# Policy, Institutional, and Expenditure Review of Bottom-up Approach Disaster Risk Reduction and Management

BENITO L. SALVADOR JR. Office of Civil Defense



□ Identify the key issues shared in the study relevant to the mandate of OCD/ NDRRMC

 $\hfill\square$  Share observations and tackle the issues identified

Present workable solutions formulated or proposed by the OCD/ NDRRMC

## CHALLENGE/S

"...bottom-up approach was difficult to institutionalize in the already existing structure".

ISSUE	ACTOR	IMPLICATIONS	PROPOSED SOLUTIONS
Trust	Stakeholders	Non-sustainability of programs (capacity- building and technical knowledge)	Mainstream community engagement in the local DRRM planning and budgeting process
Expenses (transportation , food, honorarium)	Government	Return of investment not viable	Institutionalize people's participation in DRRM activities

## Mainstream Community Participation into the LDRRMP Process

- Formulation of the Local DRRM Planning Guide
  - Stage 0 Preparation for Local DRRM Planning
    - ✓ Purpose Organizing a local DRRM Planning Team that would ensure:
      - (1) active involvement of stakeholders;
        (2) risk-informed Local DRRM Plan;
        (2) alignment of the matienal and galated local products and galated local produc
      - (3) alignment of the national and related local plans

## Mainstream Community Participation into the LDRRMP Process

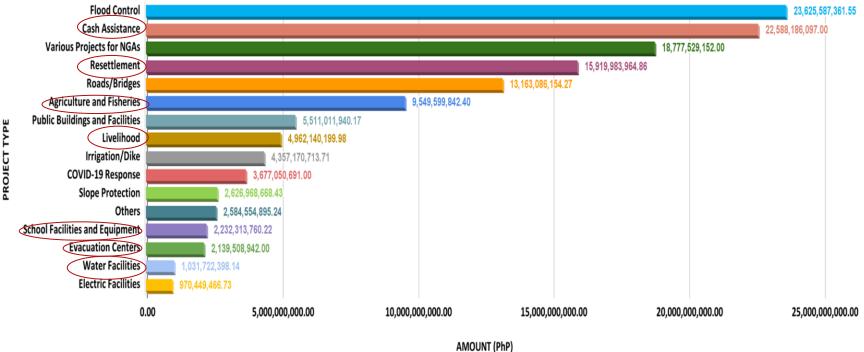
- Local DRRM Planning Team
  - ✓ Core Group

– Local DRRM Council Members – Manage the overall planning process

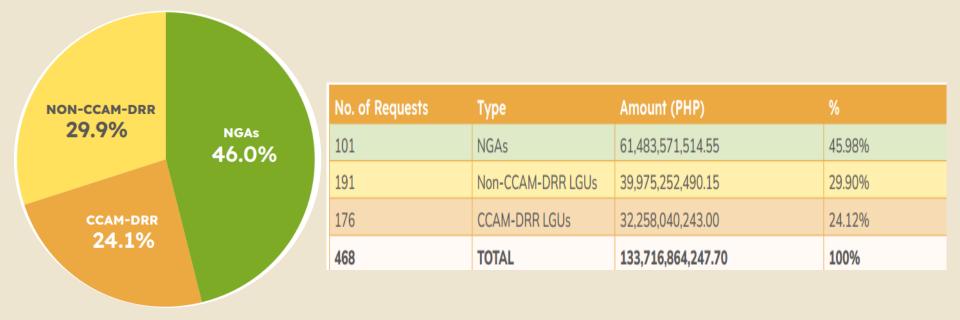
- ✓ Stakeholders Group
  - Vulnerable sector organized groups of women, youth, children, PWDs, differently-abled, elderly, LGBTQ, IDPs, etc.
  - Civil Society Organizations faith-based organizations, business, academe, organized volunteer groups

\*Indigenous People's mandatory representatives, PWD Affairs Office, institutions for peace and security for armed conflict areas, etc.

### FY 2016-2021 NDRRM FUND RELEASES PER TYPE OF PROJECT (HIGHEST TO LOWEST)



PROJECT



 Issuance of NDRRMC
 Memorandum
 Circular No. 110,
 s. 2021 (Revised
 Guidelines on the
 Administration of
 the NDRRM
 Fund)





National Disaster Risk Reduction and Management Center, Camp Aguinaido, Quezon City, Philippines

### SEP 2.3 2021

### MEMORANDUM CIRCULAR

### No.110 s. 2021

- TO: BANGSAMORO AUTONOMOUS REGION IN MUSLIM MINDANAO, HEADS OF NATIONAL GOVERNMENT AGENCIES, CONSTITUTIONAL OFFICES, STATE UNIVERSITIES AND COLLEGES, GOVERNMENT OWNED AND/OR CONTROLLED CORPORATIONS; CHAIRPERSONS OF THE REGIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCILS; PROVINCIAL GOVERNORS, CITY AND MUNICIPAL MAYORS, MEMBERS OF THE LOCAL SANGGUNIAN, THE LOCAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCILS, AND LOCAL FINANCE COMMITTEES
- SUBJECT: REVISED GUIDELINES ON THE ADMINISTRATION OF THE NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT (NDRRM) FUND

### DATE:

### 1. References

- 1.1. Republic Act No. 10121 or the Philippine Disaster Risk Reduction and Management Act
- 1.2. Relevant General Appropriations Act (GAAs) Provision on NDRRM Fund
- 1.3. Republic Act No. 9184 or the Government Procurement Reform Act
- NDRMMC Joint Memorandum Circular No. 2013-1, 25 March 2013 re: Allocation and Utilization of the Local Disaster Risk Reduction and Management Fund (LDRRMF)
- National Disaster Coordinating Council (NDCC) Memorandum Order No. 2 s. 1999, re: Policies, Guidelines, and Procedures on Calamity Fund Management
- 1.6. COA Circular No. 2014-002, Accounting and Reporting Guidelines on Receipt and Utilization of the National Disaster Risk Reduction and Management Fund (NDRRMF), cash and in-kind ald/sdunations from local and foreign sources, and funds allocated from the agency regular budget for Disaster Risk Reduction and Management (DRRM) programs
- COA Circular No. 2014-009, Guidelines in the Audit of Disaster Risk Reduction and Management (DRRM) Funds

### 2. Background

Republic Act No. 10121 seeks to institutionalize the policies, structures, coordination mechanisms and programs with continuing budget appropriation on disaster risk reduction from national down to local levels.<sup>1</sup> Further, Section 22 of RA 10121 provides that the National Disaster Risk Reduction and Management (NDRRM) Fund shall be used for (a) disaster risk reduction or mitigation, prevention, (b) preparedness, (c) relief, and (d) recovery and reconstruction projects for both National Government Agencies and Local Governments.

1 RA 10121, Sec. 2 (h).

#### 9. Transparency and Accountability

- 9.1. The OCD shall maintain an online database, open and freely accessible to the public, containing requests for NDRRM Fund allocation. The database shall include pertinent information on the processing of requests, status of funding request and utilization of the NDRRM Fund. The NDRRM Council shall pursue the creation of a portal for this purpose.
- 9.2. The implementing agencies or LGUs shall submit to DBM. Speaker of the House of Representatives, House Committee on Appropriations, Senate Committee on Finance, and the Commission on Audit either in printed form or by way of electronic document quarterly reports on the utilization of funds.
- 10. Separability Clause

If any part or provision of this Memorandum is declared invalid or unconstitutional, the remaining provisions shall not be affected and shall remain in full force and effect.

11. Repealing Clause

NDCC Memorandum Order No 2, Series of 1999 and all existing issuances by the NDCC and NDRM Council which are inconsistent with this Memorandum are hereby deemed repealed accordingly.

### 12. Dissemination

Heads of National Government Agencies, Constitutional Offices, SUCs, GOCCs, and Chairpersons of RORRMCs shall disseminate this Memorandum to all Regional and Field Offices. Local Chief Executives at the provincial, city and municipal levels shall also receive copies of this Memorandum. A guidebook shall be crafted for the purpose of disseminating and orienting all concerned stakeholders of this guideline.

13. Effectivity Clause

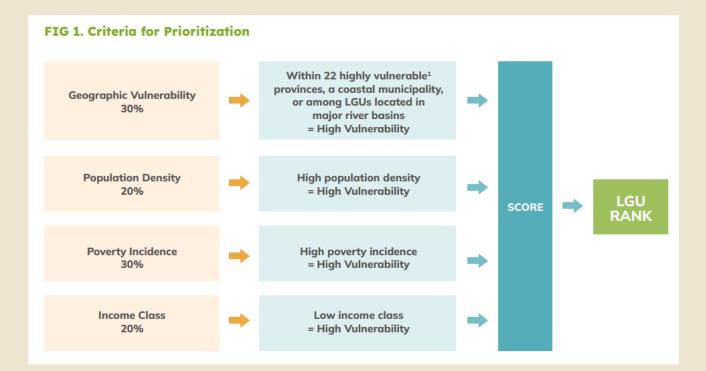
This Memorandum shall take effect in 2022.

Attoreusaus

SECRETARY DELFININ, LORENZANA Secretary of National Defense Chairperson, NDRRMC

> DEPARTMENT OF NATIONAL DEFENSE

• Issuance of NDRRMC Memorandum Circular No. 110, s. 2021 (Revised Guidelines on the Administration of the NDRRM Fund)



o Development of the NDRRM Fund Guidebook

### NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT FUND GUIDEBOOK

A GUIDE FOR REQUESTING PARTIES AND THE FUND ADMINISTRATORS



## PURPOSE

This Guidebook serves as a general guide for preparation, prioritization, processing, and endorsement of projects for evaluation under the NDRRM Fund. Specifically, it aims to achieve the following:

- To provide basic information and guidelines for requesting parties
- To ensure the effective, efficient, and transparent implementation and management of the NDRRM Fund by the OCD and NDRRMC (both at the national and regional level), given their role in the processing of project endorsements to the Office of the President (OP)
- To enjoin or promote the participation of civil society organizations (CSOs), especially in the monitoring and evaluation of projects on the ground

# Public Investments – LGU Spending Patterns

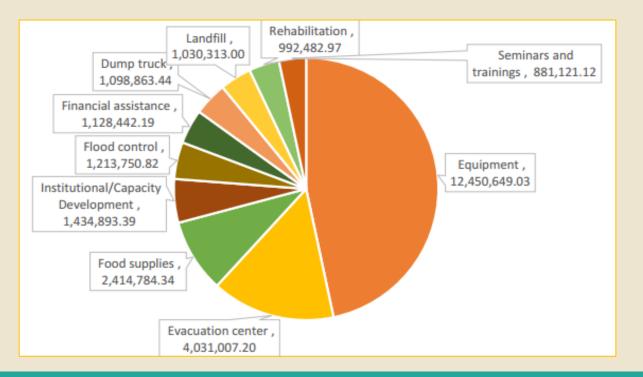
## Challenge/s

"After surveying trends and patterns of allocation and utilization, one can surmise that devolved institutional structures are not making efficient use of fiscal resources despite the hefty allocations."

ISSUE	ACTOR	IMPLICATIONS	PROPOSED SOLUTIONS
Inefficient use of the LDRRM Fund	LGUs	Reactive stance on disaster risk reduction and management (focused on rescue, relief, and aid)	Align public fiscal programming with the national framework, plans, and standards Integrate DRRM plans with local development and land use plans

## Public Investments – LGU Spending Patterns

## Spending Patterns of Municipal and City Local Governments

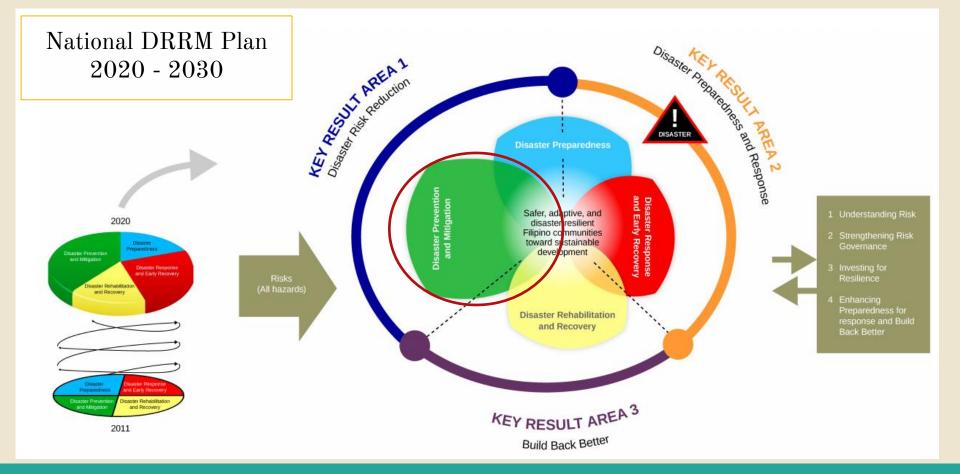


Factors in Recovery Time (Francisco, 2014)

### Presence of:

- 1. Evacuation Centers
- 2. Flood Alarm System
- 3. Strong Community Organizations

## Align Public Fiscal Programming with the National Framework



# Align Public Fiscal Programming with the National Framework

### The Updated National Disaster Risk Reduction and Management Plan of the Philippines



### Resilience Vision: Safer, adaptive and disaster-resilient Filipino communities toward sustainable development

	Prevention and Mitigation	Preparedness		Response and Early Recovery		Rehabilitation and Recovery	
	Outcome 1: Improved access, understanding and use of updated risk information and research	Outcome 9: Enhanced risk awareness and risk-informed decisions and actions of governments and communities		Outcome 13: Well-established disaster response operations with well-equipped	er	Outcome 18: Clear policy directions for rehabilitation and recovery	
n (DRR)	Outcome 2: Implemented risk-centered national, sub-national, and sectoral policies, plans, and budget			workforce and volunteers	ck Bett	Outcome 19: Sustainable and socially-inclusive income sources for households are made available and stability	
ctio	Outcome 3: Increased structural integrity of housing, building and critical infrastructure	Outcome 10: Increased institutional capacities of National and Local DRRM Councils and Offices		Outcome 14: Appropriate early actions are		of economic activities is restored	
sk Redu	Outcome 4: Institutionalized timely, responsive, context-and culture-specific early warning			provided to communities	3: Build	Outcome 20: Agricultural production is restored or increased and support services for farmers, fisher folks, and laborers are made accessible	
r Ris	systems, reaching the last mile		Outcome 15: Accurate, reliable and time information management		rea	Outcome 21: Affected families and individuals have access to: (a) affordable disaster-resilient housing that are located in safe zones where social services and	
	Outcome 5: Communities have access to effective, responsive and inclusive social	Outcome 11: Strengthened partnership and coordination among all key actors and stakeholders			H A		
a 1: Di	protection, risk financing, and insurance mechanisms			Outcome 16: Affected communities are provided with gender-responsive, and conflict- and culturally-sensitive basic necessities and services		public facilities are available; or (b) financing assistance to rebuild their houses in areas that are declared as safe zones.	
Are	Outcome 6: Natural resources and ecosystem					Outcome 22: Affected individuals, families, and	
integrity are in	integrity are improved and sustained	Outcome 12: Implemented comprehensive and mutually-reinforcing national and local preparedness and response plans, policies, and system				communities have access to responsive, appropriate and adequate education, health, and social protection	
	Outcome 7: Disaster-resilient livelihoods and					services	
	businesses			Outcome 17: Implemented an integrated system for early recovery		Outcome 23: Disaster resilient standards in	
	Outcome 8: Disaster-resilient human settlements					infrastructure are observed during rehabilitation and recovery	

23 outcomes, 50 outputs, 206 activities

locally-grounded and contextualised, globally aligned and responsive

## Challenge/s

"For a disaster-ridden country...why were DRRM funds not overutilized? Why were they not tapping into existing STF (special trust fund) pools?

	ISSUE	ACTOR	IMPLICATIONS	PROPOSED SOLUTIONS
1.	Faulty reporting;	Local DRRM Officers	DRRM Budget not properly monitored	Streamline reporting of DRRM Fund
2.	Non-clarity of fiscal guidelines; or	LDRRMCs	Low utilization rate of the LDRRM Fund	Inclusion of policy/guidelines on the programming of the STF
3.	DRRM was not a priority for public investments	LDCs, LDRRMCs & Local Sanggunian	Lesser coping capacity for resilience of LGUs	Strengthen local investment programming strategies aligned with sustainable development

• COA Circular 2012-002(Accounting and Reporting Guidelines for the LDRRMF of LGUs, NDRRMF given to LGUs and Receipts from Other Sources



Republic of the Philippines COMMISSION ON AUDIT Commonwealth Avenue, Quezon City, Philippines

### CIRCULAR

No.2012-002 Date: SEP 1 2 2012

LDRRMF

- TO : All Provincial Governors, City/Municipal Mayors, and Punong Barangays; Local Accountants, Treasurers, and Budget Officers; COA Assistant Commissioners, Directors and Auditors; and All Others Concerned
- SUBJECT: Accounting and Reporting Guidelines for the Local Disaster Risk Reduction and Management Fund (LDRRMF) of Local Government Units (LGUs), National Disaster Risk Reduction and Management Fund (NDRRMF) given to LGUs and Receipts from Other Sources

### 1.0 Rationale

The Philippine Disaster Risk Reduction and Management Act (PDRRMA) of 2010 (Republic Act [R.A.] No. 10121) was enacted to institutionalize the country's disaster risk reduction and management system, and to strengthen the capacity of the National Government (NG) and the LGUs for disaster risk reduction and management through decentralized powers, responsibilities and resources.

Section 21 of the PDRRMA provides that the present Local Calamity Fund shall henceforth be known as the LDRRMF and not less than five percent (5%) of the estimated revenue from regular sources shall be set aside as the LDRRMF. The balance  $c^{-}$  the ourrent year LDRRMF shall be recognized as Special Trust Fund to be synent in the succeeding five years.

Further, the PDRRMA and its Implementing Rules and Regulations (IRR) also provides that LGUs may also receive funds from the NDRRMF upon approval of the President of the Philippines, from other LGUs, and other sources.

This Circular is issued pursuant to the authority of this Commission "to promulgate accounting and auditing rules and regulations including those for the prevention and disallowance of irregular, unnecessary, excessive, extravagant, or unconscionable expenditures, or uses of government funds and properties." (Section 2(2), Article IX-D of the 1987 Constitution)

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be classified under the account "Construction and Heavy Equipment."

The account shall have the following subsidiary ledger accounts:

- 1 Firefighting Equipment and Accessories
- 2 Flood Rescue Equipment
- 3 Earthquake Rescue Equipment
- 4 Volcanic Eruption Rescue Equipment
- 5 Landslide Rescue Equipment

Each subsidiary ledger account shall be supported with equipment ledger cards for equipment maintained under the subsidiary account classification.

- 5.1.8 The corresponding accumulated depreciation account "Accumulated Depreciation – Fire Fighting: Equipment and Accessories" (Code 331) shall be changed to " Accumulated Depreciation - Disaster Response and Rescue Equipment" (Code 331).
- 5.1.9 Small items purchased for disaster response and rescue activities, which do not qualify under the equipment classification, shall be recorded as Inventories under the appropriate inventory account. Issuance of these small items to end users shall be covered by an Inventory Custodian Silp.
- 5.1.10 All unexpended/unobligated balance of the QRF and the DRRMF-MOOE shall be transferred to the Special Trust Fund under the account "Trust Liability-DRRM"(Code 438) in the Trust Fund books.
- 5.1.11 All unexpecided/unobligated balance of the LDRRMF for CO shall be made continuing in the General Fund books until the projects funded therefore are completed and any savings shall be available for use in the disaster risk reduction and management activities as provided in the LDRRMFIP.
- 5.1.12 The account Trust Liability-DRRM in the Trust Fund books shall be used to record transfers of the agency's unutilized QRF and the DRRMF-MOOE of the previous years, receipts of NDRRMF, DRRMF from other LGUs and other sources. Subsidiary ledgers shall be maintained for transfers of agency's unutilized DRRMF to the special trust fund by year of transfer, receipts of NDRRMF by transferring agency, DRRMF from other LGUs by LGU and other sources by donor.

LDRRMF Sof?

 NDRRMC-DBM-DILG JMC
 2013-1
 (Allocation and Utilization of the LDRRMF)



#### NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL DEPARTMENT OF BUDGET AND MANAGEMENT and

DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT

Joint Memorandum Circular No. 2013-1 Date March 25, 2013

TO: PROVINCIAL GOVERNORS, CITY MAYORS, MUNICIPAL MAYORS, PUICONG BARANGAYS, MEMBERS OF THE SANGGUIRAN, LOCAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCILS, LOCAL DEVELOPMENT COUNCILS, LOCAL FINANCE COMMITTEES, AND ALL OTHER NATIONAL AND LOCAL GOVERNMENT OFFICIALS CONCERNED

#### SUBJECT: ALLOCATION AND UTILIZATION OF THE LOCAL DISASTER RISK REDUCTION AND MANAGEMENT FUND (LDRRMF)

### 1.0 Background

Republic Act (RA) No. 10121 (Philippine Disaster Risk Reduction and Management Act of 2010) granted local government units (LGUs) greater flexibility towards disaster mitigation, preparation, response, rehabilitation and recovery.

### 2.0 Purpose

This Joint Memorandum Circular (JMC) is issued to serve as a guide to LGUs in the allocation and use of the LDRRMF and to enhance transparency and accountability in the use of the LDRRMF.

### 3.0 Declaration of Policy

The recently approved National Disaster Risk Reduction and Management Plan (NDRRMP) 2011-2028 shall become the basis in the preparation of Local Disaster Risk Reduction and Management Plans (LDRRMP) to be validated and accustomed to the local needs for prevention and mitigation, preparedness, response, rehabilitation and recovery.

Section 2 (e) of RA 10121 provides that it is the policy of the State to develop, promote, and implement a comprehensive NDRRMP that aims to strengthen the

- 5.5.3 The acquisition of heavy equipment although used in disaster response and rescue activities shall be classified under the account ..."Construction and Heavy Equipment".
  - Ex. Dump Trucks, Forklift, Backhoe and Grader.
- 5.5.4 On the other hand, the purchase/acquisition of expendable items such as fire extinguisher, flood light, chainsaw, ax, ropes, ladder, breathing apparatus, flashlight and the like shall be classified as "Supplies or Inventories".

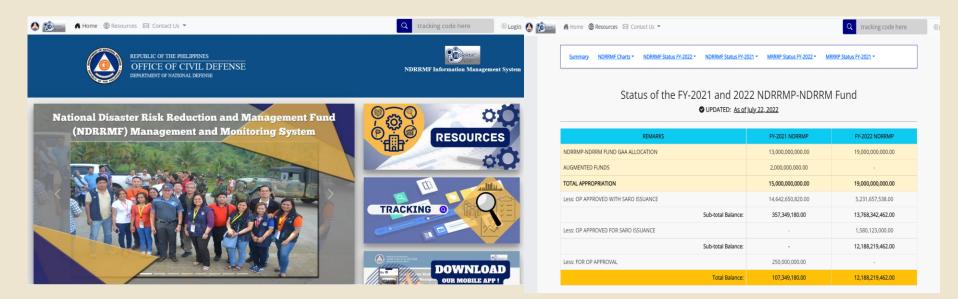
### 6.0 Policies and Procedures on the Utilization of the LDRRMF

The following procedures shall be observed in the use of the LDRRMF subject to budgeting, accounting and auditing rules and regulations:

- 6.1 The appropriation for the LDRRMF shall be included in the General Fund Annual Budget and/or Supplemental Budget of the LGU concerned.
- 6.2 The projects and activities to be charged against the LDRRMF shall be incorporated in the Local Disaster Risk Reduction and Management Plan (LDRRMP), and Integrated in the approved Annual Investment Program (AIP) of the LGU.
- 6.3 The release and use of the 30% QRF shall be supported by a resolution of the local sanggunlan declaring the LGU under the state of calamity or a Presidential declaration of state of calamity upon recommendation of the NDRRMC.
- 6.4 The unexpended LDRRMF shall accrue to a special trust fund solely for the purpose of supporting disaster risk reduction and management activities of the Local Disaster Risk Reduction and Management Council (LDRRMC) within the next five (5) years.
- 6.5 The unexpended balances of the LDRRMF may be released and utilized for new expenditure items upon submission of a revised AIP as approved by the local sanggurian and Local Chief Executive (LCE) upon recommendation of the LDRRMC in accordance with the approved LDRRMP.
- 6.6 The acquisition/availment of disaster risk reduction and management equipment, may be done through rental/leasing from service provider of such items.
- 6.7 The procurement of supplies and equipment chargeable against the LDRRMF shall be subject to RA No. 9184 (An Act Providing for the Modernization, Standardization, and Regulation of the Procurement

# Streamline Reporting of the DRRM Funds

## $\circ~$ Development of the NDRRM Fund Website



### Visit website: ndrrmfund.ndrrmc.gov.ph

- Formulation of the Local DRRM Planning Guide
  - Stage 4B- Supplemental Investment Program for the Special Trust Fund
    - ✓ Purpose Guide the Local DRRM Planning Teams on the proper allocation of the Special Trust Fund to expand its implementation and achieve more targets. The utilization of the Special Trust Fund by the LGU shall follow the proper preparation and approval processes. It is important to note that all LGUs should still maximize the allocated budget from not less than 5% as provided by RA 10121.

- Formulation of the Local DRRM Planning Guide
  - Stage 4B Steps for the preparation of the Supplemental Investment Program for the Special Trust Fund
    - ✓ Step 4B-1: Review availability of STF (unexpended LDRRMF)
      - $\checkmark$  STF containing unexpended LDRRMF for the 5 years will serve as an additional source of the LGU per COA Circular 2012-002 to fund PPAs.

 ✓ Step 4B-2: Prepare LDRRMFIP for the STF
 ✓ Preparation of the LDFRRMFIP should be based on the LDRRMP formulated by the Local DRRM Planning Team. Budget allocation of the PPAs needing additional funds or new allocations must be reviewed.

# RESOURCES

### NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT FUND GUIDEBOOK

A GUIDE FOR REQUESTING PARTIES AND THE FUND ADMINISTRATORS





## SCAN THE QR CODE FOR THE COPY OF THE NATIONAL DRRM FUND GUIDEBOOK

