

Expert Consultations towards
Improved CCA-DRR Integrated Approaches

Public expenditure reviews at the decentralized level

3 - 4 February 2021

Dr. Charlotte Benson
Principal Disaster Risk Management Specialist
Asian Development Bank



ADB engagement in DRM and CCA budget and expenditure analysis, tagging and tracking

ADB recognizes the importance of DRM and CCA budget and expenditure analysis, tagging and tracking to help

- hold public bodies to account regarding their DRM and CCA policies, plans and spending commitments
- ensure that individual line agencies and local governments have sufficient resources to meet their assigned responsibilities
- ensure that the extent and nature of public spending on is appropriate relative to the scale and nature of disaster and climate risks and other demands on public resources.

ADB is encouraging and supporting analysis and tracking:

- Directly through technical assistance projects
 - ADB-UNDP joint work in Lao PDR and Viet Nam, using an adapted CPEIR methodology
 - A scheduled DRM-PEIR for Nepal in 2021
 - A new TA on Improved Decision-Making for Climate-Resilient Development in Asia and the Pacific
- Indirectly via contingent disaster financing grants and loans
- Indirectly via support for the preparation of DRM and CCA strategies and action plans

Nepal DRM-PEIR



Background

- Nepal faces significant disaster risk
- The 2015 Constitution allocates concurrent powers for DRM across the three domains of government – federal, provincial and municipal
- However, government resources remain concentrated at federal government.
 - In 2019/20 , only -15% of the national appropriation was allocated to municipal governments
 - Municipal government own revenue raising powers are limited in many cases
 - Annual flows of federal funds are uncertain, hindering DRM planning

Objective

To map resources for and responsibilities of federal, provincial, and municipal government pertaining to DRM, forming the basis for more effective integration of DRM into policy and institutional frameworks, and planning, budget allocation and monitoring processes at each domain of the government



Approach

- Design an inclusive methodology to define and quantify DRM-related public expenditure tailored to the Nepal context
- Identify DRM-related expenditure by each domain of government and review against DRM responsibilities, funding, priorities and commitments
- Review DRM institutional and governance arrangements and processes to strengthen the integration of DRM policy priorities into budgeting and expenditure management
- Undertake a municipal government case study on the identification, financing and reporting of expenditure on municipal and ward DRM activities
- Assess the extent to which current arrangements are sufficient to achieve DRM priorities and goals and provide recommendations for enhancement

Key features

- Provide rapid post disaster liquidity while also encouraging and supporting governments to strengthen long-term resilience
- Prior policy and monitorable actions focus on measures to enhance long-term resilience.
- Achievement of the prior actions enables eligibility to disburse funds.
- Funds disburse quickly in the event of a pre-agreed soft trigger event, providing rapid liquidity for government

Prior policy and monitorable actions

- Include actions in the areas of **policy and institutional arrangements and risk financing**
- Actions are identified through consultations with government
- Of ADB's 12 CDF grants and loans currently in place, 6 include actions on DRM and CCA expenditure tracking and reporting (Cook Islands, Indonesia, Kiribati, Marshall Islands, Philippines, Vanuatu)

Thank you