

DRR Budget Analysis for Khyber Pakhtunkhwa

A Study by CARE Pakistan
for Provincial Disaster Management Authority
Government of Khyber Pakhtunkhwa



Humanitarian Aid
and Civil Protection



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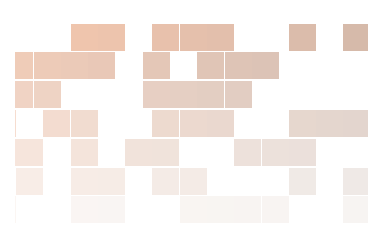
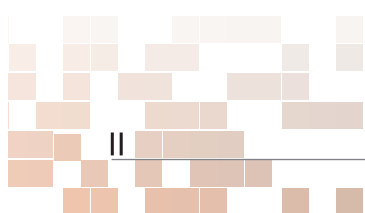


Table 1 Acronyms

ADB	Asian Development Bank
ADP	Annual Development Plan
CDWP	Central Development Working Party
DDMA	District Disaster Management Authority
DRM	Disaster Risk Management
DRR	Disaster Risk reduction
DFDR	Directorate of Flood Damages Restoration
DDWP	Departmental Development Working Party
ERC	Emergency Relief Cell
ECNEC	Executive Committee of National Economic Council
ERRA	Earthquake Reconstruction and Rehabilitation Authority
FWO	Frontier Works Organization
E&SE	Elementary and Secondary Education
DFID	Department for International Development
P&DD	Planning and Development Department
PEOC	Provincial Emergency Operation Center
R&R	Rehabilitation and Relief
RR&SD	Relief, Rehabilitation & Settlement Department
IDI	In-Depth Interviews
HFA	Hyogo Framework for Action
TMA	Tehsil Municipal Administration
TF	Throw Forward
IDA	International Donors Agency
MIS	Management Information System
PDMA	Provincial Disaster Management Authority
PDWP	Provincial Development Working Party
UNDP	United Nations Development Program





Acknowledgments

This study report “DRR Budget Analysis of Khyber Pakhtunkhwa for PDMA KP” is the result of initiative by the CARE international Pakistan supported by ECHO DP/DRR Program t, in close coordination and with the guidance of the Provincial Disaster Management Authority (PDMA) Khyber Pakhtunkhwa and government line departments and other stakeholders.

The study benefited from the contributions of the Project Steering Committee members from PDMA and government line departments and academia to review the draft report. Support from Mr. Amir Afaaq DG PDMA, Mr. Khalid Khan, Director PDMA ,Madam Robin Bokhari, Mr. Wajid Ali Khan Assistant Director PDMA

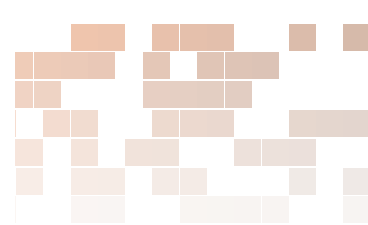
This study is conducted by Mr. Shah Nasir Khan, DRR & CCA practitioner.

This study was conceptualized by Mr. Aziz Ur Rhaman resilience and climate change advisor of Care International and provided continuous feedback and input and helped in improving the document.

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Finally, and most importantly, we would like to thank those community members, civil society, DRR Forum, Experts and Government Officers who generously gave their time to sit and speak to us, answering questions and sharing their impressions, without whom this report would not be possible.

Foreword



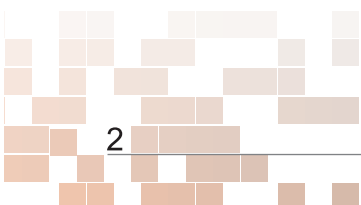
Peshawar is one of those cities in Pakistan highly prone to natural and human induced hazards. Over the past several years, the floods, strong winds, mini tornadoes, earthquakes have induced immense pressure on the city, which is home to millions of refugees and TDPs. The Government and the humanitarian community in Pakistan have made support to disaster risk reduction at various levels and at various stages but in no way they have been sufficient enough to cover the entire spectrum of DRM. In 2014, the PDMA Government of Khyber Pakhtunkhwa designed and put in place an organized strategy for the Disaster Risk Reduction- the Road Map for DRM in KP (2014-19) in support from CARE international. As a part of the road map activities, I am pleased to see the first-ever urban disaster risk reduction study of Peshawar.

While it is deeply gratifying to see such a marked improvement in the DRR environment in KP, it is equally important at this crucial stage to ensure that risk reduction becomes a priority and recommendations of the study are implemented in letter and spirit. The building up of urban resilience to disasters and climate change is crucial. We must ensure that this process promotes productive and social well being in Peshawar and the city. To that end, it is essential that the right programs are designed based on sound analysis and a clear vision.

The study in the pages that follow was conducted by CARE International in Pakistan, in close coordination with PDMA Khyber Pakhtunkhwa , government line departments this study and analysis provides a meticulous situational analysis of budget allocation for DRR in Khyber Pakhtunkhwa. This document is the base for creating awareness in the stakeholders to find ways to enhance budget for DRR and save life and reduce the risks from disasters

We all are thankful to ECHO, PDMA, all provincial line departments , IDEA chief executive Mr. Amad and project team of ECHO DP/DRR project.

Aziz ur Rahman
Advisor DRR and Climate change CARE
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Chapter 1

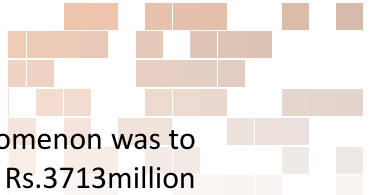
Introduction

1.1 Executive Summary

Pakistan is a country inflicted with many disasters in the past with several casualties and economic losses in its aftermath. The deadliest earthquake of Oct 8, 2005 and the un-precedented floods of 2010 with their colossal losses are the two glaring examples portraying the posing hazards and the extreme vulnerabilities. Due to the lack of attention to mainstreaming disaster risk reduction (DRR) into development planning, budgeting and allocation of finances towards DRR and mitigation mechanisms in the country, the response capacity of the community has been severely affected. The situation is almost the same at every level of the Government, Federal, Provincial and District. In order to review the public sector funding for DRR this study tends to analyze the schemes/ projects & programs under the last three years Annual Development Programs of the Government of Khyber Pakhtunkhwa. As a case study, the three years ADP of District Nowshera has also been analyzed to see as how much budgets were allocated for risk reduction in one of the most vulnerable districts of the province. The study is not only aimed to analyze the trends and issues but to provide basis to the advocacy efforts of Provincial Disaster Management Authority (PDMA) in specific and Relief, Rehabilitation & Settlement Department in general to pursue its case with the Department of Finance and Department of Planning & Development and with the political leadership to allocate more resources for DRR in the ADPs, both at Provincial and at district level. It will also build a case to look into the technical capacities of the Provincial Departments including its own to mainstream DRR Planning into Development and to suggest ways and means to mechanisms need to usefully utilize the budgets that are not directly referred to as DRR but are DRR and need to be molded as such for instance the flood protection works of Irrigation Department or the afforestation drive of the Department of Environment and Forestry.

The existing provincial DRM system focuses mainly on response and ignores other more sustainable and durable dimensions of DRR, such as prevention and mitigation which can address the root causes of disaster risk within the province, which because of its geographical diversity is vulnerable to a large range of natural hazards, such as floods, earthquakes, landslides and cyclones.

The results of the study are interesting but not astounding. The percentage of projects found to be falling directly under the realm of DRR are extremely low. For instance, during the year 2012-13, 2013-14 and 2014-15 out of roughly 3184 projects included in Annual Development Program (ADP), merely 1.6%, 1.7 % and 2.1% respectively were related directly to DRR perspective. While spending on DRR has been low the budgets spend on rehabilitation and reconstruction has been comparatively higher. For instance Rs.2053million was spent on R&R projects during 2014-15 hence, allocation of around Rs.4734 million during last three years. Although it was apparent that government's efforts were directed to spend huge amounts of



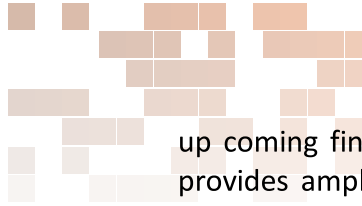
money on response-based activities rather than preparedness, an interesting phenomenon was to look into if DRR was included in the post floods rehabilitation. Eventually, more than Rs.3713million were disbursed for restoration of damages in the aftermath of flood and for construction of disaster mitigation structures which by and large were mainly flood protection works. In District Nowshera alone, Rs.485million were designated for formation of flood embankments. What's unfortunate is that the money was not genuinely utilized with only Rs.510 million spent on projects than the massive total cost of Rs.4267million.

An thought-provoking analysis of the Through Forward (TF) of the specific DRR projects under Relief & Rehabilitation revealed that there has been minimal or zero TF for all three successive years portraying the nature of projects as one time and with lack of sufficient planning mechanism to extend and expand in coming years. Projects to enhance the technical capacity of PDMA and DDMUs during this period and to increase the response capacity of the community by establishment of Emergency Rescue Services and disaster mitigation preparedness program are included in R&R, however, except for Rescue1122 the other projects which are more vital for completion of DRR objectives have no TFs. Some projects such as enhancement of PDMA and DDMUs in KP devised with no long-term goals and suffered from under spending. It was also assessed that most of the DRR relevant projects are locally funded with no foreign aid clearly showing the crucial reliance on government's own resources and negligible support of Development partners and Donors to DRR despite the fact that an important strategic document of the Provincial Government, the Comprehensive Development Strategy 2010-17 (CDS) also refers to Risk Management as one of the important component of implementation of CDS. The under spending is as much a problem for DRR relevant projects as for any other schemes in ADPs as during the past decade, 35% of the money allocated was not spent timely and has to be surrendered and re programmed in next ADP.

All is not bleak and blue as in ADP 2014-15 two very important projects were included which can pave the way for DRR sensitive programming and may lead to increased, useful and effective public financing for DRR. The two projects were Establishment of DRM Strategic Unit and revamping of Provincial Emergency Operations Centre. Allocation, though low, the projects accounted for Rs. 500 m (USD 5 m) each.

Furthermore, the study confirms that due to non availability of information regarding risks and resources and Multi-Hazard Vulnerability and Risk Assessments billions of rupees allocated to projects which can be ranked and can be utilized as DRR go in vain. The best example is the flood protection works, which are carried out without any technical study and assessment and thus unable to perform its role to reduce the risks of floods. Strengthening the capacity of PDMA, P&D, DDMU and relevant Line Departments through more technical research and qualified risk reduction planning specialists/ experts can be one of the most important step to mainstream DRR into planning, policy making and budgeting.

District Nowshera was focused as a case study in order to observe the budgetary allocation to districts and spending in the realm of DRR. Although, for the last three fiscal years the District ADP has not been more than 5% of the total ADP significant amounts of funds have been received at District for DRR relevant budgets. The new Local Government System with increased budgets in



up coming financial year and a fair share of Nowshera and the availability of a District DM Plan provides ample opportunity to advocate for and utilize a significant part of the fiancés for DRR activities.

1.2 Introduction and Rationale for Assessment

Pakistan is a developing country, which has been in the clutches of major disasters events of floods, drought and earthquakes in the recent past. During 2001–2013, a total of about 261 80,415¹ people died due to the impacts of natural disasters, out of which 74,484 were the victims of earthquakes, 5,722 by the frequent flood disasters and 209 of landslides events in different regions of the country.

Disaster statistics from the past 100 years reveal that the Khyber Pakhtunkhwa Province has been extremely prone to a multiplicity of disaster types with recent years experiencing the largest catastrophic events in the province's history. Earthquakes are a regular occurrence. According to the seismic data compiled by the Pakistan Meteorological Department (PMD), has witnessed a total of 222 earthquakes over the last 100 years or so. Out of the total, 201 were of moderate intensity whereas remaining 21 were of severe intensity i.e. over 6.0 on the Richter scale. The worst of earthquake occurred in 2005 when 29,342 people died and 37,190 were injured. The reconstruction cost was estimated at \$1.54 billion and additional reconstruction costs in agriculture, industry and other services, made the total loss well above this figure.²

Similarly, the province has faced devastating floods during 1976, 1982, 1988, 2004, 2006 & 2007; the worst was in 2010 when 1,070 people were killed and reconstruction costs reached \$1.172 billion³. The floods hit all the then 25 districts of the province with 312,477 houses damaged or destroyed⁴. Other smaller, but deadly, natural disasters such as landslides and glacial lake outbursts are also regular occurrences. The province is affected by shifting rain and flood patterns caused by climate change, which is also affecting glacier lakes in The north, and future dangerous floods are likely. The tornado/whirling winds of 26th April

2015 in Peshawar Division alone killed 49, injured 267 and hundreds of houses collapsed. Apart from natural disasters, KP is also highly prone to human-induced disasters such as fire, suicide bombing, civil unrest, transport accidents, etc. Droughts are also common especially in southern districts.

¹EM-DAT (2014) EM-Dat country-wise database of Pakistan 2001–2013. EM-DAT The International Disaster Database, Centre for Research on the Epidemiology of Disaster. Wwww. Emdat.be. Université Catholique de Louvain, Brussels, Belgium

²Preliminary Damage and Needs Assessment (DNA), Pakistan 2005 Earthquake: Asian Development Bank and World Bank

³Preliminary Damage and Needs Assessment (DNA), Pakistan 2010 Earthquake: Asian Development Bank and World Bank

⁴Citizens Damages Compensation Program Data Base-PDMA Khyber Pakhtunkhwa



1.2.1 Disaster Risk Management in Khyber Pakhtunkhwa

Despite being prone to multiple natural and human induced hazards, no proper system of identifying, treating and managing risks and disasters existed till December 2006 when the National Disaster Management Ordinance (NDMO) was introduced as a legal instrument for disaster management in Pakistan. National Parliament, Senate and Four Provincial Assemblies approved and gave a status of permanent Act during December 2010 called as National Disaster Management Act 2010. Keeping in view the peculiar circumstances the province is faced with the Government of Khyber Pakhtunkhwa amended the Act in 2012 and thus National Disaster Management (Khyber Pakhtunkhwa) (Amendment) Act¹ and the National Disaster Management Policy 2012 govern the full spectrum of Disaster Risk Management through legal bodies and the establishment of an institutional system in Khyber Pakhtunkhwa.


1.2.2 Purpose of the Study

While it is well known that the expenditure on disaster risk management has multiplied in the aftermath of the October 2005 earthquake, there are concerns that much more is spent on response than disaster risk reduction. Very little or no work has been done to analyze this trend. The purpose of the study is thus to analyze Government financing in Khyber Pakhtunkhwa mainly from the Annual Development Programmes (ADPs) of the past three fiscal years (2012-13 to 2014-15). The study takes into consideration the planning framework of Khyber Pakhtunkhwa vis-à-vis allocation to different sectors. KP government is allocating each year's budgets for carrying out development activities in the province. But the critical review of the allocations specifically for DRR, the procedures for allocations, allocations vis-à-vis objectives, patterns and trends in utilization of ADPs, and objectives being achieved through the development spending have never been carried out. The study, as a positive approach, only analyses the financing for DRR from the Government in its Development programs but will also look into the details of where interventions are possible to not only do advocacy for more spending on DRR but to render recommendations in order to provide technical support in areas where the funds are available, relevant to DRR but are not utilized as such.

1.2.3 Policies, Plans and Dedicated Budget Lines for DRR

The National DRR Policy recommends a separate and dedicated budget lines for disaster risk reduction at federal, provincial and district tiers. The NDM Act 2010 calls for establishing and managing National Disaster Management Fund (NDMF) and Provincial Disaster Management Fund (PDMF), separately. The Act identifies two major sources of funding: a) government's grants; and b) loans, aids and donations by national or international agencies or other sources. It also requires the Federal and Provincial governments to make provisions for funds in their annual budgets for carrying out activities and programs set out in disaster management plans as required by the Disaster Management Authorities (DMAs). The National DRR Policy also recommends for development partners to contribute strengthening the national and provincial disaster management funds.

¹NDMA Act, 2012



NDMA developed a 10 years plan worth \$1 billion outlay which identifies the responsible ministry/departments to demand resources for DRR measures. The largest chunk, as per the plan, is allocated for Federal Flood Commission for the comprehensive national flood protection plan followed by Met department for early warning system and its dissemination covering the entire country. The implementation of the plan still remains an issue.

The policy of 2012 states that the national, provincial and district governments will ensure the incorporation of DRR principles in the development agenda and other country programs. In order to guarantee availability of financial resources for the DRR activities, the annual and long-term mega development programs/ projects and the poverty reduction strategies will recognize and include DRR as an integral part of development agenda. It goes to the extent saying that development programs or projects will only be approved by the competent authorities when they comply with the general and specific DRR guidelines. NDMA and PDMA will work closely with the National Planning Commission and the Provincial Planning & Development Departments respectively and provide technical assistance to help scrutinize DRR-sensitive programs/projects for approval. A DRR checklist has also been approved and circulated¹ by the Planning Commission of Pakistan. However, the checklist is rarely or rather not followed at National, Provincial, Departmental and District Level. Similarly, PDMA, Govt of KP has recently launched a five years Road Map for DRM in the province. The Road Map² along with the implementation plan articulates a comprehensive framework for risk reduction and risk management in the province including creation of Provincial Disaster Management Fund, a DRM Strategic Unit and mainstreaming of DRR into Development by building capacities of line departments, communities etc. However, there is still a long way to go to achieve the targets of the Road Map which merely needs USD 42.75 million (Rs. 4.3 billions).


1.2.4 Possible Sources of Funds

The study looked into the possible sources of funds for DRR from the Govt. budgets which can be categorized as below:

- PSDP.
- ADP.
- Disaster Management Funds (NDMF and PDMF).
- Grants and Aids from Finance Department.
- One line budgets from Finance Forum (For instance for R&R sector)/ Non ADP Schemes, etc.
- Foreign aid as budgetary allocation

¹Circulated vide Letter No. 5(7) Misc./PP&H/PD/10, on 23 November 2010

²DRM Road Map 2014-19



Though the relief funds which makes the most fund for PDMA comes as one liners from Finance Department they cannot be categorized as DRR funds due to the fact that they are only released when the demand from PDMA is received at Finance Department after the disaster hit any area and relief in terms of food, tents or compensation has to be provided. The PDMF is still to be activated, however, some funds have been received to activate that. Under the Grants and Aids it was only in December 2005 when PDMA succeeded to draw out Rs. 1 m for a research project of a Earthquake Engineering Centre UET. The only funds thus left are funds allocated under ADP and the foreign aid which comes as budgetary allocation. The later is almost negligible or almost missing when DRR relevant budgets being analysed. Therefore, the study has been kept limited to the ADPs of three consecutive financial years.

1.2.5 Methodology Framework for the Study

Focusing on the province of Khyber Pakhtunkhwa, the study as a major pool of fund further focused on ADP while taking into consideration all schemes whether to be approved at PSDP, PDWP or DDWP. The study thus formed primary and secondary sources to critically examine the budgetary allocation of DRR at provincial level. The primary component involved analysis of the last three fiscal years' ADPs to review the budget allocation for different sectors. While the secondary component of the study included consultations with the stakeholders involved in budget development at different levels and in depth analysis of the procedures at Departmental level to prepare the concepts/ project documents/ PC1s for the funds and then implementation.

1.2.6 Primary component of Analysis-ADPs

ADPs of last three consecutive fiscal years i.e. from 2012 to 2015 were analyzed. Budget books of the provincial and district governments covering the period from 2012 to 2015 are utilized as the major source of primary data. All the sectoral budgets and budget heads were converted into excel sheets and further broken down to carry out various probes. The analysis included the sectoral budgets, schemes details, allocation to the districts, block allocations, through forward (TFs) and the relevancy of the schemes to DRR and then ranking them accordingly.

1.2.7 Secondary Component of Analysis

The secondary component involved in Depth Interviews, consultations and review of relevant documents available at the Departments and PDMA including Concept Notes, PC-II, PC1s and correspondence during preparations of PC-1s and during the execution.

1.2.8 Development of Ranking Criteria

The research objective was approached from three fundamental dimensions: the context of DRR funding, the players and stakeholders and the existing practices of allocation and utilization of budgetary resources for DRR. The allocations somehow related to DRR in the provincial ADP are usually furnished under the head of "Relief and Rehabilitation. However, detailed analysis of the budget heads of R&R(RR&S Deptt) are usually hardware and are related to response preparedness. However, some projects can be indirectly affiliated to DRR such as projects in irrigation sector, afforestation drive and mass awareness campaigns for that but there seems no clear reference to DRR.

To distillate on DRR financing and relevance of the projects to risk reduction in distinct sectors, a ranking criteria was developed. The need for the ranking criteria evolved from the fact that some projects not specifically referring to disaster risk reduction were in fact contributing to DRR although **with varied degree of relevancy**. The ranking criteria tool was thus helpful in pointing the budgetary allocations for DRR, which could not have been identified in the first glance. To find out whether the proposed activity had any linkage towards DRR, the detailed PC-Is of the projects were also studied and a series of deliberations were held with the officials of P&D, PDMA, Finance and concerned departments.

In order to make it possible to analyze the projects on the basis of its relevance to DRR, the criteria adopted was to rank the projects in accordance with its relationship with DRR. The ranking criteria is as below:

1. **Rank 01** was specified for Post-disaster Rehabilitation and Reconstruction Projects, however with a footnote that further analysis will be required to check if “Build back better, smarter and resilient” has been one of the objective while planning and executing it or not (For instance , projects like restoration of road and rehabilitation of flood protection works,etc)
2. **Rank 02** was set for projects having secondary link to DRR (For instance , projects like construction of sewerage system , construction of irrigation channels/ tube wells ,etc.)
3. **Rank 03** was established for those projects with primary linkage to DRR (For instance , projects like construction of flood protection works , retrofitting of infrastructure)
4. **Rank 04** was specified for the DRR specific projects (For instance, projects like capacity enhancement of PDMA and DDMUs, Disaster mitigation and preparedness in Khyber Pakhtunkhwa etc). Refer to *Figure-1.2*.

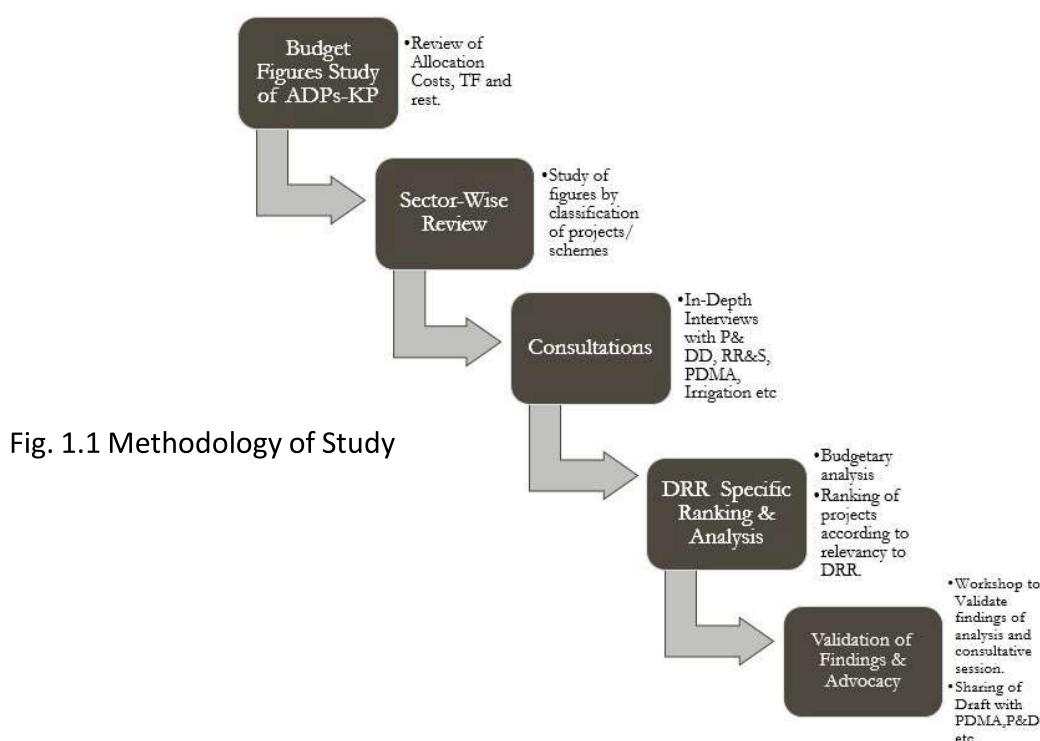




Fig. 1.2 Legend of Rankings

1.2.9 Analysis of Specific DRR relevant schemes and schemes pertaining to Nowshera District

The analysis also included review of the “Flood Protection Schemes or Works” and a “Rehabilitation and Reconstruction scheme” to analyze if DRR was a priority and ‘the aim’ while developing the PC1 and while executing the project. The flood protection schemes in District Nowshera were focused in this regard. Moreover, a case of specific DRR scheme “ Establishment of DRM Strategic Unit” in PDMA was also subjected to further analysis to have a sense of whether the scheme was materialized and the allocated amount utilized or not and if not the issues were identified and recommendations rendered. Similarly a completed scheme of “Capacity Enhancement of PDMA and DDMUs including purchase of land for Provincial Warehouse in Khyber Pakhtunkhwa” was also analyzed to identify the results and issues. As an additional consideration out of the context of study the compensation grants in Relief for the past few years and the finances of the programs were also compared to probe the fact that whether less allocations for DRR results in more spending on response and relief in the case of Khyber Pakhtunkhwa.



1.3 Analysis of Specific DRR relevant schemes and schemes pertaining to Nowshera District

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1.3.1 Approval Forums Analysis

The study also analyzed the quantum of projects approval at various forums or levels. As shown in figure on next page, during last three fiscal years, most of projects in ADP worth more than **Rs.17 billion** were approved at Provincial Development Working Party (PDWP). While the least sanction amount is of Central Development Working Party (CDWP) which approved projects of worth Rs 59 million. The approval at Departmental Development Working Party (DDWP) stood at Rs.0.7billion. The sanction limits or financial powers of the approval forums are:

1. **ECNEC** - All schemes costing above Rs.5000 million
2. **CDWP** - All Federal schemes costing up to Rs.500 million and Provincial Schemes costing above Rs. 5000 million.
3. **PDWP** - Up to Rs. 5000 million.
4. **DDWP** -Up to Rs. 60 million

1.3.2 ADP Quantum Analysis in terms of increase per year

The quantum of the ADP has had a considerable gradual increase from 2012-13 to 2014-15. The recent ADP is almost 79% more than that 2012-13. The analysis was further used to see if the DRR relevant schemes have also undergone the same increase(See Figure 1.3)

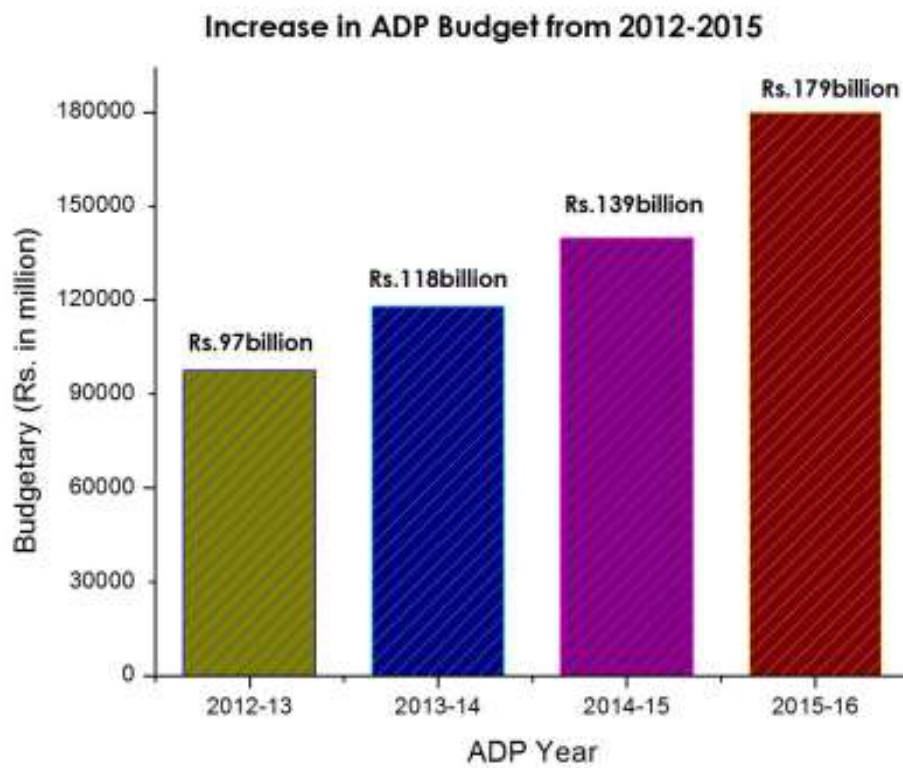
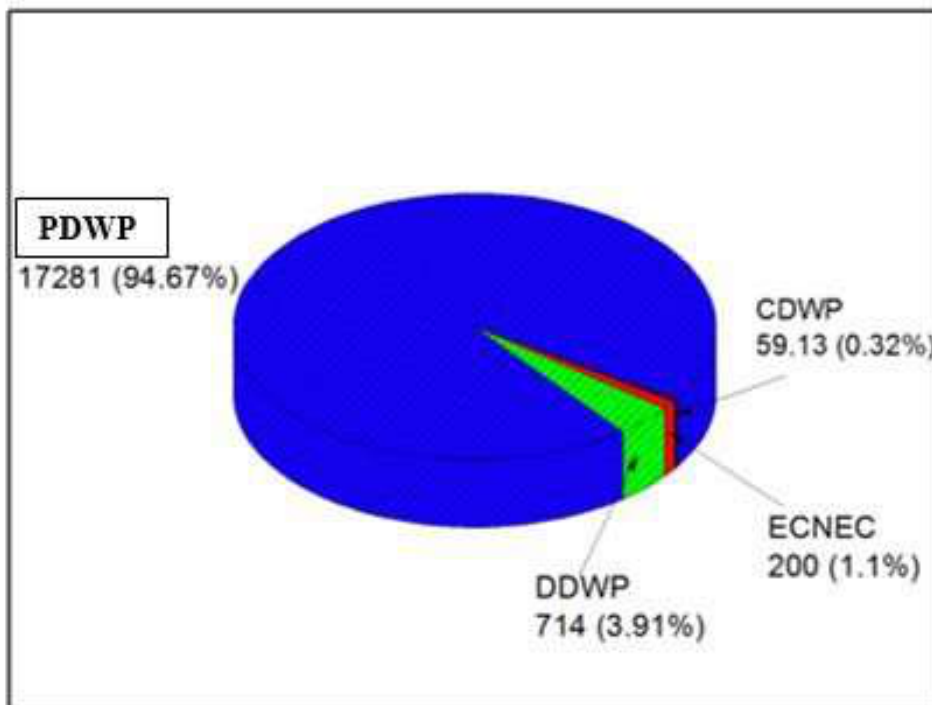


Fig. 1.3 Increase in ADP from 2012-13 to 2015-16



Chapter 2

Overall Analysis of ADP 2012-13

2.1 Description

2.1.1 Financial Outlay of ADP

The total financial outlay of allocations of ADP of 2012-13 was Rs 97.5 billion. This included Rs. 74,200 million of Local component, which made 76.1% of the total, and Rs 23,258 million of Foreign aid component (23.9%). It consisted of 941 projects with 632 ongoing (60.4% budget), 255 new (31.8% budget allocation), and a new program Tameer e Khyber Pakhtunkhwa (3.3% budget allocation). The districts ADP consisted of Rs. 1,672 million, which makes 2.3% the total allocation.

2.1.2 Sector-Wise Distributions

In total of 32 sectors of ADP the highest amount of fund was allocated to Elementary and Secondary Education Sector of Rs.17,089 million (17.5% while Rs.9,933million were sanctioned for Health sector by the KP government. The R&R sector had only Rs.1, 215 million making its share of only 1.2% of the total ADP of Rs. 97,458 million. According to the fiscal documents of District ADP, District Nowshera was allocated Rs. 63.284million. Nowshera, thus received 4.4% of the budget allocated to 25 districts of province.

Foreign Assistance for the sectors was the highest for Elementary and Secondary Education sector amounting to Rs.9,972.889 million (42.8 of the total aid) with no loan. DIFD had the highest contribution in aid of sectors with initial Rs 7,465.879 million grant for the government followed by JICA with a total of Rs. 4255.803 grant for developmental projects. None of these foreign aid project were relevant to DRR.

2.1.3 DRR Relevant Budgetary Allocation

Only two projects were approved for PDMA under the head of 'Relief and Rehabilitation'. One was 'Disaster mitigation and preparedness in Khyber Pakhtunkhwa' and the other was "Capacity Enhancement of PDMA and DDMUs including purchase of land for Provincial Warehouse in Khyber Pakhtunkhwa".

2.1.4 DRR relevant budget in ADP 2012-13

Among the 32 sectors, which were reviewed on the basis of relevancy to DRR, it was found that the projects relevant to DRR were highest in Regional Development sector worth Rs. 1,311million (1.76% of total ADP budget) followed by R&R schemes. The Relief & Rehabilitation received Rs.1215 million. Irrigation Department of KP (classified in ADP as Water) received a total of Rs. 626 million (0.84%), Forestry 0.36%. (*Figure 2.1*)

The pattern exhibits that out of 283 projects, 41 projects were relevant to DRR. Out of a total of 91 projects assigned to Water Department, only 7 were directly or indirectly contributing towards enhancing the resilience of the community.

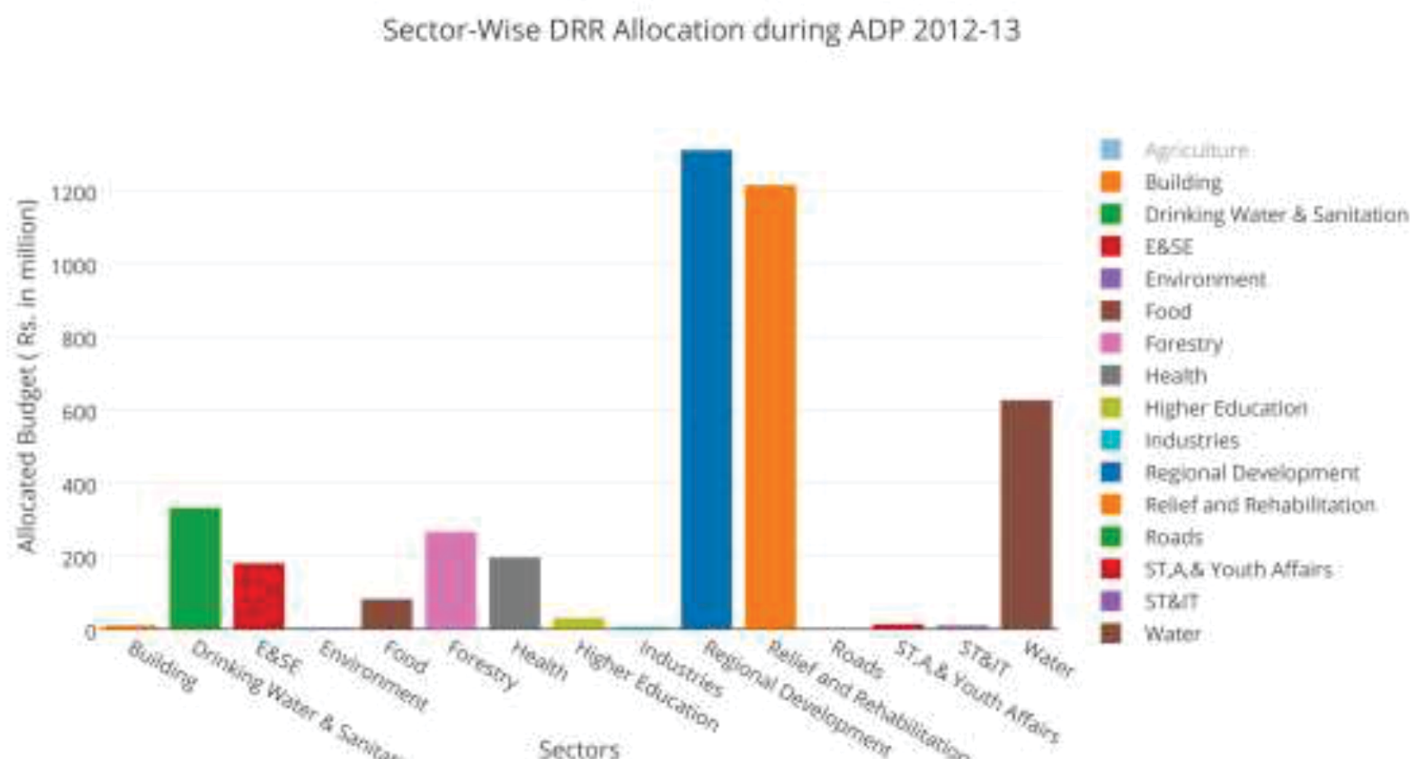


Fig. 2.1 Cost Distribution 2012-13

2.1.5 Ranking Wise Analysis (ADP 2012-13)

The analysis indicates that in past three ADPs the share of schemes falling under Rank 04 were 1.6% out of total ADP allocation (Rs. 1215 million, refer to *Figure 2.2*). Projects falling under Rank 03 consisted of 1.36% (1,010 million) of funds, while those assigned with Rank 02 makes 3% of the total ADP budgets. The project which can be assigned under Rank 01 only made 0.6% (Rs. 422 million) of total ADP costs.

DRR Relevant Projects Budget Costs for ADP 2012-13

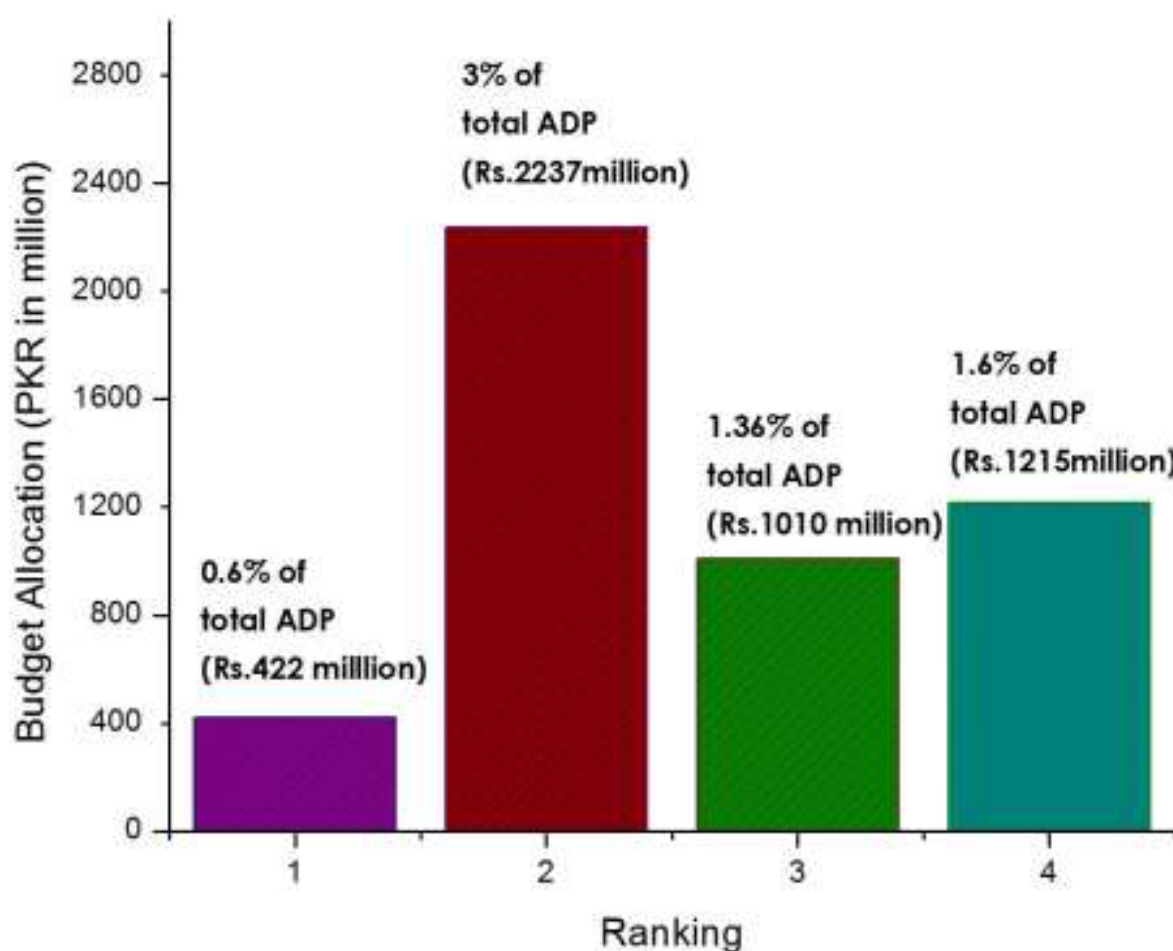


Fig. 2.2 DRR Relevant Projects for year 2012-13

2.2 Total Cost Budgetary Analysis for 2013-14

2.2.1 Financial Outlay of ADP

The total financial outlay of allocations of ADP of 2014-15 was Rs 118000 million and 989 projects/schemes. This included Rs 35000 million of Foreign aid component (29.7%). It consisted of 989 projects with 567 ongoing (53.2 % budget) and 355 new (41.9% budget allocation). The new program Tameer e Khyber Pakhtunkhwa which was earmarked 3.3% of last year's budget allocation was not allocated any funds this year. The districts ADP consisted of Rs. 1672 million which makes 2.3% of the total allocation.

2.2.2 Sector-Wise Distribution

Out of the total 32 sectors of ADP the highest amount of fund this year was once again allocated to Elementary and Secondary Education Sector of Rs.24101 million (20.4% of the total budget) while Rs.10088 million were sanctioned for Health sector by the KP government. The share of R&R sector was more than last year by Rs.232 million.

2.2.3 Foreign Assistance

Foreign Aid for the developmental programs was the highest for Elementary and Secondary Education sector amounting to Rs. 15969 million (45.6% of the total aid). The major donor agencies were DFID and European Union with 42.5% of the total foreign aid coming alone from DFID. The loan taken by the government for accomplishment of programs was Rs.4304.72 million as compared to Rs. 30695.28 million of grant. Again, none of the DRR projects were foreign funded and this year two of the last year projects sanctioned for PDMA were extended under the head of "Relief and Rehabilitation".

2.2.4 DRR Relevant Budget in ADP 2013-14

Among the 32 sectors of ADP, as shown in sectoral total cost distribution (*fig-2.3*) the highest fund was allocated to R&R schemes. The Irrigation Department of KP (classified in ADP as Water) received a total of Rs1165 million (1.4%), Forestry Rs.7million and the Regional Development received Rs.180million.

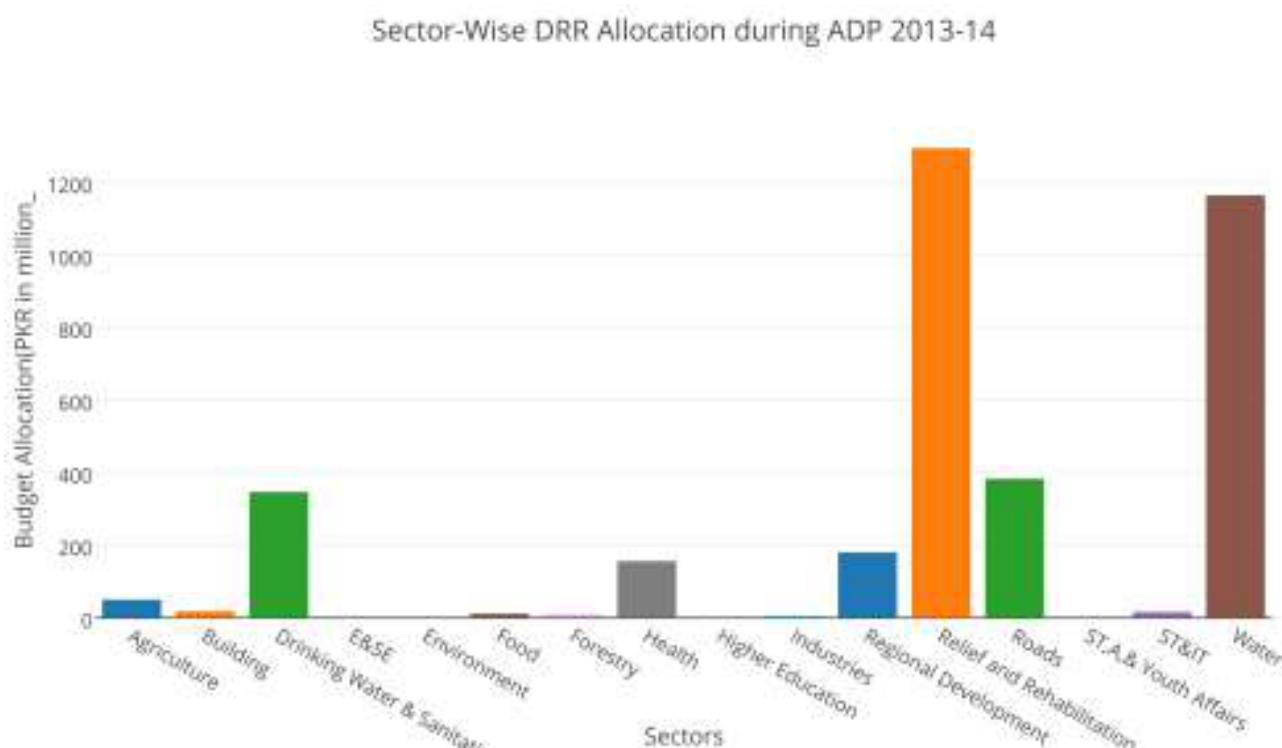


Fig. 2.3 Sector-Wise DRR Allocation during ADP 2013-14

2.2.5 Ranking Wise Distribution

The study shows that in past three ADPs the share of schemes falling under Rank 04 were 0.5% (Rs. 386 million, *See Figure 2.4*). Projects falling under Rank 03 consisted of 1.67% (Rs.1393 million) of funds, while those assigned with Rank 01 makes 1.58% of the total ADP budgets. The highest share of DRR budget went to the projects falling under Rank 02 contributing 1.62% of total ADP costs for relief and developmental programs.

DRR Relevant Projects Budget Costs for ADP 2013-14

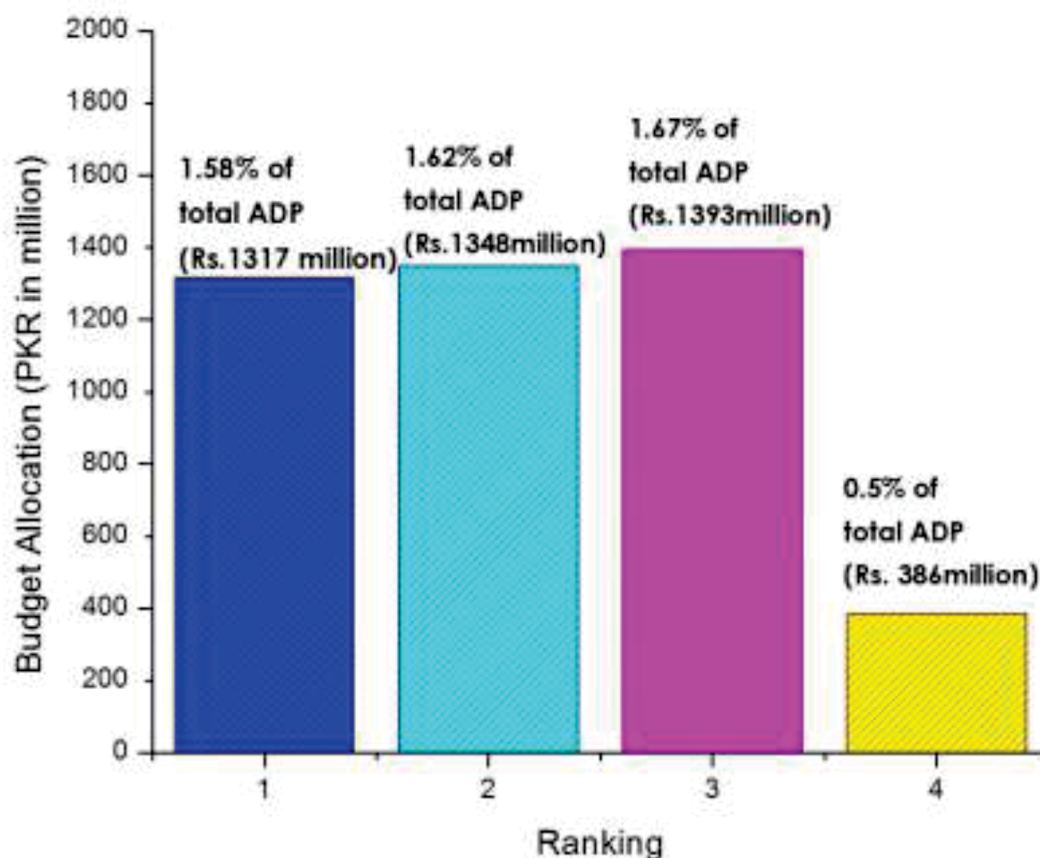


Fig. 2.4 DRR Relevant Projects for year 2013-14

2.3 Overall Analysis for ADP 2014-15

The total financial outlay of allocations of ADP of 2014-15 was Rs. 1,39,805 million and 1254 projects/ schemes. This included Rs.39755 million of Foreign aid component (28.4%). It consisted of 1254 projects with 649 ongoing (53.8% budget) and 527 new (41.7% budget allocation). The districts ADP consisted of Rs. 1672 million which makes 1.7 % of the total allocation.

2.3.1 Sector-Wise Distribution

In total of 32 sectors of ADP the highest amount of fund was allocated to Elementary and Secondary Education Sector of Rs. 19927 million (14.3%) while Rs. 11211 million were sanctioned for Health sector by the KP government. Additionally , R&R sector was assigned 11 development projects with sanction budget of Rs.2053 million (1.5% budget).

2.3.2 Foreign Assistance

Foreign Assistance for the sectors was the highest for Elementary and Secondary Education sector amounting to Rs. 11795 million. DIFD had the highest contribution in aid of sectors with initial Rs 11526.774 million (29%) for the government. Two projects were approved for R&R sector (*Revamping of PEOC and Development of MIS for PDMA and Establishment of DRM strategic unit*).

2.3.3 DRR relevant budget in ADP 2014-15

The projects were sorted out as shown in sectoral total cost distribution (*fig-2.4*). It was found that the highest fund of Rs. 4866million was allocated to Drinking Water & Sanitation (0.5%) while Regional Development schemes had 0.1% share in the budget allocations which was comparatively lower than previous fiscal year ADPs. Irrigation Department of KP (classified in ADP as Water) received a total of Rs.1926 million (0.19%) and Forestry 0.06%. The Relief & Rehabilitation received RS.1072 million (0.1% of the funds) while the lowest fund for DRR programs was allocated to Buildings with Rs.1 million.

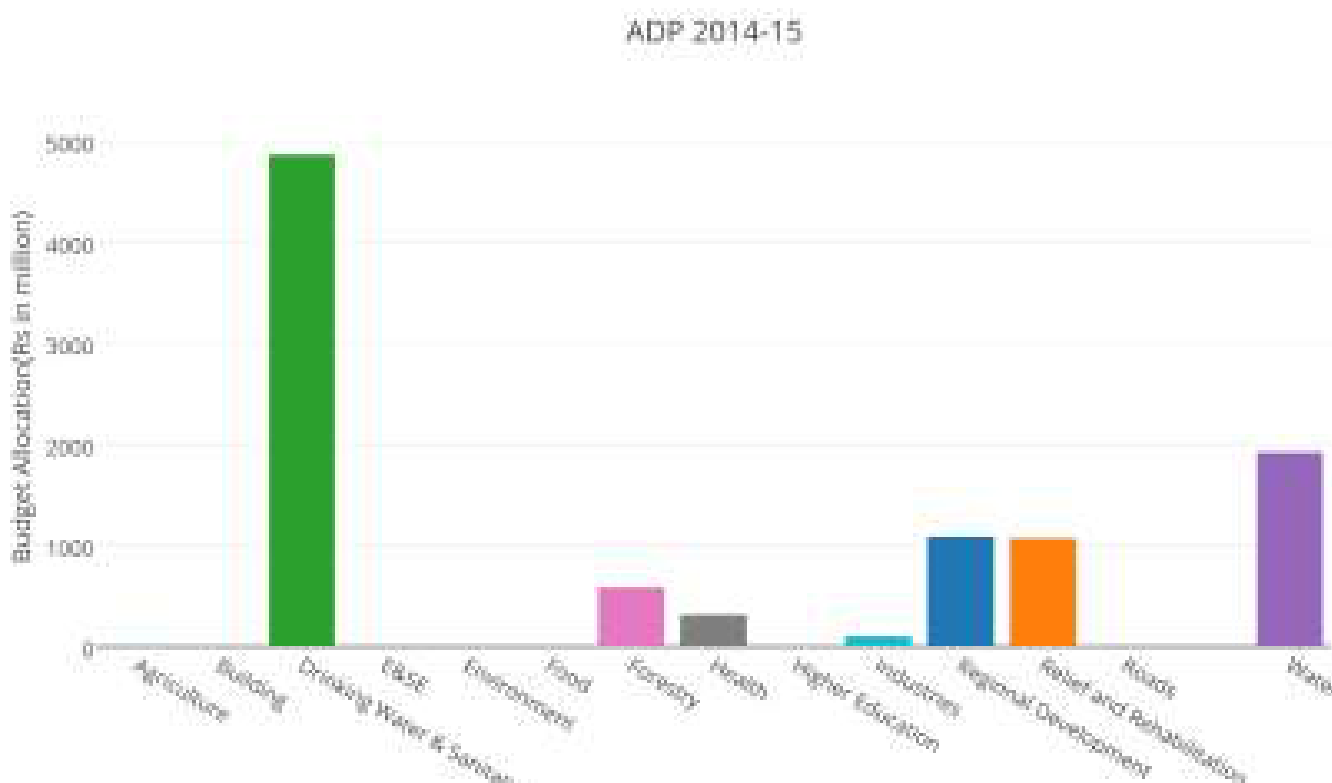


Fig. 2.5 Sector-Wise DRR Allocation during ADP 2014-15

2.3.4 Ranking Wise Allocation

The study shows that in 2014-15, the highest share of budget was of the projects falling under Rank 02 contributing 0.53% of total ADP costs while the share of schemes falling under Rank 04 were 0.1% (Rs. 110 million, *See Figure 2.5*). Projects falling under Rank 03 consisted of 0.26% (2,666 million) of funds, while those assigned with Rank 01 makes 0.19% of the total ADP budgets. This year the allocation for DRR specific programs has been the lowest in last three fiscal years which clearly portrays that highest share of budgets of DRR relevant projects were analyzed to be those which had somehow linkage to Rank 2 i-e; *primary DRR relevant projects*.

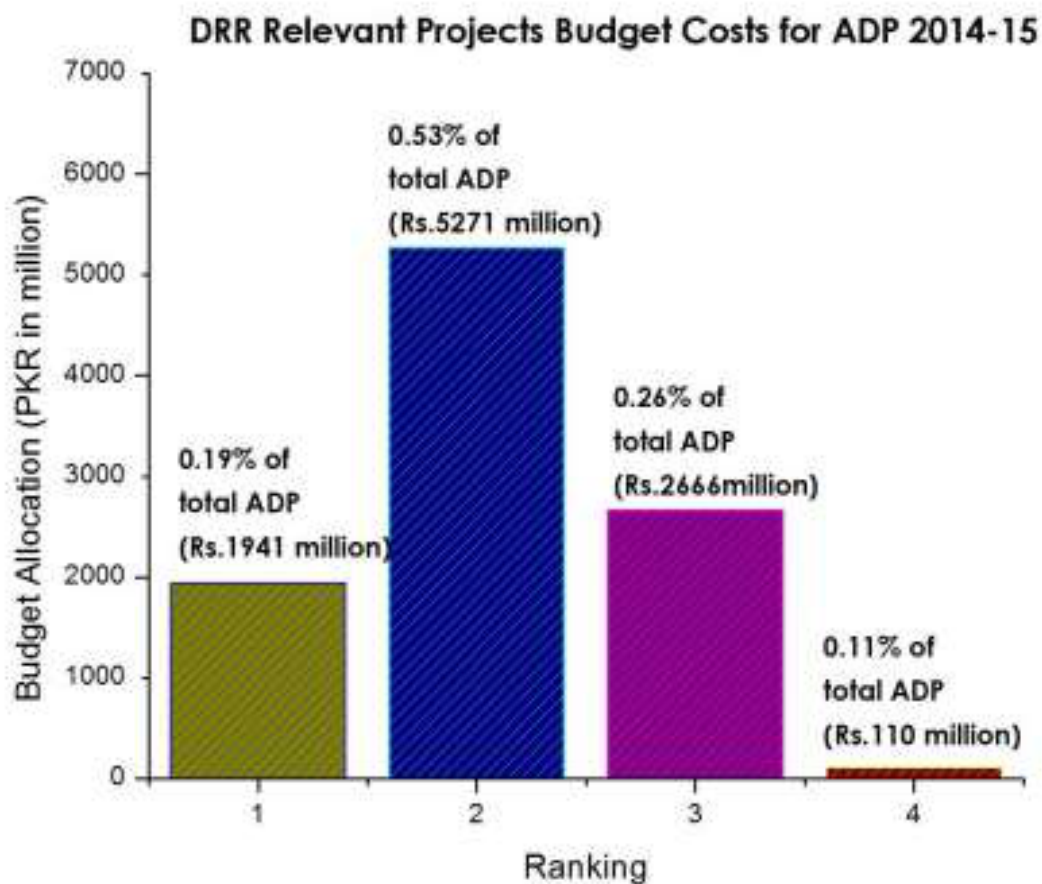


Fig. 2.6 DRR Relevant Projects for year 2014-15



Fig. 2.7 Sector Wise Distribution of Allocated Cost during Last three years

2.4 Cumulative Analysis of Last three fiscal years ADPs

2.4.1 Sector-Wise Distribution

As exhibited in the above figure, the highest budget allocated for projects with relevance for DRR in any four categories (Rank 1 to 4) during the last three years was for the Drinking Water and Sanitation sector i.e. Rs.5.54 billion making 0.48 % of the total quantum of ADPs while Regional Development Related Schemes had Rs.2 billion. Funds for R&R sector were calculated to be Rs.3 billion (0.31% of total budgets).

The schemes directly leading to DRR were allocated 0.15 % of ADP budgets (Rs. 1.7 billion) allocated in the last three financial years.

2.4.2 Rank-Wise Analysis

During the year 2012-13 (Figure 2.8) the share of budget for schemes falling under Rank 4 was 1.6% which decreased to 0.9% during year 2013-14. Even the budget allocation for the development projects specified by Rank 02 and 03 was decreased. Spending more on disaster preparedness means more capacities to mitigate the risks and respond to disasters effectively. However, this understanding does not appear to be an accepted guiding principle in the budgetary decisions of Khyber Pakhtunkhwa.

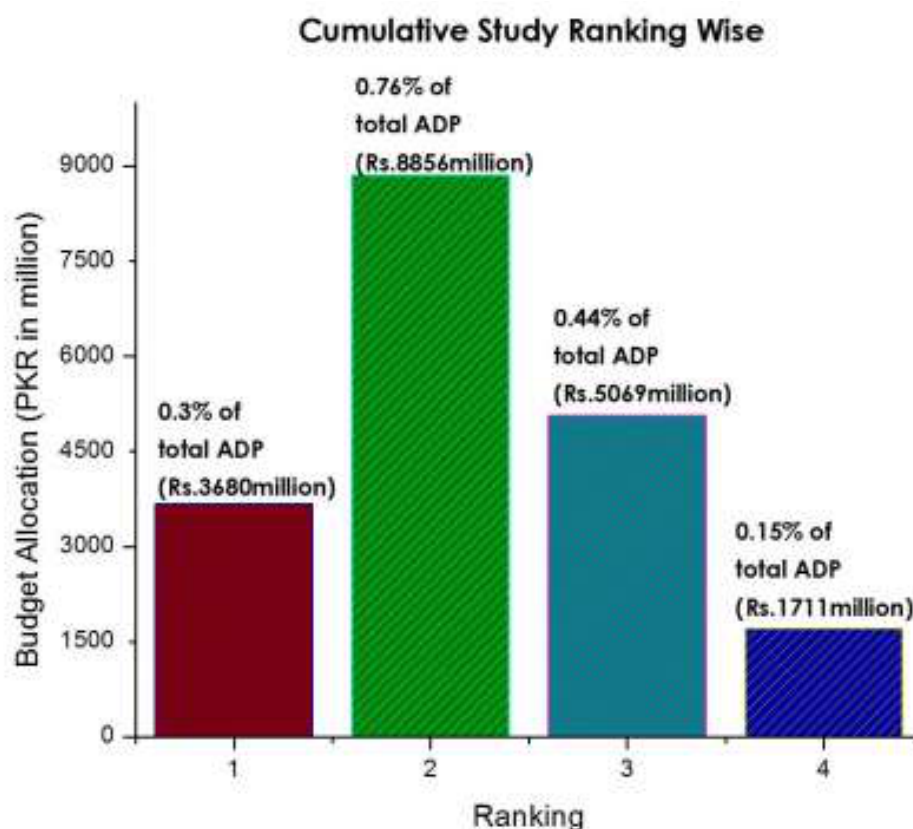


Fig. 2.8 DRR Relevant Projects-Cumulative Analysis

2.4.3 Trend of DRR Projects

The table 2.1 shows the number of projects during each consecutive fiscal years. During the year 2014-15 the KP government focused less on mainstreaming DRR and DRM into the relevant departments as the pattern indicates. Even in R&R sector , only 2 programs were aimed at disaster mitigation. Out of a total of 1254 projects in 2014-15, only 2 programs were dedicated to essential DRR.

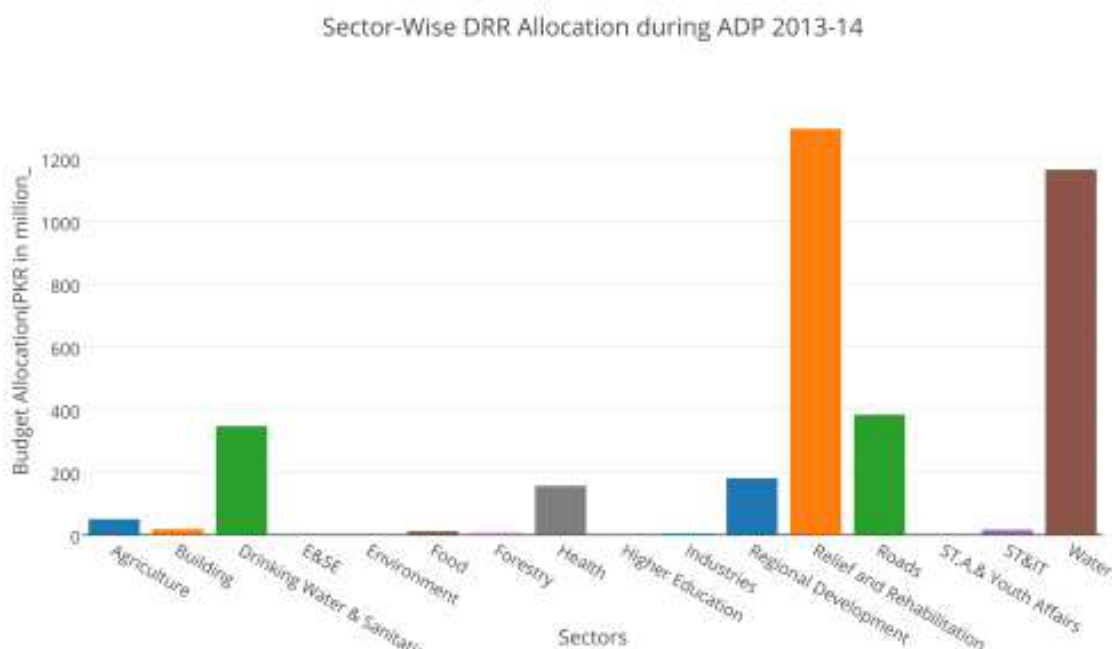


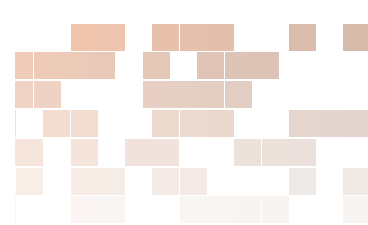
Fig. 2.9 Number of Projects in each Rank

Disaster Mitigation Programs

The budget allocation for Relief and Rehabilitation and R&R sector is decreased to 0.1% during year 2014-15. The projects that were sanctioned under the head of Relief and Rehabilitation included Reconstruction and Rehabilitation of Disaster Affected Infrastructure in KP and Establishment of DRM Strategic Management Unit in PDMA (two strategic projects that are indispensable for DRR). Drinking Water and Sanitation related schemes had a hefty share of budget fund of around 0.5 %. The government was more focused towards implementing schemes targeted at restoration of flood damages especially in Charsadda. Projects like 'Flood Management of Bara River' and 'Flood Management of Khalil River District Charsadda' had a major substantial amount of funding at their disposal. However, the share of Water sector was decreased from 1.4% to 0.19% which shows less money was being spent on genuine disaster mitigation programs.

During the 1998-2005 decade, the federal government spent a total of 10.8 billion rupees for floods control during the past decade. This amount does not seem quite high because the provincial governments spend substantial funds from their own budgets for this purpose. Such habit was continued in even further years.

Chapter 3



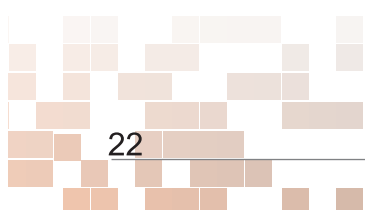
DRR Spending in District Nowshera

The importance of district-level DRM system can hardly be overemphasized, as it serves as the frontline for disaster preparedness and response. In case of an emergency, it is the district government which is expected to respond immediately even before a response from the federal or provincial governments. However, little attention has been paid to increase the spending in districts, as they continue to remain on the receiving end of the federal and provincial governments' grants. There is a need to examine and address the spending needs of districts for building their preparedness and mitigation capacities and strengthening of the local DRM systems to respond to disaster events effectively.

In KP Nowshera is one of the most susceptible districts to floods. In the three ADPs being analyzed, the allocation of funds for alleviation of risks linked with floods and response activities are made for the entire Peshawar Floods Division, which includes Charsadda, some parts of Peshawar and Nowshera. Around Rs. 70 million were allocated for rehabilitation of flood damaged regions in 2014-15 which was 30% less than the fund allocated for same purpose during 2013-14. The pattern of projects also indicate that though apparently substantial efforts were taken to rehabilitate the damage caused by the floods, but less allocations were observed for enhancing the preparedness and equipping the region with flood risk reduction. A detailed analysis of the PC-1s also indicates that Built Back better was never considered while carrying out the restoration works. The structures proposed were mostly non-engineered structures like dry stone masonry gabion works.

A cursory look at the fiscal data of Nowshera reveals that majority of projects were designed to increase the preparedness against floods. Inevitably, the government's efforts were focused to rehabilitate and construct new flood protection works in Nowshera as shown by the surge in funds of Water sector of Nowshera from Rs. 158 million in 2013-14 to Rs.445 million in 2014-15. The percentage of direct allocation has also increased for example in 2012-13, out of Rs. 1672.330 million budget for District ADP, Rs. 63.284million (4.4%) was earmarked for Nowshera District with TMA share of Rs. 18.9million while in the year of 2015-16 it is around **Rs 5.3 billion**. The increase though can partly be attributed to the fact that after the Local Government elections and system being set up the funds to districts have been increased significantly. How well they are spent on DRR relevant projects like flood protection is another question and needs to be considered as priority to utilize the budgets effectively. Beside these allocations there are allocations, which are not reflected as district specific but usually fell under umbrella schemes and Nowshera was and is included.

The pace of allocation for Nowshera has been mostly uniform except for 2012-13 and if compared some how much better than other districts of the province owing to the fact that influential political figures in the previous government and presently belong to district Nowshera.



The spending is more than any other corresponding district of identical size. The intra-sectoral distribution of budget reveals that on average 5%, 3% and 4% of total budget utilized in Nowshera, pertains to water and sanitation, education and health respectively.

As compared to other districts, District Nowshera has received a fair share of budget during the last three fiscal years. This trend was not discontinued for next year 2015-16 where out of Rs.30.27 billion of District ADP allocation Rs.5.3 billion have been set aside for Nowshera alone. The budget books of the District overwhelmingly point towards the trends of insufficient budgets allocation and financial powers of District Government and the negligible or no amounts allocated for DRR. The DRR ranking of budgets for Nowshera in three years ADPs shows that no specific DRR project was approved for the district. However, Rank 2 projects of 304 m in 2012-13 and 108 in 2013-14 were observed. An allocation of Rs 118 million in 2013-14 went to R&R projects in the district. Projects falling in Rank 3 were allocated Rs 80 million in 2013-14 which were witnessed to have been increased to Rs. 3,485 million in 2014-15.

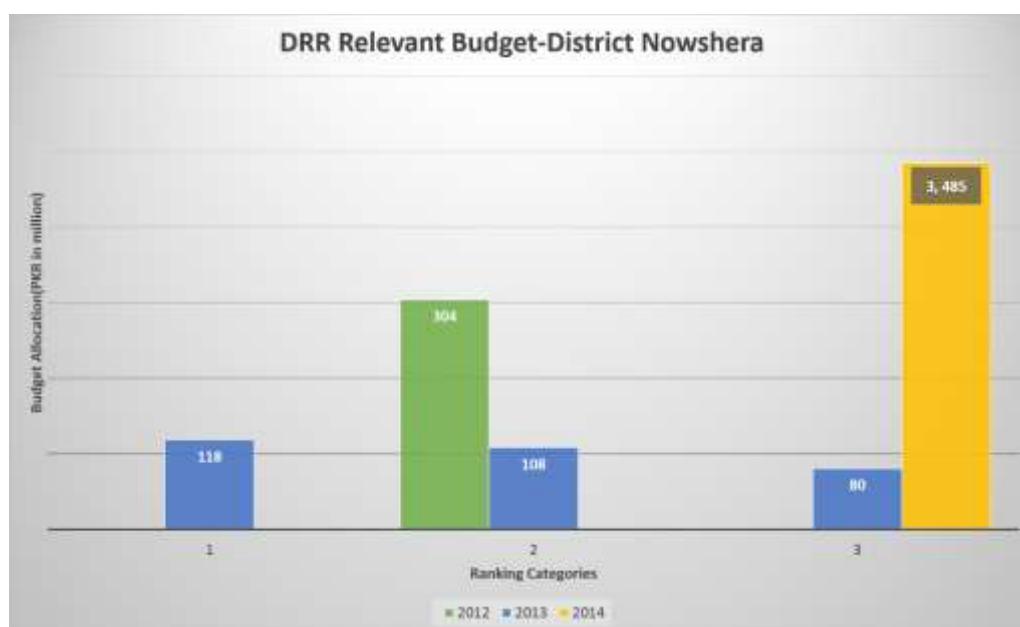


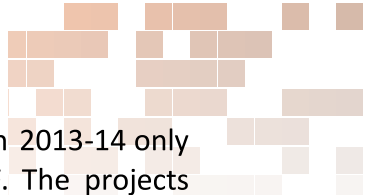
Fig. 3.1 DRR relevant budget for District Nowshera

With the funds availability in Nowshera better than other districts there is a need to advocate for the utilization of funds for DRR in line with the Disaster Management Plan of the District¹. Advocacy and technical support can help improve the situation.

3.1 Through Forward (TF) Analysis

It was analyzed from the TF analysis that most of the specific DRR relevant projects were not on a continual basis and were not continued in the succeeding years for which budget was allocated. The amount of long term projects and the funds allocated was profoundly less.

¹Disaster Management Plan of District Nowshera prepared by DDMU supported by PDMA and CARE International- CADR 2014



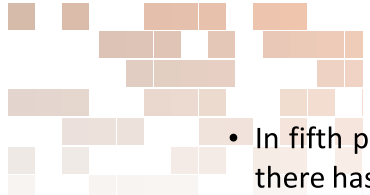
In 2012-13 Only 5% of the total budget were through forwarded to next year and in 2013-14 only 6%. Overall, 2% of the total fiscal outlay of last three years was reserved for TF. The projects specifically relevant to DRR are mostly with no TFs. This indicates that projects that could increase the capacity of community against disasters were temporary in nature. However, the figures are promising in case of 2014-15 where DRM Strategic Unit and Revamping of PEOC (Provincial Emergency Operation Centre) has TFs of Rs 889 million available.

3.2 HFA Compliance, Sendai Framework for DRR (2015-30) and issue of DRR Financing

The mid-term review of the **Hyogo Framework for Action (UNISDR, 2011)** highlighted that financing was an issue across each of the HFA's five priority actions. The issue in Khyber Pakhtunkhwa is not different from as the report suggest for most of the state/ sub national level Governments. Priority area wise financing issues in KP are identified to be as below:

- In first priority area where **“ensuring that disaster risk reduction is a national and local priority with a strong institutional basis for implementation”** the actual financing for the implementation of policies has been a global issue. This was particularly evident at a local level, where in HFA Progress reports only 20 countries reported dedicated budget allocations to local governments for DRR, even though the majority of countries (65%) reported that it was a legal obligation for local governments to enact DRR measures¹. In KP it has been the same. Risk Management and CCA as highlighted in CDS or the Road Map for DRM has not been funded, as required.
- In the second priority area **“Identify, assess and monitor disaster risks and enhance early warning”** the a lack of progress of ‘technical, financial and human resources’ can be observed in KP. Owing to non existence of floods early warning radars, the existing arrangements rely on flood gauging through telemetry system of WAPDA and some basic system of gauges deployed by the Irrigation Department Khyber Pakhtunkhwa. Very limited capacity of forecasting through this arrangement provides less time to prepare for the floods. For instance the PSDP scheme of Doppler Radar System in parts of Khyber Pakhtunkhwa, in papers, since 2010 has yet to be implemented.
- Under the third priority area **“ Use knowledge, innovation and education to build a culture of safety and resilience at all levels”**, there is a lack of funding and capacities for the key area of DRR education in school curricula in KP as well as in line departments where research, innovation and technical studies are rarely a practice.
- In fourth Priority Area **“Reduce the underlying risk factors”** lack of financing were both explicit and implicit. Recurring issues included lack of financing at provincial and district levels and the need for financing systems to explicitly include DRR, without which disaster risk would not be integrated into local planning and resourcing are clearly illustrated in the study.

¹PreventionWeb, (2012). Pakistan National progress report on the implementation of the Hyogo Framework for Action (2011-2013), available at <http://www.preventionweb.net/english/countries/asia/pak/>

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- In fifth priority area “**Strengthen disaster preparedness for effective response at all levels**” there has been some success in KP with the funding for PEOC and strengthening of DDMU for effective preparedness and response. Even Rescue 1122 in two cities and plans to extend can be a good sign to show that though specifically for Rescue phase.

As the Sendai Framework for DRR has substituted the Hyogo Framework for Action (2005-2015) there is a need to focus in making this framework and associated minimum standards and tools adaptable for the diverse range of contexts and actors in Khyber Pakhtunkhwa, both provincial and district level. A positive note about the present Framework is that it will apply to the risk of small-scale and large-scale, frequent and infrequent, sudden and slow-onset disasters caused by natural or man-made hazards, as well as related environmental, technological and biological hazards and risks. It aims to guide the multi-hazard management of disaster risk in development at all levels as well as within and across all sectors.

Taking into account the experience gained through the implementation of the Hyogo Framework for Action, and in pursuance of the expected outcome and goal, there is a need for focused action within and across sectors by the Government at national, provincial and district levels in the following four priority areas:

Priority 1 : Understanding disaster risk.

Priority 2 : Strengthening disaster risk governance to manage disaster risk.

Priority 3 : Investing in disaster risk reduction for resilience.

Priority 4: Enhancing disaster preparedness for effective response and to “Build Back Better” in recovery, rehabilitation and reconstruction.

All these priorities stands relevant to Khyber Pakhtunkhwa and need to be worked upon by the Provincial Government to usher in a culture of safety, resilience and disaster risk reduction with and across all sectors and districts.

Chapter 4

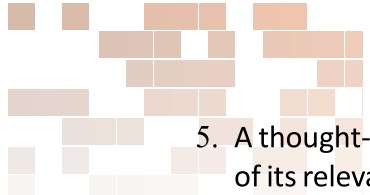
Conclusion & Recommendations

4.1 Action Areas pertinent to all & demand Advocacy efforts

1. The distribution of provincial government's spending between preparedness and response is inadequate, as it is tremendously lopsided towards the latter. At present the focus of DRR activities is limited to contingency planning rather than on risk reduction, prevention and mitigation. This stands true for both Provincial and District levels. The spending in relief has been enormous. The specific projects which lead to risk reduction accounts for Rs. 3.4 billion for three consecutive years, while a single post 2010 flood relief program, Citizens Damages Compensation Program (CDCP) commonly known as Watan Cards had a financial outlay of Rs. 17 billion in KP. This shows almost six times more was spent on a single 'post disaster relief program'. The total reconstruction costs were estimated to be as high as Rs. 117 billion for the province.
2. The study found that there is no budget formulation process and no specific budget heads assigned for DRR. This stands true for both provincial and district levels. The present focus is only on the hardware and that is in the context of response preparedness and not DRR. The percentage allocation of budget for the projects relevant to DRR was not more than 1.52% in all the development plans of the last three years with only 0.15% of the total budget outlay of last three fiscal years for categorical DRR projects.


4.2 Action Areas pertinent to RRS&D, PDMA Khyber Pakhtunkhwa

3. PDMA's involvement in the budgetary processes of the province needs to be raised considerably. At present the involvement is, and has been, minimal. The authority needs to have special committees to do so and may involve its Parliamentary Secretary or Minister concerned, to chair such committees and reinforce the need for DRR Financing while budgeting. There is a dire need to advocate with the parliamentarians and legislative bodies to ensure that most of the development projects are geared towards DRR and provision of tools or services against disasters risk, instead of only rehabilitation and reconstruction of the damaged areas and communities.
4. The study concludes that disaster data management practices are conspicuous by their absence at both provincial and district level, making it difficult to track DRR spending. PDMA and DDMUs have no mechanisms to track the funding and utilization, and to use the data for advocacy with donors and Government, especially with Planning & Development Department. The study however concluded that DRR spending, though very low as the schemes directly leading to DRR were allocated 0.15 % of ADP budgets (Rs. 1.7 billion) in the last three financial years, there are schemes which are relevant to DRR though not specifically categorized as such.

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5. A thought-provoking conclusion appears when the schemes were analyzed and ranked in order of its relevance to DRR. The direct budget for DRR though less (Rs 1.7 billion), those allocated to the relevant ones come out to be ten times higher if compared to it. There have been 183 projects in three ADPs with a budget of Rs. 17,605 millions (17.6 billion) which were relevant to DRR though in Rank 1, 2 and 3. These relevant budgets if properly and effectively utilized and these schemes if implemented with DRR as one of the priorities, could play a remarkable role to reduce the risks of disasters.
 6. The analysis concludes that the cumulative DRR relevant projects have been highest in 2013-14 at 85 while in the year preceding and succeeding it, the number of projects relevant to DRR were 52 each. While the number of DRR relevant projects were more in 2013-14, the highest budget allocation for such projects has been highest in 2014-15 amounting to around Rs. 10 billion. Ranking-wise analysis though, shows that the number of projects in Rank 4 are the lowest both in terms of projects and budgets. The highest is Rank 2 with 83 projects and Rs 8,856 million followed by Rank 3. This conclusion can lead to two important recommendations. Firstly, there is a significant need for an increase of DRR-specific Rank 4 projects in various sectors and not only under PDMA/ RR&SD; and, secondly, to focus on effective use and molding of budgets and implementation designs of Rank 2 and Rank 3 category projects to ensure DRR.
 7. In-depth analysis of the DRR-relevant schemes reveals that most of the preparedness work in the province has mostly focused on only two types of disasters, namely floods and drought. This needs to be extended to other hazards especially earthquakes to which the province is highly susceptible to, with the majority of its districts in seismic zone 3 and 2B.
 8. It was found that no technical studies or risk assessments form the basis of the most relevant DRR projects like flood protection works. A glaring example and a grim reality is that directions are issued by Provincial Irrigation department to its district offices, to coordinate with concerned MPAs for the identification of sites. No technical studies, risk assessment or research is involved while deciding the sites for the flood protection works. There is a dire need to link the flood protection works with technical studies and risk assessment. Community knowledge is important and may also be involved to decide on the sites during these studies, contributes to a much clear historical record of disasters and floods in that particular vicinity.

4.3 Action Areas relevant to PDMA and P&DD

9. Post disaster rehabilitation and reconstruction accounts for a considerable budget with a total of 48 projects and Rs. 3,680 million in three ADPs. However, a closer look of the PC1s demonstrated that “Build Back Better and Resilient” has been not been a priority during rehabilitation. Work has always been repairs and moving into the realm of ‘retrofitting’ or ‘strengthening’. Apart from ADP, there has been considerable improvement observed in the reconstruction of schools and buildings with seismic codes of 2007 being followed in all schools reconstructed under PaRRSA and C&W Department in militancy affected areas. There is an urgent need to ensure that enhancing disaster preparedness for effective response and to “Build Back Better” in recovery, rehabilitation and reconstruction (Priority 4 of Sendai Framework for DRR) is always followed.

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10. It was also found that presently the link between Disaster Risk Reduction and ADP allocations is very weak or almost missing. The DRR checklist is not used during preparation of PC-1s at concerned departments or while vetting of it at P&DD or approval forums (PDWP and CDWP). While strict compliance of the checklist has been an issue and neither NDMA or PDMA has taken a stand with the Departments & Agencies to implement, it can also be attributed to the fact of less conceptual clarity on DRR, which has been observed to be diminishing from provincial to district level. Instead of considering it as a development subject, DRR is confused with preparedness alone. PDMA needs to have technical desks in P&DD to ensure the appropriate use of the DRR checklist by various departments and ministries in their development plans. P&D should use the DRR checklist for all the projects that assesses whether DRR has been taken into account or not. There should be orientation sessions on the DRR checklist at provincial and district levels, and close monitoring and feedback on the development projects being designed at these tiers.
 11. The roles and responsibilities for financing of DRR and mainstreaming DRR into development schemes remain unclear. Planning and Development Department consider it as a weakness of PDMA/ RR&SD while PDMA has not been empowered to vet all the schemes of ADP as to whether they are DRR compliant or not. As a recommendation it can be safely construed that a provincial Disaster Management Plan needs to be developed as a priority to identify the roles and responsibilities of all stakeholders in each sector. As the Road Map for the DRM in KP is already available and endorsed by all stakeholders the development of the plan is no longer a superhuman task. The need is to activate the working groups as envisaged in the Road Map and to involve the Technical institutes and organizations like ADPC, UET, SUPARCO, PMD and Armed Forces to draft a detailed provincial plan. The Plan will not only stipulate and prioritize the activities but will specify the roles and responsibilities of all stakeholders especially line departments, local governments and directorates in planning and mainstreaming DRR into development. There is also a need for PDMA to train and orient the departments through sessions and simulation exercises. The plan will provide a common operating picture on activities and timelines and will enable potential donors to identify projects that align with their sectoral funding directions and timeframes.
 12. Donors' funding as a budgetary allocation and foreign aid component in ADPs has not been available for DRR or CCA-relevant projects in the province. It can be concluded that the donors' support if any is available for Pakistan, is usually routed through UN Agencies, INGOs or NGOs. Government Departments rarely get support of DRR funds from donors.
 13. The study also concludes that the non-functional National Disaster Management Fund (NDMF) and the Provincial Disaster Management Funds (PDMF) are also a factor in relation to less DRR financing. However, at PDMA Khyber Pakhtunkhwa a ray of hope has emerged after the recent formulation of the Rules of Business and Accounts regulations of the PDMF and its sub funds. The provincial Government has provided Rs 700 million as seed money for the PDMF, and a sub fund of Conflict Victim Support (CVSF) has also been activated. This development will not only enable PDMA to track the disaster funding, and provide budgets for DRR, but will also attract Development Partners to contribute to the fund and participate as a member of the Board/ Committee for overseeing its utilization.



4.4 Action Areas relevant to Development Partners/ Humanitarian Organization

14. The study also found that actual utilization of ADP always remains an issue. It remained at 81% in 2011-12, 73% in 2012-13 and 59% in 2013-14. The utilization is a mere 38% at the end of 3rd quarter of the 2014-15 financial year i.e. from 1st July to 31st March 2015.¹ This trend points towards the fact that PC-1s are submitted without prior homework at departmental levels and thus execution remains problematic. The technical and planning capacities of the Departments may be questioned at times, and needs concerted efforts to overcome this issue. This trend has been observed in DRR-relevant projects as well.
15. The DRR-specific projects like Establishment of DRM Strategic Unit and Revamping of PEOC were not even able to utilize the budgets allocated for them in 2014-15. Resultantly, the budgets have to be cut in 2015-16. The major issue PDMA faced was a lack of technical capacities to manage the implementation of these projects which were of huge importance to DRR.

4.5 Action Areas relevant to PDMA & Department of Finance

16. There is a need to introduce DRR Financing and Insurance in the province by involvement of the private sector. PDMA needs to involve insurance companies, agricultural financing institutions and poverty alleviation funds to achieve some success on this front. The PDMF can be helpful to start pilot activities. Multi-hazard risk financing, especially for vulnerable areas hit by floods each year, can save a huge amount of money, which is currently expended as relief every year.

The introduction of such a regime will lead to an increase of DRR financing by multiple times. PDMA should make efforts to ensure that the Provincial Finance Commission is onboard for DRR allocation. Advocacy with Parliamentarians in this regard is also important to orient them on the importance of DRR financing and its cost effectiveness.

17. PDMA has very little or no technical capacities to link the Departments and Districts to academia for research and technical studies. However, the Concept Note and PC1 of the DRM Strategic Unit aims at establishing the links. PDMA must be supported – not only through Government funds – to create permanent technical positions to fill the vacuum. The permanent posts of DDMOs are a step in right direction and may also be filled along with the creation of new ones as mentioned above. Better DRR relevant technical expertise at PDMA and Department will enhance the planning and absorption capacity of DRR relevant funding.

¹Analysis of Annual Development Program, June 2015

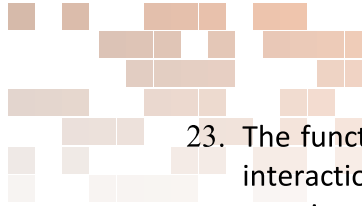
4.6 Action Areas relevant to PDMA & Line Departments

18. Specific budgets should be allocated to specific objectives of DRR and sector plans. PDMA must play its role of coordination and capacity building of departments in this realm. Every effort should be made by PDMA to ensure that each rupee allocated under ADP should be tied to the objectives of DRR and DRM. More measures need to be taken to ensure that all stakeholders involved meet regularly to discuss the comprehensive measures of coordination for this process. There is no mechanism to carry out the overall and mid-term reviews of the projects related and relevant to DRR at PDMA and RR&SD. A special committee with representation from all concerned departments should be established for conducting such reviews and render recommendations. The committee may be empowered to issue 'specific' and SMART advices to departments for DRR compliance and inclusion of DRR in developmental schemes.
19. There are no sectoral plans available for various sectors and departments. PDMA aims to develop them as part of the activities outlined in the five-year Road Map for DRM in KP. Such plans may be developed and implemented to identify the gaps in DRR financing in specific sectors and efforts made to overcome them.
20. A Provincial Working Group have been established in PDMA along with Departmental Working Groups in 10 relevant departments. However, these working groups are not active. With the recent approval and launch of Provincial Road Map for DRM¹, it is anticipated that these bodies will start functioning. These working groups if activated, can play an important role not only in increasing the financing for DRR but also to ensure that existing projects are made DRR checklist complaint. If they have technical support available, they can also help to effectively use the budgets for risk reduction on the projects, which are in some way relevant to DRR.
21. From the TF analysis of the study it was concluded that the projects specifically relevant to DRR are mostly without TFs. This indicates that projects that could increase the capacity of communities against disasters were temporary in nature. Positive signals though can be observed while analyzing the two projects of PDMA in 2014-15 with TFs.

4.7 Action Areas relevant to DDMUs/ Districts

22. The DDMUs are weak with no permanent position of a DDMO and instead taken care of by the Assistant Commissioner as an additional charge. DDMU is focused only on contingency planning for floods in monsoon. No other contingency planning exists at national, provincial and district level. DRR is not considered during development planning or budgeting. The issue may be due to the fact that the district administrations and DDMU are generally not involved in any planning and act only as an implementing arm of provincial departments. The need is to strengthen DDMU both in technical as well as financial aspects, to play an active role in ensuring more and effective DRR financing. The DCs complained about no technical human resources available to assist in disaster related planning and implementation. This is very genuine and both Government and humanitarian organizations need to provide such technical personnel to the districts.

¹Provincial Disaster Management Authority (PDMA), Towards Disaster Resilient Khyber Pakhtunkhwa- Road Map for Disaster Risk Management (2014-2019)

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23. The functional relationship between PDMA and DDMU in terms of reporting frequency and interaction is very weak. This is especially true for planning and financing for DRR. Periodic meetings at divisional levels if not possible district wise initially may be initiated by PDMA to increase the collaboration and cooperation to enhance the DRR financing and its effectiveness. The study also concluded that the resource allocation for any district is usually decided by the concerned minister or the secretary. It does not necessarily involve any needs assessment or utilization of data generated through the information systems, technical studies and risk assessments. Risk mapping has yet to be undertaken in the province and districts. No technical studies have been conducted or are considered necessary for initiating a scheme like flood protection works.
24. In District Nowshera, being a flood-prone district, a significant proportion – though still not enough of spending – is consumed by floods protection projects. It was concluded from the study that projects for District Nowshera falling in Rank 3 were allocated Rs 80 million in 2013-14 which were increased to Rs. 3,485 million in 2014-15. Although spending on floods control remains largely response-oriented, and political interference rather than risk assessment and technical judgment to identify the sites of works is an issue which needs to be looked into with DDMU and PDMA playing an active role to link the process to technical assessment, the increasing trend can be effectively utilized to enhance resilience.
25. The opportunity of increased budgets for Local Governments in Districts and the opportunity to utilize the new LG systems based on village councils, needs to be exploited for increased and effective DRR Financing. For instance, of the billions of rupees for various projects in the province, the Rs. 5.3 million allocations to the LG of Nowshera can be utilized with effective advocacy, enhancement of technical planning and implementation skills in DRR & CCA and with larger DRR awareness campaigns. Technical research in flood protection works of Nowshera may be prioritized to effectively utilize the budgets allocated for various Water sector schemes in the district. In the presence of a recently developed and launched DDMP, there is a strong justification to carry out its short term / prioritized activities.

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Table A.1 Interviews and Consultations

S.No	Name	Designation/Organisation
1.	Mr. Tariq Rashid	Secretary Relief, Rehabilitation & Settlement Department
2.	Mr. Aamer Afaaq	Director General, PDMA
3	Mr. Zahir Shah	Chief Economist, P&DD, KP
4	Muhammad Islam	Chief RD, P&DD, KP
5	Muhahamd Ayaz	Assistant Chief, P&DD, KP
6	Engineer Nadir Iqbal	Chief Planning Officer Irrigation Department KP
7	Ahmad Said	Chief Planning, Agriculture Department KP
8	Parvaiz Sabath Khel	Additional Secretary, Finance Department
9	Muhamamd Shireen	SDO, Irrigation Department
10	Abdul Hameed	AC/ DDMO Nowshera
11	Muhamamd Khalid	Director Admin/ Relief
12	Ammara Aamer Khattak	Additional Commissioner Hazara
13	Ms. Jennifer McKay	Former Advisor NDMA/ Country Coordinator ADPC Pakistan

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Annexure III – Brief Profile of Consultant

Shah Nasir Khan

Shah Nasir Khan is a Erasmus Mundus Scholar, DANIDA/ University of Copenhagen DRM Department Fellow and US-Pakistan International Leadership Programme Alumni, a civil engineer specializing in Earthquake Engineering & Disaster Management. He has a vast experience of working on various relief, recovery, and reconstruction, DRM projects at national and international level. He served as Head of DRM & CCA Strategic Unit and Advisor to the Provincial Disaster Management Authority/ Provincial Reconstruction, Rehabilitation and Settlement Authority (PaRRSA) of Khyber Pakhtunkhwa (KP).

He is also a regular visiting faculty Lecturer in Disaster Management at the Military College of Engineering, Risalpur/ NUST Islamabad. He has worked on several Evaluation Assignments including Evaluation of Nigerian Emergency Management Agency (NEMA) for WFP-HQ Rome, 8 years Role of United Nations HABITAT in Pakistan for UNHABITAT Nairobi, various Evaluations for DFID, World Bank, USAID, SDC, WFP, UN Agencies and Asian Disaster Preparedness Centre Bangkok.

He has authored and developed 5 years Road Map for DRM in Khyber Pakhtunkhwa with Technical & financial support from CARE International. He has also co-authored the FATA Sustainable Return & Rehabilitation Strategy in 2015, which covers the broad spectrum of Return of around 2 m individuals, rehabilitation, reconstruction and reforms in FATA. He has managed and supervised USD 65 m Housing Uniform Assistance Subsidy in the militancy affected Malakand and FATA in the aftermath of DPs crisis , 17 billion PKR Citizens Damages Compensation program (CDCP) after the Floods 2010 and the recent “Esaar-e- Pakhtunkhwa Cash Grants program” for the TDPs of North Waziristan Agency. Presently, he is supporting FATA Secretariat to manage and implement the USD 870 m R&R program under Rehabilitation & Reconstruction Unit (RRU), Planning & Development Department, FATA Secretariat.

Annexure IV - Terms of Reference

Introduction

CARE International is implementing a project with one of its main focus to lobby for an increased in the DRR budget at provincial and district levels, inclusion of DRR budget lines in government budgets at various levels and the full utilisation of the funds allocated for DRR purposes. To create a valid basis for this advocacy, a study of an analysis of the current budget structure will be conducted to inform the project.

Rationale/ Background

The current legislation divides core responsibilities for disaster risk reduction down to province and district level, while the provincial governments are responsible to make arrangements for the provision of funds at the province and district level. Despite government attention to the sector a strong need is there for adequate financial allocation at district to execute basic functions of the disaster management unit. This is due to lack of dedicated professional human resource and absence risk mapping and other DRR tools; there is no provision/mechanism of requesting funds from the province. A report of Pakistan HFA progress states, national government allocated 180 million PKR for 2012-2013 to NDMA and similarly provincial governments dedicated funds for Provincial Disaster Management Authorities in their annual budgets for the fiscal year 2011-2012 and 2012-2013. In the provincial annual development plan for 2014 -15 some DRR related allocations are done by the provincial government in Khyber Pakhtunkhwa. Another allocation for the flood mitigation an allocation for Nowshera is there.

In addition to some allocation for DRR through DM authorities, some funds are routed for mitigation and preparedness purposes through line departments in the district. Planning commission endorsed a DRR check list as part of the process for developing projects. However its impact is yet to be gauged for a more holistic planning approach.

While so many DRR initiatives are taking place by various line ministries, sectors and departments, it is not clear what the overall investment is being made for DRR at national, Provincial and District level. This therefore makes it difficult to compute whether or not progress is being made in mitigating risks and building community resilience.

It is therefore not easy to quickly point out and pick out how much the government is investing in DRR to either advocate for an increase or not. While a lot of DRR interventions are taking place at various levels and sectors, there are no specific budget lines for DRR, this therefore makes it difficult to assign human resources for DRR in the various departments at various ministerial levels as well as lobby for an increase in the budget for DRR. Outcomes:

The study will support PDMA-KP and DDMU Nowshera, particularly CIP's strategic positions and direct its advocacy efforts to influence the National, Provincial and District administration for improved budget allocation, ownership and expenditure for DRR.



Outputs

Situation Analysis of District, Provincial and National Disaster Management Authority role and stake in overall district administration structure with critical analysis of DDMU roles, where it stands firm and where it goes weak and why? Situation Analysis of budget: Review the budget formulation process for DRR (if any), the actors and stakeholders involved in formulation, approval, ownership and allocating grants from national to provincial and at to district level.

Context Review: Identify, obtain and review the relevant budget documents to ascertain spending under different heads especially for developmental and non developmental projects within the district.

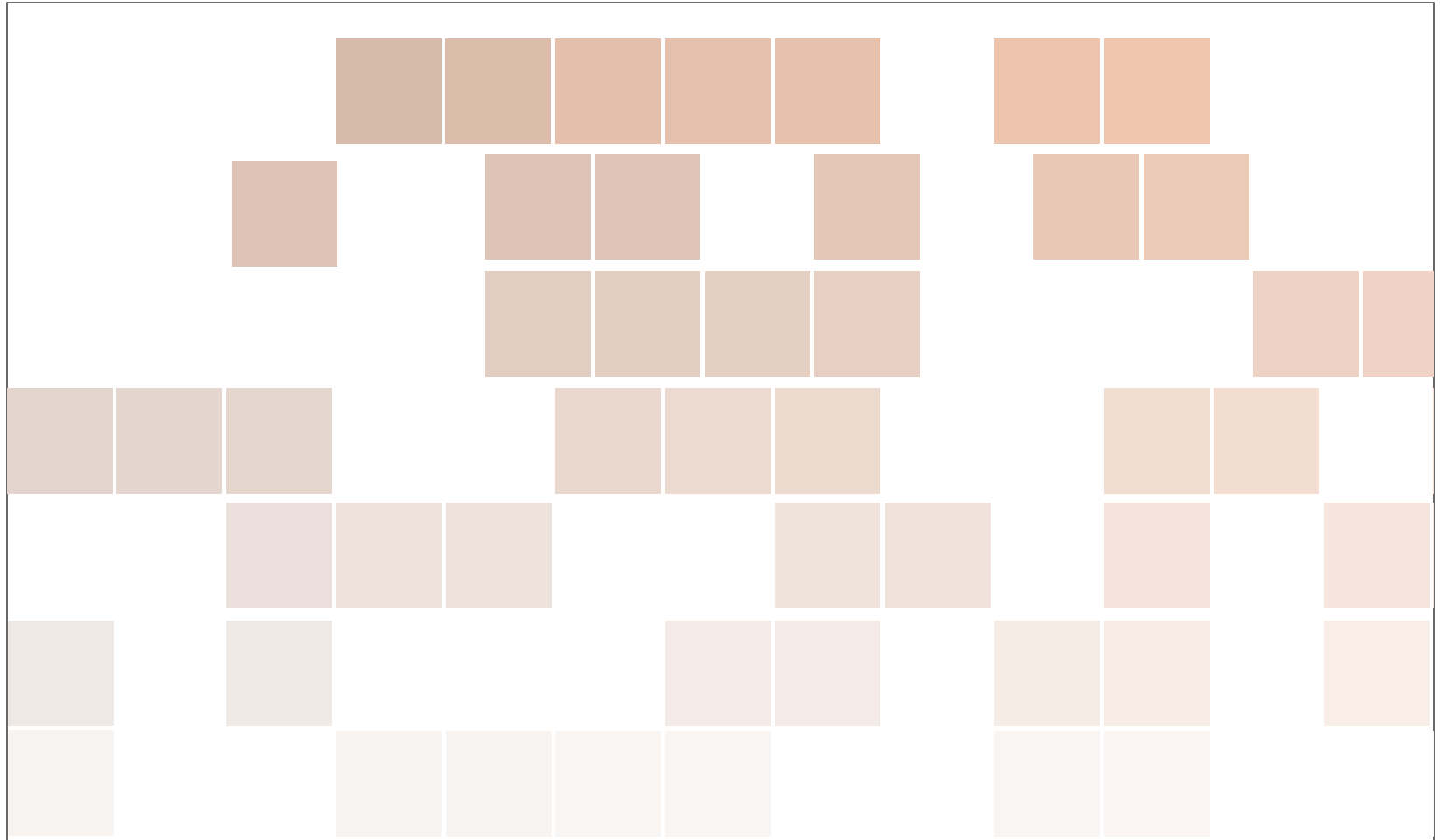
In depth analysis of the previous patterns of the budget utilization and expenditure (highlight- ing over spending and under spending) at National, Provincial and District level including support costs for DRR activities, and pin pointing administrative and structural bottlenecks. Review the DRR budgetary allocation at district and province levels in light of HFA compli- ance

Present the findings and recommendations in a consultative workshop with stake holders including line departments I

Inputs

Share a research proposal with methodology, time line, framework and cost, in consultation with CARE.

Meet officials from relevant line departments (national, provincial & district) to access relevant budget documents Ensure timely data collection, review and submission of report Submit the original (both hard and soft copy) data to the CARE, at the time of submission of report



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