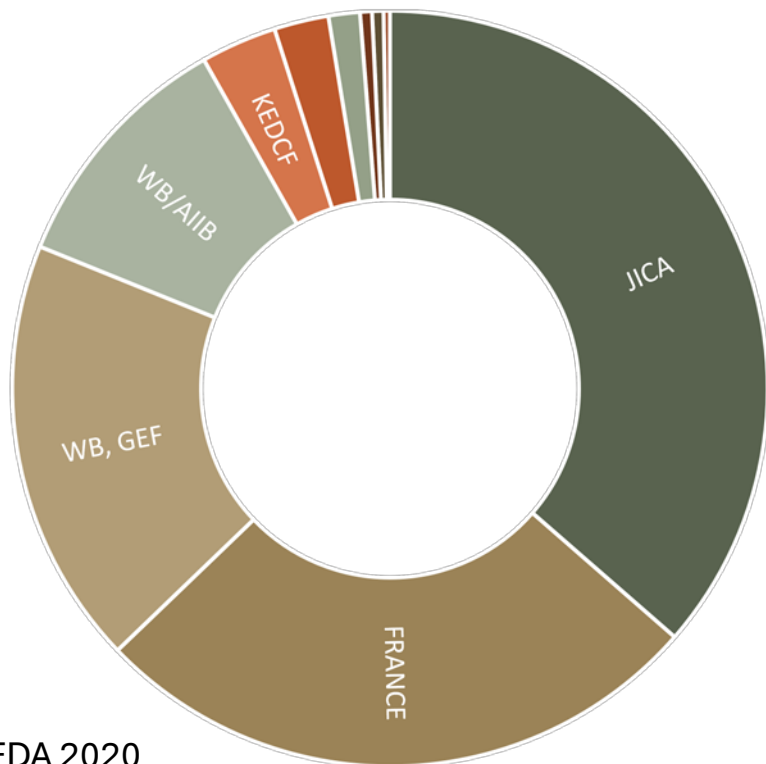
- Sustainable energy PPAs mostly proposed within NEP, but GAA reorients towards water sufficiency strategies.
- GAA gears more towards adaptation, reducing proposed mitigation allocations across the years.

CCET 2017-2022

Fund	Strategy	Percentage	Amount (in millions)
NEP	Sustainable energy	38.61%	129.06
NEP	Water sufficiency	32.67%	108.90
NEP	Food security	12.87%	43.33
NEP	Environmental and ecological sustainability	10.89%	36.43
NEP	Knowledge and capacity development	1.98%	5.65
NEP	Climate smart industries and services	1.98%	7.28
NEP	Human security	0.99%	1.95
NEP	Crosscutting	0.01%	1.67
GAA	Sustainable energy	27.00%	229.04
GAA	Water sufficiency	49.00%	422.99
GAA	Food security	13.00%	114.72
GAA	Environmental and ecological sustainability	6.00%	50.94
GAA	Knowledge and capacity development	1.00%	9.30
GAA	Climate smart industries and services	2.00%	12.92
GAA	Human security	2.00%	17.32
GAA	Crosscutting	0.00%	2.30

75.30% of 2019 ODA CC/DRR portfolio is DRR (values in PHP million)

	LOANS	GRANTS	TOTAL
DRR	124,468.34	61.25	124,529.59
CCA	32,197.95	343.21	32,541.16
CCM	2,177.43	6,107.03	8,284.46
CCA/M, DRR	-	16.52	16.52
TOTAL	158,843.72	6,528.01	165,371.73

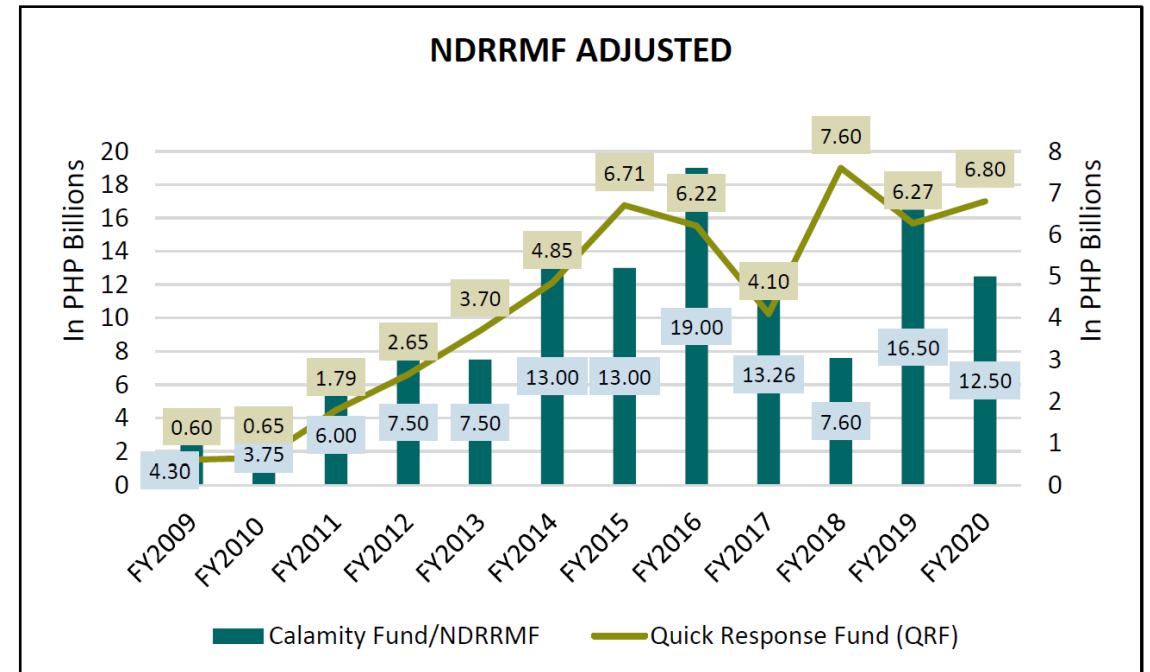
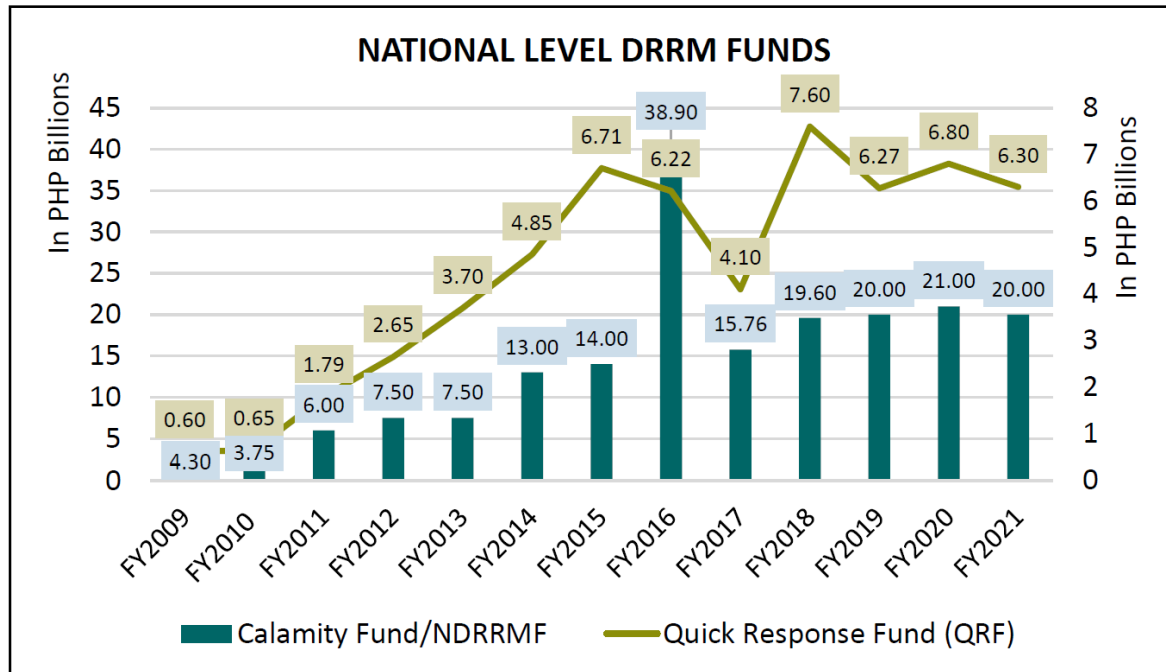


Source: NEDA 2020

AGENCY	CCA	CCM	DRR	CCA/M, DRR	TOTAL
DPWH		123.06	62,928.34		63,051.40
DOTR	1.95	32.51	60,338.11		60,372.57
DA	31,126.31		0.15		31,126.46
DOE		6,044.14			6,044.14
DENR	450.47	2,079.43	1,201.89	16.52	3,748.31
DAR	804.92				804.92
PPPC	126.50	25.30			151.80
DEPED			60.00		60.00
MWSS		5.00			5.00
DILG	3.71		1.10		4.81
LWUA	2.00				2.00
NIA		0.32			0.32

- JICA, France, WB, GEF as major funders
- DPWH and DOTR recipients of high ODA loans/grants, projects mostly tagged as DRR
- DA follows third with highest CCA investment. DOE has highest CCM on the other hand.

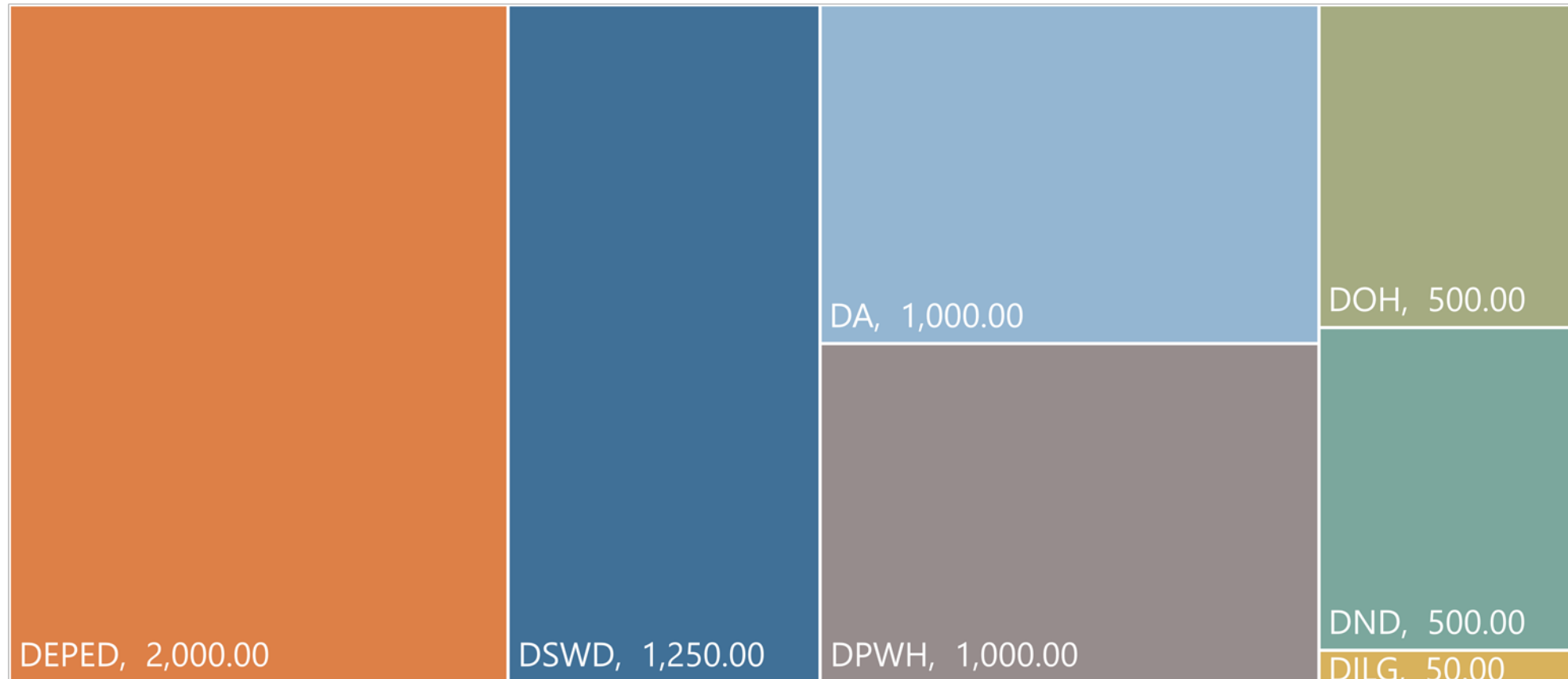
Public investment: Calamity Fund/NDRRMF



- Starting FY 2012, QRF allocations were lodged against respective budgets of Departments
- 2016 had 18.8B for Yolanda rehab and 1B PSF;
- 2015 had 1B for Peoples Survival Fund
- 2017 onward, no survival fund allocation
- 2017 had 1B insurance, 1.5B rehab fund

- 2018 had 10B Marawi fund and 2B insurance
- 2019 had 3.5B for Marawi and 3B QRF augmentation
- 2019 onward, no insurance allocation
- 2020 NDRRMF has 3.5B for Marawi rehab and 5B for earthquake rehab for Regions 11 & 12

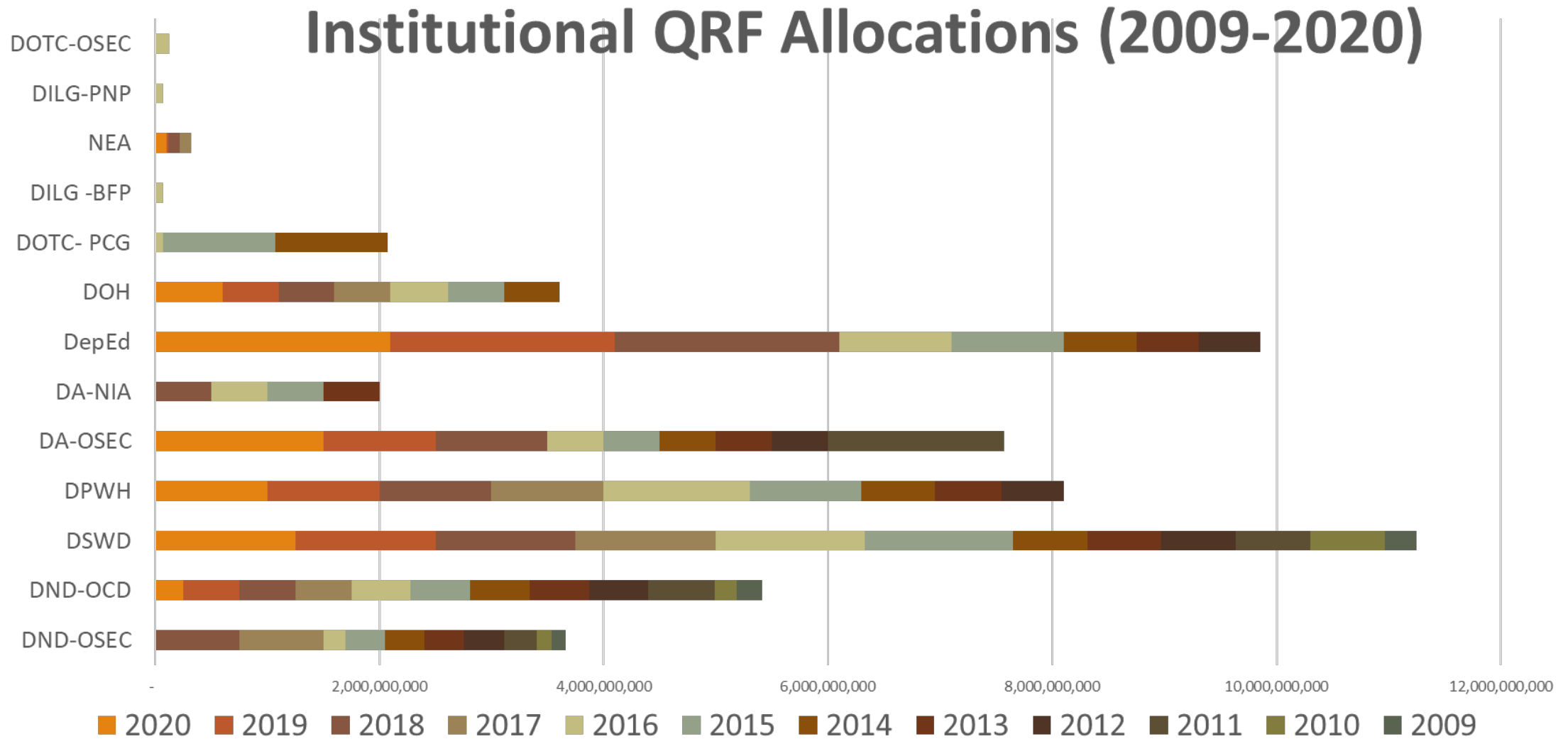
QRF (in PHP millions) per GAA. Deped leads, followed by DSWD, DA, DPWH



Note: 2022 NDRRMF= PHP 20B, 1B for Marawi; 6.35B QRF

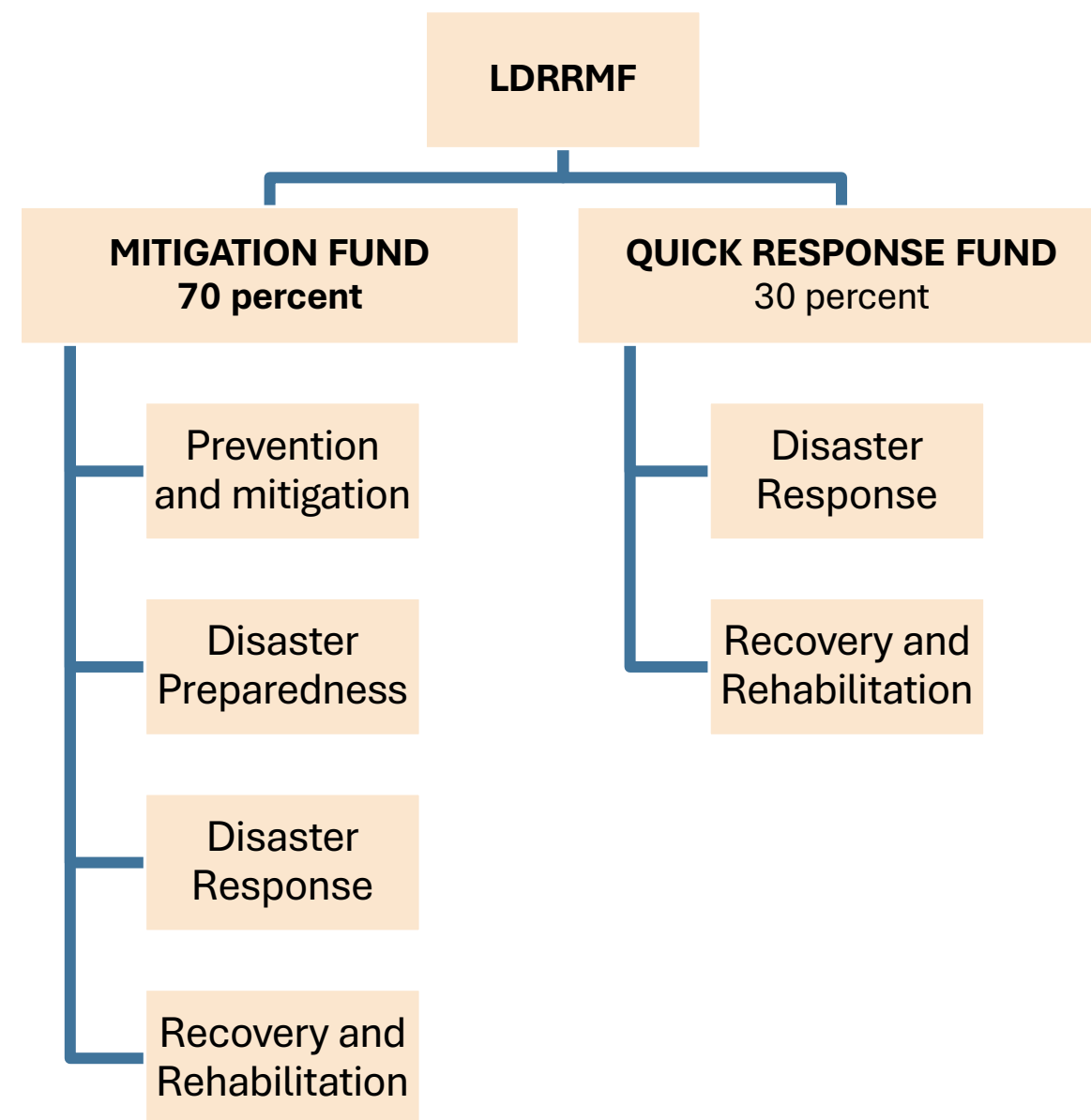
Source: DBM 2022

QRF Allocations led by DSWD/Response Pillar



LDRRMF: Some caveats and rationale

- Study was conducted in 2020.
- LDRRMF figures encoded directly from DILG – Full Disclosure Portal. Analysis covers 2015 to 2019 reports. At the time of data gathering, few LGUs have uploaded their 2020 2Q reports.
- No DRR tagging mechanism unlike for CC.



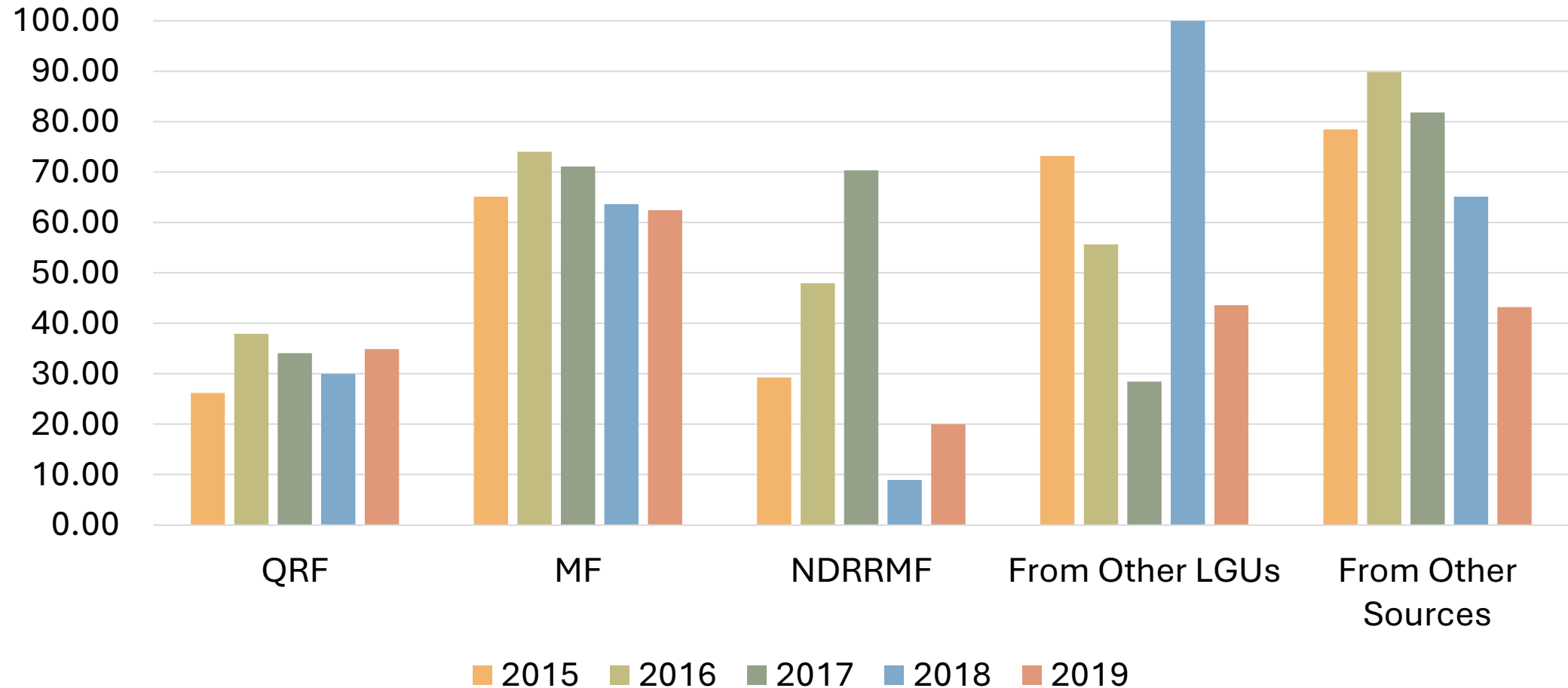
total allocation in PHP million, by fund source, 2015-2019

Fund	2015	2016	2017	2018	2019
QRF	3,048.17	2,830.88	3,904.47	3,921.61	4,158.39
MF	6,723.78	8,239.65	9,103.96	11,352.88	14,629.06
NDRRMF	58.76	14.19	10.64	5.59	14.33
From Other LGUs	21.07	25.83	117.23	140.89	70.51
From Other Sources	30.96	48.28	68.28	100.52	98.91

total utilization in PHP million, by fund source, 2015-2019

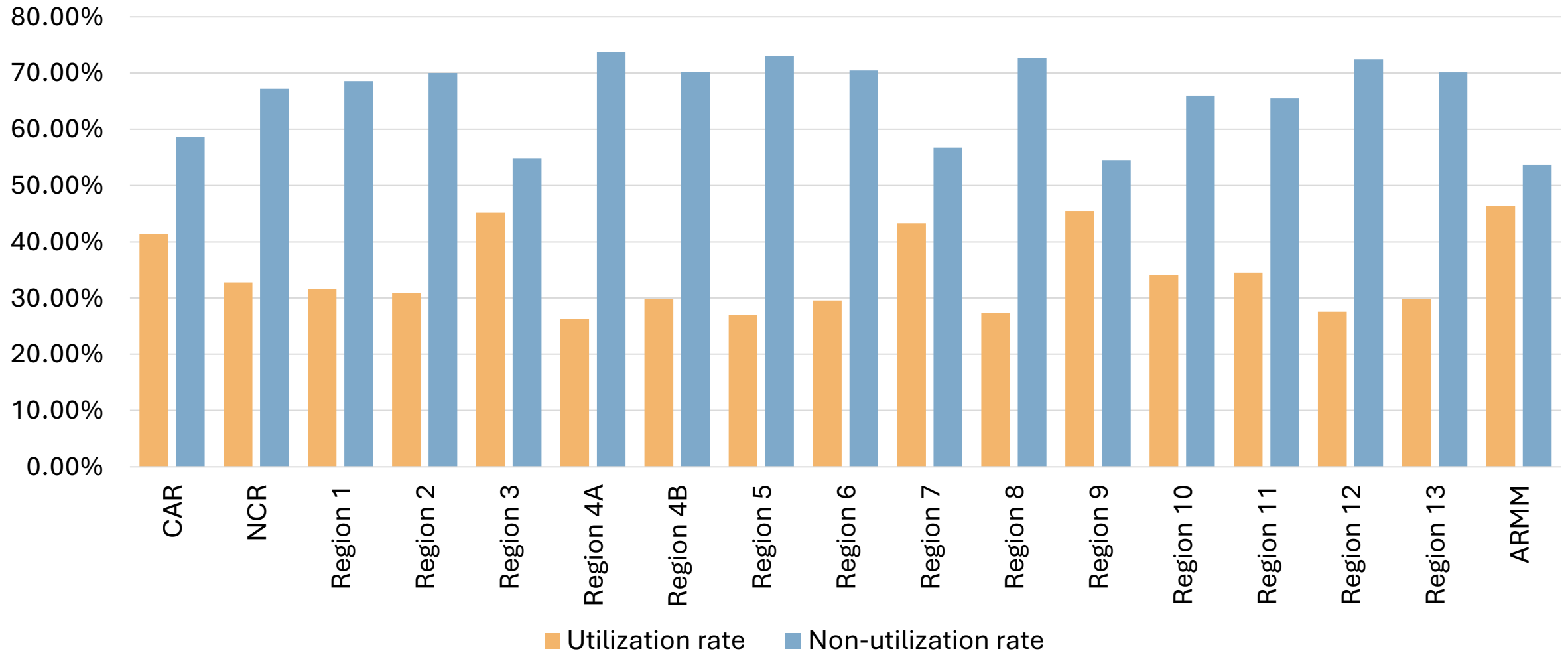
Fund	2015	2016	2017	2018	2019
QRF	797.90	1,072.82	1,330.51	1,174.61	1,450.47
MF	4,377.51	6,098.84	6,472.16	7,226.02	9,135.86
NDRRMF	17.19	6.80	7.48	0.50	2.86
From Other LGUs	15.42	14.37	33.32	237.02	30.75
From Other Sources	24.29	43.38	55.86	65.44	42.75

Utilization rate (%), by fund source, 2015-2019

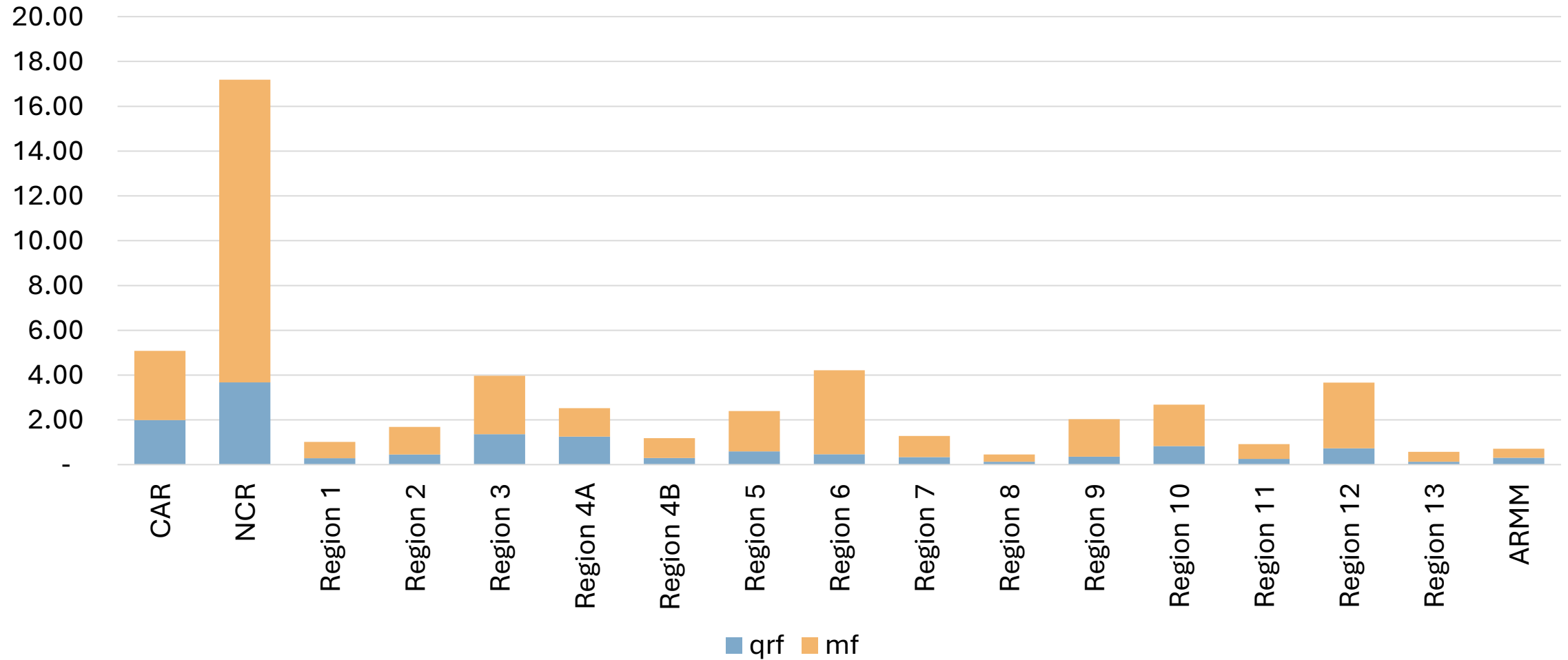


Note: 2018 From Other LGUs figures are multi-year aggregate

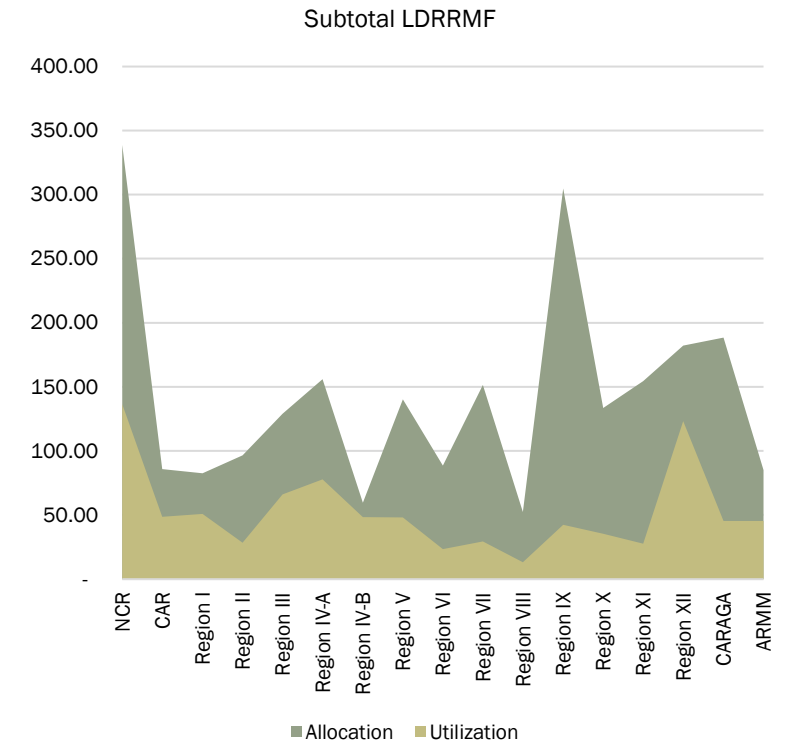
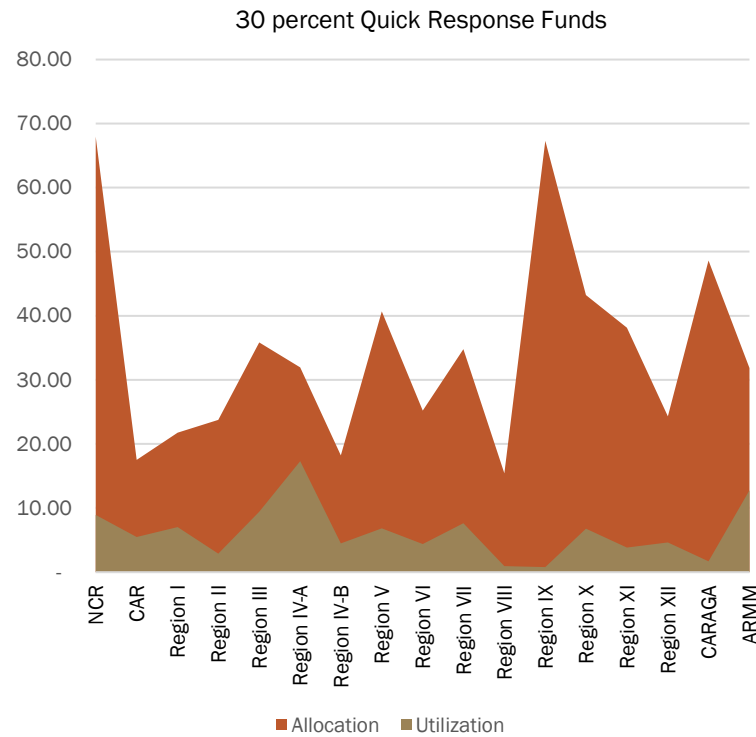
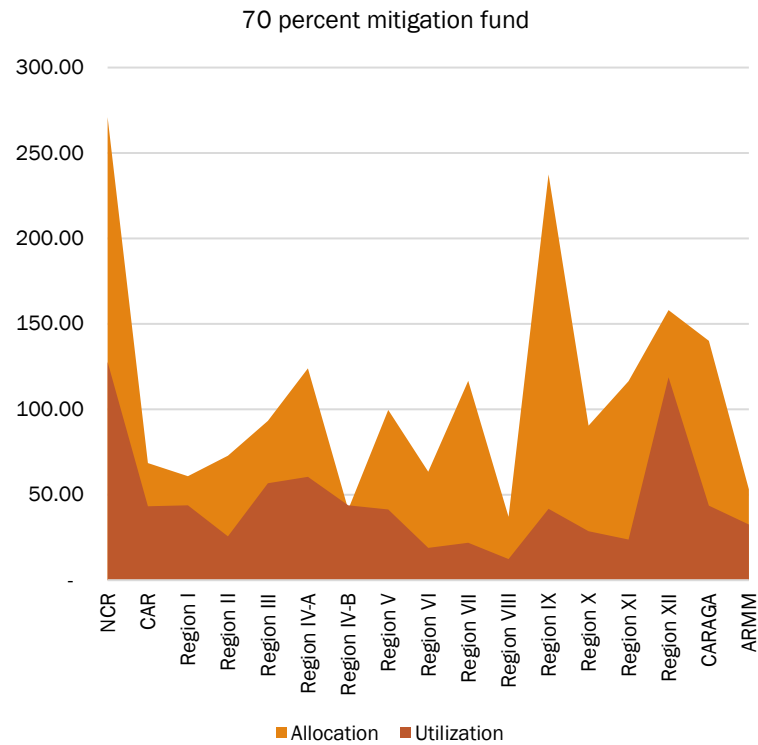
Utilization rate (%), by region, 2015-2019



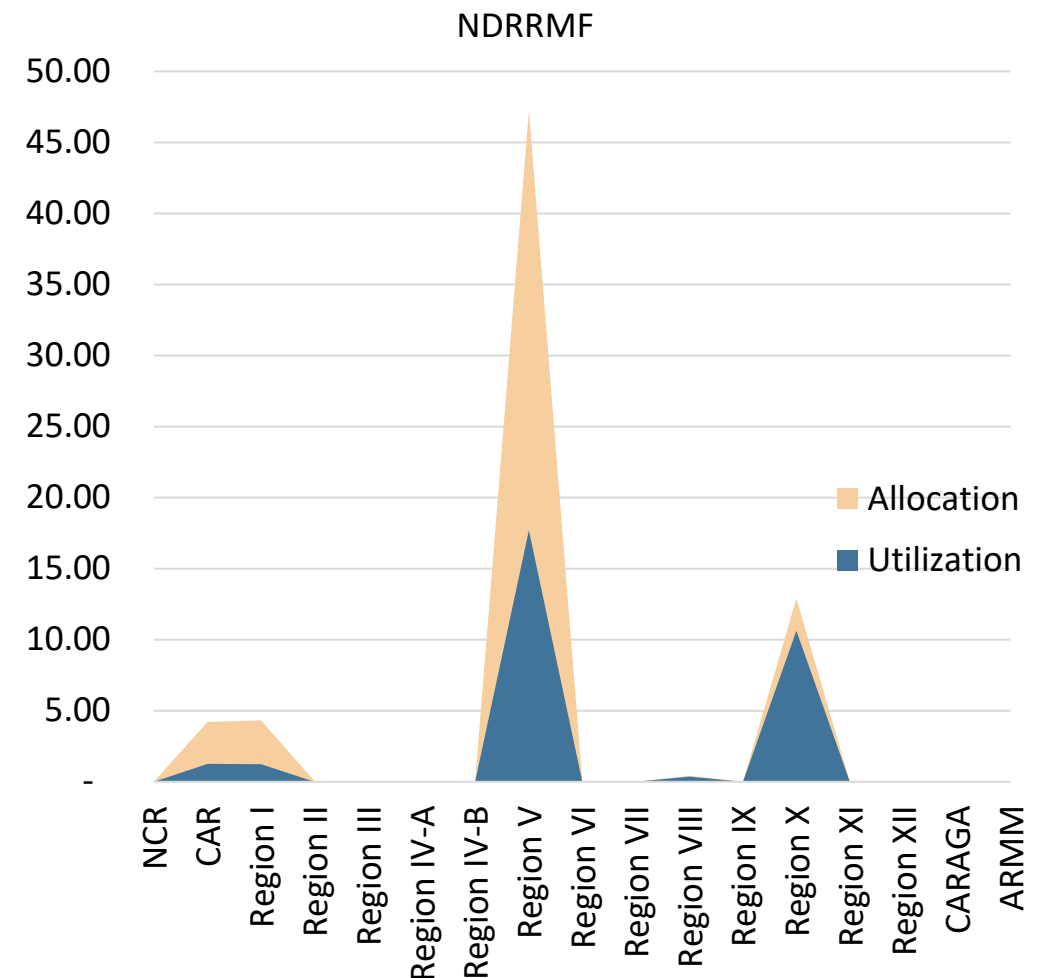
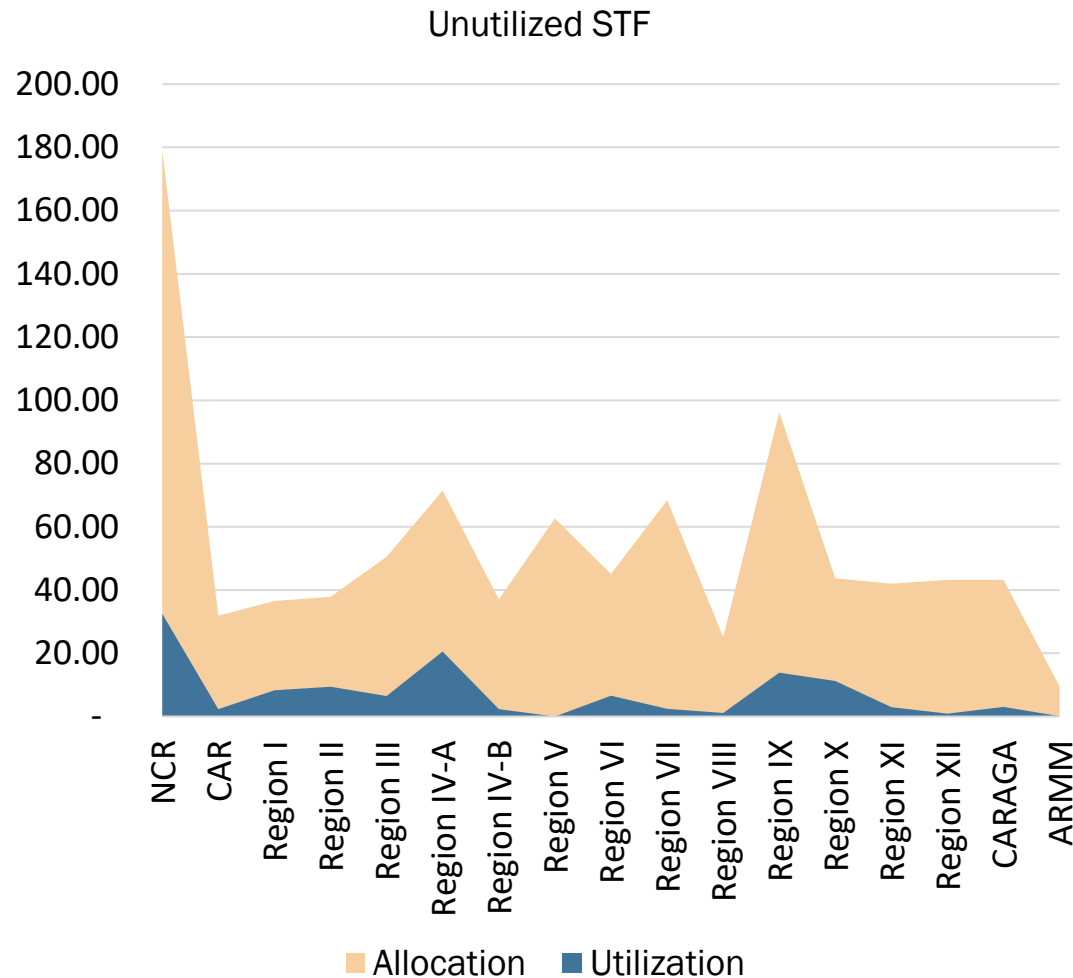
Average LDRRMF allocation in PHP M, by region, 2015-2019



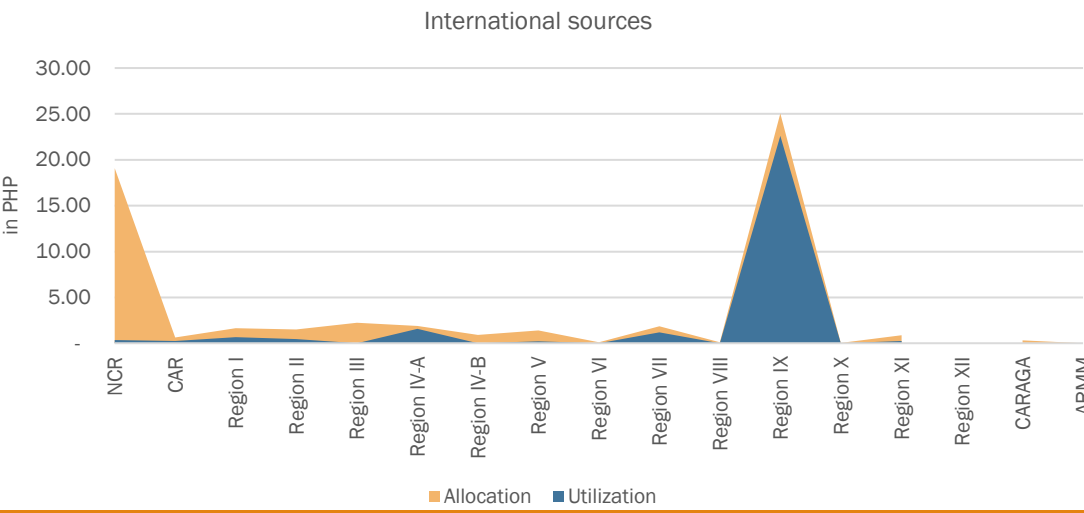
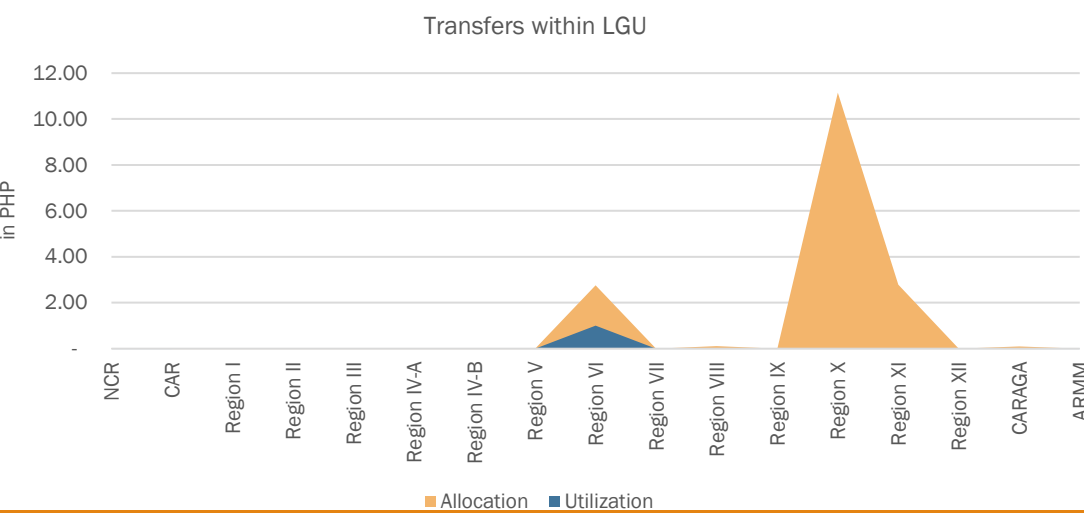
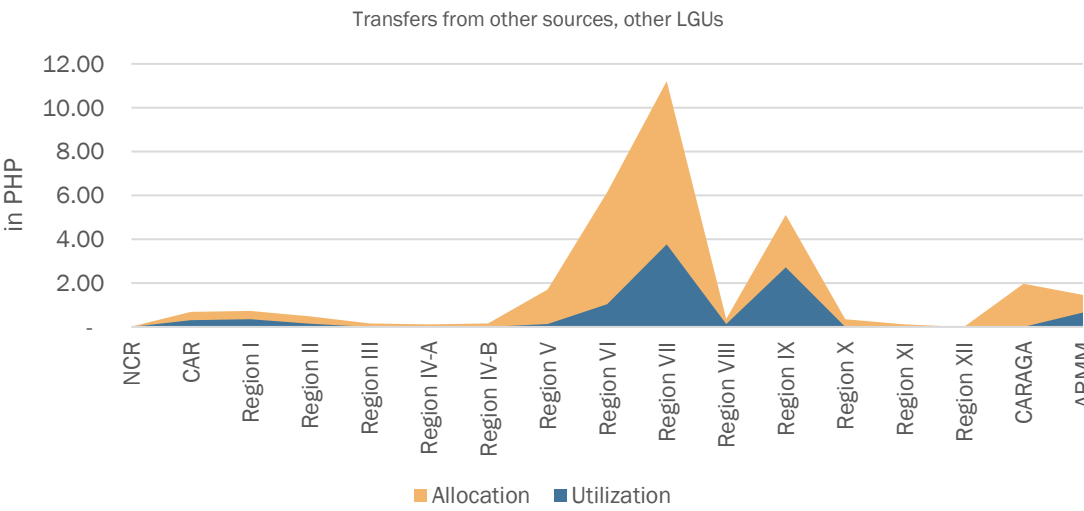
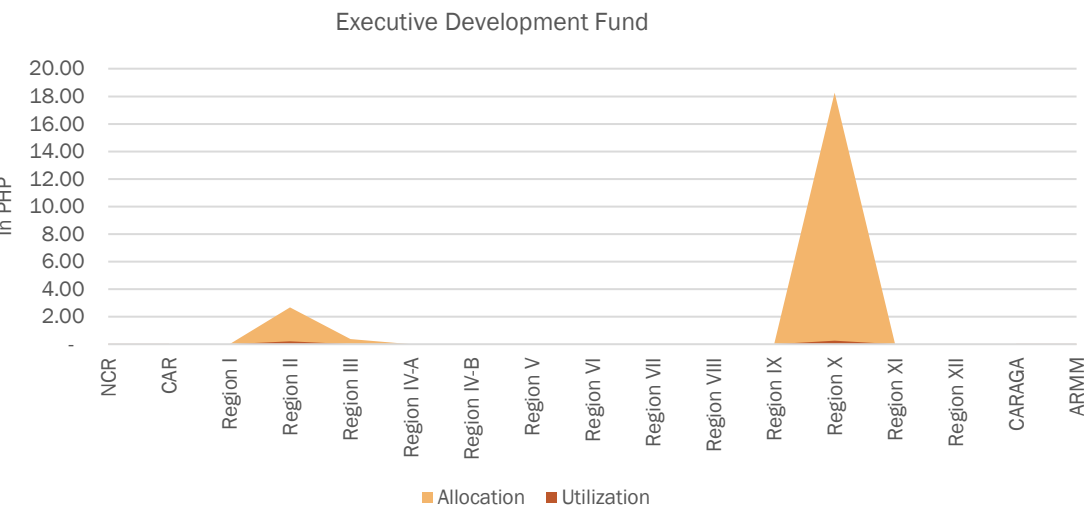
Various DRRM fund sources, yearly average in PHP millions, 2015-2019



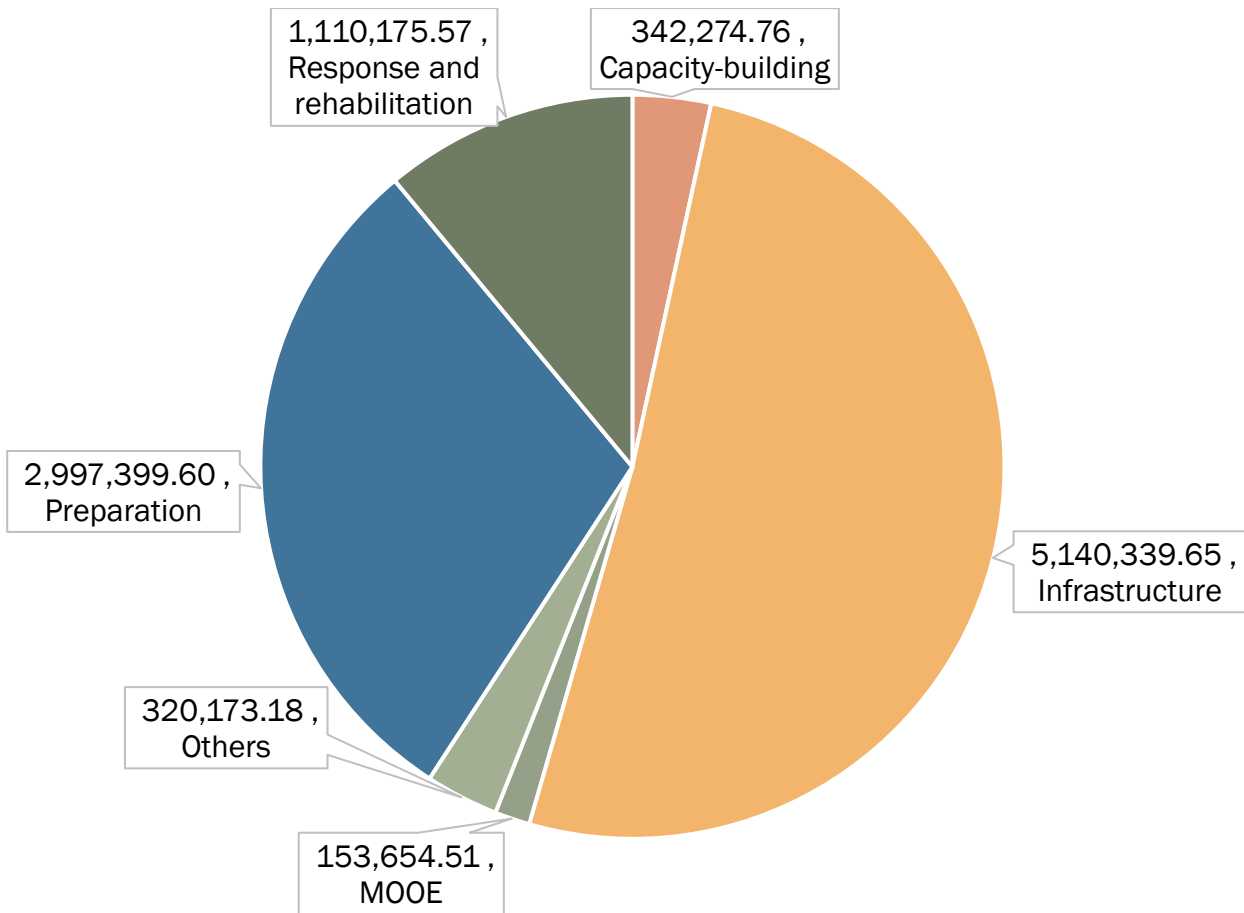
Various DRRM fund sources, yearly average in PHP millions, 2015-2019



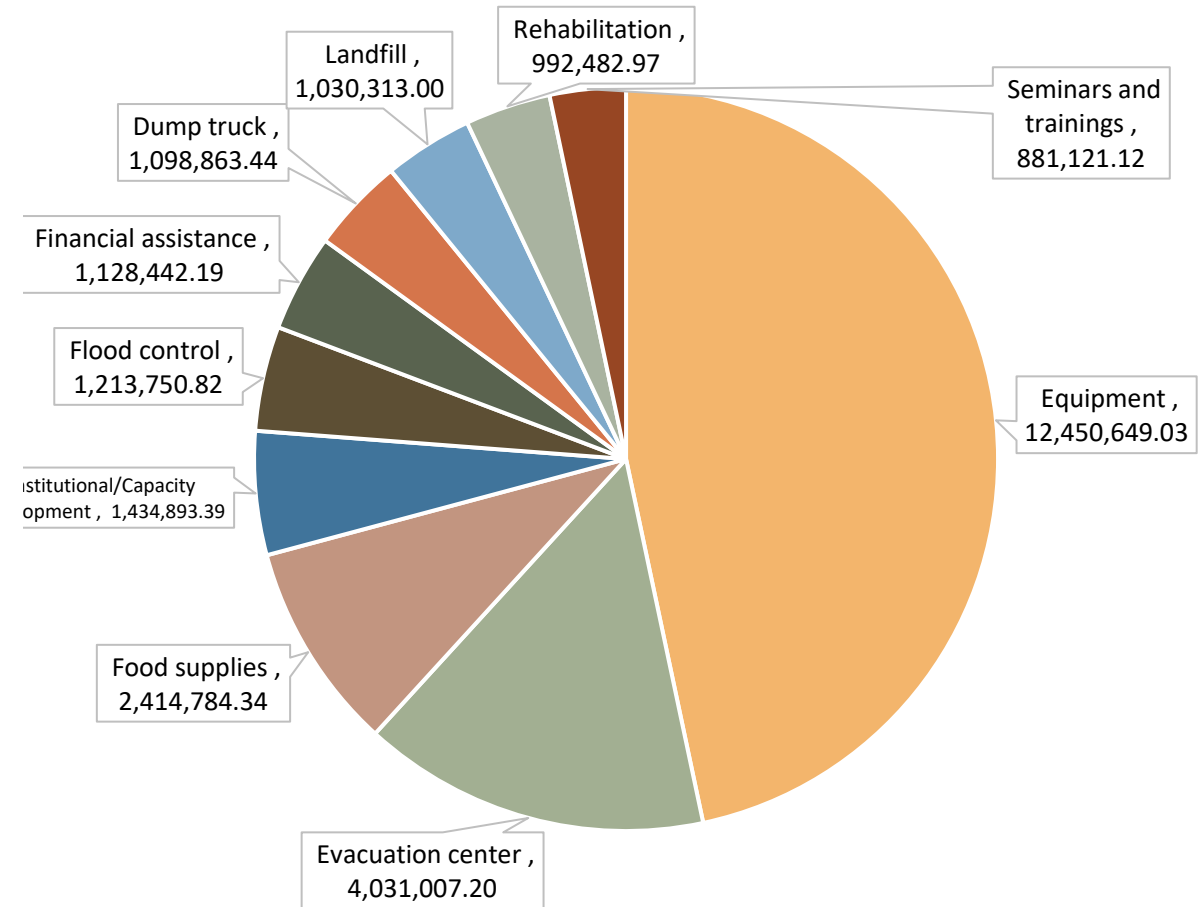
Various DRRM fund sources, yearly average in PHP millions, 2015-2019



Spending patterns



Top 10 Expenditure Items



Challenges: Factors influencing subnational DRRM landscape

NON-INSTITUTIONALIZATION OF LDRRMO

*Absence of LDRRMO, LDRRMP, capacitated staff, fiscal and technical resources
Tenure security*

DELAYS IN PLANNING AND BUDGETING

*Absence of approved/streamlined planning documents exacerbate risks
Lack of comprehensive and baseline datasets to guide interventions*

MISUSE AND MISCHARGE OF FUNDS

*Charging of supplies and equipment against improper sources
LGUs spending averse due to instances of misinterpretation and disallowances*

FAILURE TO TRANSFER UNEXPENDED FUNDS TO STF

*If QRF is not utilized, funds should revert to STF, observed utilization without state of calamity
Well-endowed LGUs suboptimal while vulnerable LGUs have limited budgets*

ARBITRARY REPORTING

*DILG-FDP a good start but needs to address weak reporting, accounting, tracking, and feedback
Accounting and auditing processes have to be structured*

SILENT REPRESENTATION

Present public participation avenues but low uptake to higher level plans and frameworks

KEY INSIGHTS

- The DRRM landscape is still largely top-down; Limited Community participation is visible through CSO representation and BDRMMP as planning input to C/M planning; highlights private sector initiatives
- There appears to be very minimal investment on participatory related PPAs
- Inequitable resource distribution predominates among LGUs
- Suboptimal DRRM fund utilization among LGUs is evident regardless of income class and region. Possible reasons:
 - Non-clarity of fiscal guidelines from COA, DBM, and DILG, threat of disallowances, misinterpretation and confusion on utilization
 - Spending preference/ prioritization among LGUs

KEY INSIGHTS

- National Policy and international accords dictate bottom-up participation, but implementation process remains ambiguous or even difficult.
- There is dependence on institutional leadership and spending in terms on grounding DRR initiatives, both for NGAs and LGUs.
- The DILG's FDPP is a good platform for transparency and validation. But appropriate standards and quality checks are needed. There is weak reporting, accounting, tracking and feedback on DRR resources.
- Clear use of funds and reporting needed: the separation for unexpended balances into trust fund, its use within and beyond 5 years.
- Accounts for donations should be maintained to ensure transparency and ease of audit.

Ways Forward

- ☐ Capacitate LGUs on DRR policy and fiscal management
- ☐ Strengthen Institutional avenues for community/stakeholder participation; including MSME/private sector representation; implement more participatory PPAs
- ☐ Enhance inclusion of BDRRM plans on Municipal/City development plans, ensuring inputs to physical framework and socio-economic Plans, and investment programs
- ☐ Institute stronger Monitoring and Evaluation system for Plans, PAPs, Resources, Expenditures; including budget tagging for DRR funds
- ☐ Enhance reporting and transparency platforms; Possible yearly LGU DRRM reporting from barangay to Province

THANK YOU!

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