Risk-sensitive budget reviews

Analysis of policies and budget allocations for disaster risk reduction and climate change adaptation
Risk information and risk sensitive budget analysis

- Produce risk information (risk profiles, past losses)
- DRR and CCA budget review
- What is expected to happen?
- What is currently planned?

**Coordination**

- Systematic analysis needs cooperation of stakeholders, thus improving coordination and more effective use of financial resources.

**Accountability**

- Evaluate the level of resources available for DRR and their use, and which are ministries’ role in investing in DRR.

**Efficiency**

- Track and compare pre-disaster investments versus post-disaster expenditures.

Inform national policies, strategies and plans at different levels of government:

- Angola
- Botswana
- Cameroon
- Cote D’Ivoire
- Equatorial Guinea
- Eswatini
- Gabon
- Gambia
- Ghana
- Guinea Bissau
- Kenya
- Namibia
- Rwanda
- Sao Tome e Principe
- Tanzania
- Zambia
STEP 1: Define what should be monitored / counted

1) Coverage: national gov, domestic, period, hazards (in line with the DRR strategy, the NDP)
2) Planned versus actual expenditures
3) Current (consumption) and/or capital (investments)
4) What constitutes DRR and or CCA (next slide)?
What constitutes DRR - OECD marker

Do any objectives of the budget activity meet any “eligibility criteria” of the DRR marker?

YES

Would the budget activity have been undertaken without that DRR objective?

NO

2 Principal
(Narrow approach)
Examples:
- Flood control
- Early warning
- Emergency management drill
- Retrofitting of public schools/hospitals

YES

1 Significant
(Wide approach)
Examples:
- Poverty reduction
- Ecosystem restoration
- ICT infrastructure

NO

0 Not marked

• DRR marker = 0 ~ Rio marker = 0 0% of budget
• DRR marker = 1 ~ Rio marker = 1 40% of budget
• DRR marker = 2 ~ Rio marker = 2 100% of budget
Step 2: Expenditure along the DRM cycle

Risk Prevention and Mitigation
- City Resilience programs
- Building resilient infrastructure
- Flood control and coastal protection programmes

Preparedness
- Early Warning Systems
- Natural Hazards survey and assessment

Response and Relief
- Social Protection schemes for post-disaster needs
- Forestry programs as a response to drought

Reconstruction and Rehabilitation
- Resettlement of affected population
- Reconstructing infrastructure
- Business continuity post-disaster phase
Step 3: Assess the result and compare allocated budget with risks
Step 4: Sectoral analysis and mainstreaming

Economic and social sectors dominate.

Planned DRR investments by sector (direct and indirect)

- Public safety and administration: 16.6%
- Social: 28.6%
- Infrastructure: 21.7%
- Economic: 33.2%

Direct investments:
- Public safety and administration: 1.3%
- Social: 41.7% (Mainly consisting of Health and Social protection)
- Infrastructure: 27.5%
- Economic: 29.5% (Mainly consisting of Agriculture and Economic planning)

Indirect investments:
DRR Marker allows…

- Tracking pre-disaster investments versus post-disaster expenditures (relief/reconstruction)

- Capturing “embedded” investment
  - Risk-reducing measures in infrastructure and development
  - Distinguishing between stand-alone versus mainstreamed DRR investment (e.g. retrofitting in school renovation program)

- Strengthening the ability to analyze, measure and report results in DRR (and CCA)

- Facilitate tracking of budgetary allocations and expenditure in DRR (and CCA)
Key Challenges

- Access to budget related data – and political will
- Difficult to track sectoral investment, and DRR investments cannot be counted separately from entire project or budget reports
- Collaboration across sectors
- Finance and planning experts not familiar with DRR/CCA
- Sustaining practices and learning
- Government budgets are developed and presented in different formats
- Government ministries, departments and agencies do not normally prepare their budgets with all the classifications
## Challenges: interlinkages between DRR and CCA

<table>
<thead>
<tr>
<th>DRR-CCA Elements</th>
<th>Angola</th>
<th>Cameroon</th>
<th>Côte d’Ivoire</th>
<th>eSwatini (Kingdom of)</th>
<th>Ghana</th>
<th>Kenya</th>
<th>Rwanda</th>
<th>Tanzania (United Republic of)</th>
<th>Zambia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meteorological Observations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Geospatial Information</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Weather Information</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Flood &amp; Drought Management</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Forestry management</td>
<td>2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environment Protection</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Water Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate smart agriculture</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diverse livelihood options</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contingency plans</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Early warning systems</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Awareness programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Risk assessments</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Infrastructure and critical services resilience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Climate resilience in agriculture</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Climate Risk Insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Climate change adaptation programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Population resilience</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
</tbody>
</table>
DRR Marker: Benefits and Limitations

**CAN...**
- Allow measuring of DRM mainstreaming and provide an incentive to mainstream DRM in development activities (risk-informed development)
- Promote the idea that DRM is a development priority
- Ensure data homogeneity and comparability
- Coexist with the Rio CCA marker and other climate tagging system?

**CANNOT...**
- Quantify the exact amount specifically directed to DRR
Thank you for your attention