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Quick Response Funds and DRRM Resources in the Department of National Defense and Various Departments

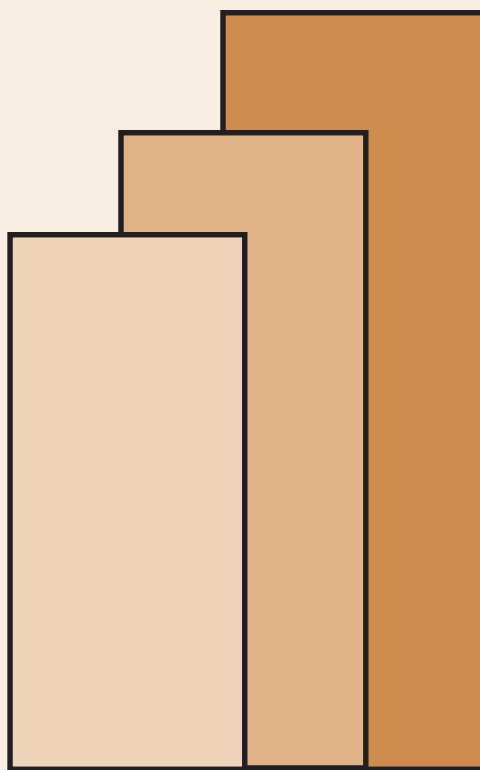
Sonny N. Domingo

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For comments, suggestions or further inquiries please contact:

The Research Information Staff, Philippine Institute for Development Studies

5th Floor, NEDA sa Makati Building, 106 Amorsolo Street, Legaspi Village, Makati City, Philippines

Tel Nos: (63-2) 8942584 and 8935705; Fax No: (63-2) 8939589; E-mail: publications@pids.gov.ph

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**Quick Response Funds and DRRM Resources in the Department of National Defense
(OSEC and OCD) and Various Departments (DSWD, DPWH, DA and DepEd)¹**

**S.N. Domingo
Philippine Institute for Development Studies
December 2013**

¹Draft report prepared by Mr. Sonny Domingo, PIDS Supervising Research Specialist, with research assistance from Ms Winnie A. Gerio.

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LIST OF ACRONYMS

AFP	Armed Forces of the Philippines
COA	Commission on Audit
DA	Department of Agriculture
DepEd	Department of Education
DMAF	Disaster Management Assistance Fund
DND-OSEC	Department of National Defense Office of the Secretary
DPWH	Department of Public Works and Highways
DRRM	Disaster Risk Reduction and Management
DSWD	Department of Social Welfare and Development
GAA	General Appropriations Act
IPCC	Intergovernmental Panel on Climate Change
LDRRMF	Local Disaster Risk Reduction and Management Fund
NDRRMC	National Disaster Risk Reduction and Management Council
OCD	Office of Civil Defense
PDAF	Priority Development Assistance Fund
QRF	Quick Response Fund
ZBB	Zero-Based Budgeting

Quick Response Funds and DRRM Resources in the Department of National Defense (OSEC and OCD) and Various Departments (DSWD, DPWH, DA and DepEd)²

S.N. Domingo

Abstract

The study assessed the process of quick response fund (QRF) allocation, administration and implementation under the various executive departments with cognizance of national disaster risk reduction management (DRRM) imperatives. It further touched on the inventory of the line agencies' available assets for disaster response and rehabilitation. Administration details that make up the processes of program planning, fund availment, and control within DND, DSWD, DPWH, DepEd and DA as well as how DRRM resources complemented each other were looked into. Key indicators were examined and appropriation levels were analyzed to see whether the resources aid in the provision of applicable response in the face of calamities/disasters. Trends in

DSWD's/DPWH's/DA's QRF utilization up to fiscal year 2013 suggest the necessity of increasing the current level of stand by funds for disaster response. Issues on fund control, monitoring and absorption rate, and sufficiency of DRRM-related assets point out entry points for structural and policy augmentations. The level of stand-by resources for DRR and the machinations underlying their deployment determine the timely delivery of appropriate support and services to affected communities in times of disaster.

1. Introduction

Under the zero-based budgeting (ZBB) approach for public expenditure management, funding for existing programs are assessed based on a multitude of performance indicators. This initiative allows for greater prudence in national budget decision-making, avoiding not so ideal automatic carryovers in department budgets. This year, the quick response funds (QRF) of various executive departments is examined.

The QRF constitutes part of the national budget that is appropriated for the relief, aid and rehabilitation of communities or areas affected by man-made and natural calamities. It is designed to normalize the situation and living conditions of affected communities in the shortest possible time. Starting 2012, QRFs are released directly to various executive departments under the annual general Appropriations Act. In previous years, the fund comprised 30% of the national calamity fund and was released upon approval by the President when immediate funding was required to address the ill-effects of natural calamities, man-made disasters, and epidemics (as certified by the Department of Health). Before 2012, QRF was also used for risk mitigation activities like disaster training and preparedness.

A quick review of commission on audit (COA) reports on QRF utilization yielded concerns on funding delays and inadequacies in planning and implementation. Changes enacted in 2012 which saw the imposition of fund restrictions, and the allocation of QRFs separately to various departments (unlike in

²Draft report prepared by Mr. Sonny Domingo, PIDS Supervising Research Specialist, with research assistance from Ms Winnie A. Gerio.

the previous years where it was lumped together with the calamity fund) have administrative implications which reflect on performance indicators.

Administrative and fund availment processes may have also received a shock with data from the Department of Budget and Management showing a sharp increase in QRF allocation in recent years (DBM 2013). This increase in overall DRRM funding, including QRF allocation, seem to be justified as data from the National Disaster Risk Reduction and Management Council (NDRRMC) show that between 1990 and 2006 the annual direct damages caused by disasters amounted to PhP20Billion per year or about 0.5% of the Gross Domestic Product (GDP). Even without the pressing issues associated with climate change, the Philippines is already a perpetual host to extreme climatic event. An average of 20 cyclones visits the country annually of which at least 5 take great toll on lives and properties. The respective average annual casualty and damage to properties from these events were 593 dead and PhP4.6 billion over the past 3 decades (IPCC United Nations 2007). More recently, tropical storm Ondoy and typhoon Pepeng in 2009 caused substantial damages and losses equivalent to about 2.7% of the country's GDP. In 2012, typhoon Pablo inflicted massive damages in the Southern Philippines, depleting much of the QRF and calamity funds of involved executive departments until the succeeding year.

Given these issues and the recent spate of seasonal climate anomalies and man-induced disasters, a more in-depth assessment of the fund in the context of the country's disaster risk reduction and management (DRRM) framework is required to ensure that immediate resource support is readily provided to communities affected by disaster.

2. Technical Approach and Conceptual Framework

The study assessed the process of quick response fund administration and implementation under the various executive departments with cognizance of national disaster risk reduction management imperatives. It looked into the aspects of budgeting and accounting practices, and procedures and details that make up the process of planning, implementing, monitoring and evaluating QRFs within the managing executive departments. Key performance indicators were examined to see whether the fund efficiently aids in the provision of applicable response in the face of disasters or calamities. The QRF's performance ultimately lies on how it facilitates the timely delivery of appropriate disaster and risk management interventions toward uplifting or normalizing the welfare of affected communities. Figure 1 presents the conceptual framework of the study.

Process analysis was employed in assessing the programming and implementation of QRFs in previous years. Primary and secondary data were used to review and evaluate the performance of QRFs among the implementing executive departments. Assessment was also done through (a) desk review of related policy, fund allocation and utilization, and performance indicators; (b) conduct of key informant interviews and focus group discussions to validate process flows and determine concerns in the field; and, (c) on-site observation of selected projects funded through QRFs.

The findings presented in this report are based on the data provided by the departments concerned and the results of twelve (12) key informant interviews and six (6) focus group discussions conducted over a span of 3 months. The level of analysis employed was restricted by the quality of data obtained from DA, DSWD, DepEd, DPWH, DND-OSEC and OCD.

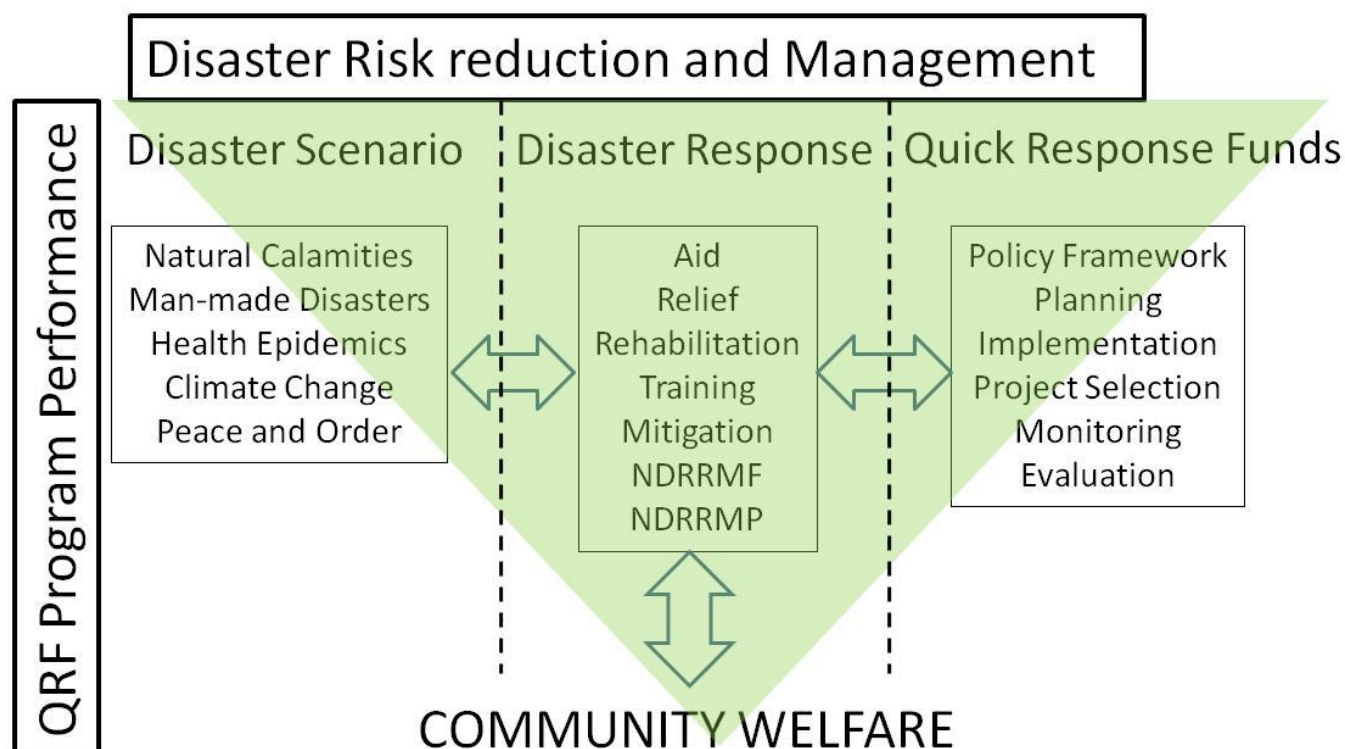


Figure 1. Conceptual framework of the study

3. Findings

3.1 Policy Framework for DRRM and QRF Utilization

The policy framework for QRF appropriation utilization within the context of disaster risk reduction and management is laid out under the relevant republic acts and DBM national budget circulars. Resource application and administrative processes in fund programming and disbursement are dependent on the specific mandates of the various executive departments.

3.1.1 RA10121 or the Disaster Risk Reduction and Management Act

Republic Act 10121 passed into law in 2010 and laid out the policy basis in strengthening the country's risk reduction and management system, specifying its enabling mechanisms and resource complement. It provides for the development and adoption of a national disaster risk reduction and management framework (NDRRMF), and pushes for the institutionalization, implementation and funding of a national disaster risk reduction and management plan (NDRRMP).

The act aims to strengthen the institutional instrumentalities of both national and local governments and builds resilience against disasters among local communities including vulnerable and marginalized

groups. It advocates adherence to universal norms, principles and standards on disaster risk reduction and management, and mainstreams the concepts on various development processes.

RA 10121 replaced Presidential Decree 1566 (1978), and with it the incorporation of the national disaster risk reduction and management council (NDRRMC) vice the previous national disaster coordinating council (NDCC). The powers of the NDRRMC as specified in the law include policy-making, coordination, integration, supervision, and monitoring and evaluation functions. The Secretary of the Department of National Defense (DND) serves as chair of NDRRMC, with the incumbent Administrator of the Office of Civil Defense (OCD) as executive director. The various Department Secretary of the executive branch and key officials of relevant agencies/organizations comprise the membership of the council. The DSWD, DepEd, DA, and DPWH-- the other Departments being evaluated in this study-- are all members of the NDRRMC.

At the national and local levels, the implementation of the NDRRMP can tap a multitude of fund sources: the General Appropriations Act (GAA) or the budgets of the national line and government agencies, the National Disaster Risk Reduction and Management Fund (NDRRMF), the Local Disaster Risk Reduction and Management Fund (LDRRMF), the Priority Development Assistance Fund (PDAF), Donor Funds, Adaptation and Risk Financing, and Disaster Management Assistance Fund (DMAF).

The previous calamity fund appropriated under the annual General Appropriations Act (GAA) was renamed as National Disaster Risk Reduction and Management Fund (NDRRM Fund), thirty per cent (30%) of which is allocated as quick response fund or stand by fund for relief and recovery programs to quickly normalize post-disaster situations among affected communities. Some departments are also allocated Disaster Risk Reduction and Management (DRRM) Funds, the utilization of which are based on guidelines issued by NDRRMC in coordination with the Department of Budget and Management (DBM). Starting 2012, the QRF of various agencies were already incorporated into their regular budgets.

Key members of the NDRRMC now receive their QRFs through their respective annual budgets as specified under the annual GAA. Among those appropriated with QRF are: the Department of National Defense Office of the Secretary (DND-Osec), the Department of National Defense Office of the Civil Defense (DND-OCD), Department of Social Welfare and Development (DSWD), Department of Public Works and Highways (DPWH), Department of Education (DepEd), and the Department of Agriculture (DA).

3.1.2 RA 9184 and DBM National Budget Circulars 507/534/543

RA 9184 or the Procurement Act, the fund designation indicated in the GAA, DBM National Budget Circulars 507/534/543, and the administrative processes within line agencies set the backdrop for QRF utilization and control. These policy requisites restrict how QRFs are availed, disbursed, and utilized. Though bureaucratic, tasking, and limiting in many ways, these provisions ensure that the standby fund is properly disbursed and used as mandated.

RA 9184 sets the general principles of transparency, competitiveness, streamlined process, public monitoring, and accountability in all government procurement transactions (Congress of the Philippines 2010). It lays out the government's fiscal discipline measures and enumerates alternative methods of procurement. As a standby fund and with the disallowance of pre-disaster expenditures, the QRF's main avenue for procurement under the law is through negotiated procurement for emergency cases. This avenue is applicable for the procurement of food and nonfood items, infrastructure, and consulting

services in times of disaster or during a state of calamity. Emergency purchase without the tasking provision on “competitive bidding” becomes applicable for the prevention of damage to property or loss of life, and restoration of vital public utilities, services and infrastructure.

DBM National Budget Circulars 507, 534, and 543 present guidelines for the submission of budget execution documents, which include the quarterly physical and financial plan, and the monthly cash program (DBM 2007, DBM 2011, DBM 2012). The one-year validity of appropriations starting FY2013 is also enforced through these circulars. These provisions, though important in maintaining fiscal discipline, appear to be constraining within the context of DRRM, especially when talking about a special standby fund like QRF.

3.1.3 Department Mandates

Each of the executive department covered in this study has traditionally played critical roles in disaster risk reduction and management. Their institutional mandates and resource inventory relate well to the initiatives within the thematic areas of disaster mitigation, preparedness, response and rehabilitation.

The Department of National Defense (DND). DND was established as an institution in 1939 pursuant to Commonwealth Act No. 340. Tasked to implement the National Defense Act (Commonwealth Act No. 1), the DND is mandated to supervise and ensure the judicious and effective implementation of the Nation’s Defense and Security Program. Its mission is to provide and maintain security, stability and national peace and order that is conducive to economic growth and national development. The department is the primary government agency which supervises the Armed Forces of the Philippines, Government Arsenal, Philippine Veterans Affairs Office, National Defense College of the Philippines and Office of the Civil Defense. It also supervises and administers the AFP Modernization Program. Its mandate and structural expanse give DND the helm in the country’s DRRM initiatives. The OCD serves as secretariat of the NDRRMC, while the AFP provides able bodies and operational capacity especially in remote areas affected by disasters. Although not its primary mandate, disaster response is one of the AFP’s seven mission areas, together with humanitarian assistance, peace keeping, and support to national development. The DND-AFP’s level of involvement in addressing concerns arising from natural disasters is high.

The DND-Office of Civil Defense (OCD). The OCD plays a key role in putting the vision and provisions of RA10121 into fruition. As such, much of the law’s application and grounding in the field depends on how well the office performs its mandate. With the primary mission of administering a comprehensive national civil defense and disaster risk reduction and management program, the OCD serves as the executive arm and secretariat of the NDRRMC. This premise underscores the significance of providing the OCD with adequate resources and machinations, including time for it to internalize and accommodate the intricacies of RA10121.

The Department of Social Welfare and Development (DSWD). Republic Act No. 5416 of 1968, known as the Social Welfare Act, gave DSWD the mandate as a department to provide comprehensive program of social welfare services designed to ameliorate the living conditions of distressed Filipinos, particularly those who are handicapped by reason of poverty, youth, physical and mental disability, illness and old age, or who are victims of natural calamities including assistance to members of the cultural minorities.

The DSWD’s mission is to “provide social protection and promote the rights and welfare of the poor, vulnerable, and disadvantage individuals, family and community to contribute to poverty alleviation and

empowerment through social and welfare development (SWD) policies, programs, projects and services implemented with or through Local Government Units (LGUs), Non-Government Organizations (NGOs), Peoples' Organization, and other members of civil society".

The ill effects/impacts of manmade and natural disasters on the welfare of affected communities relate directly to DSWD's mandate and operational activities, giving it a critical role in the country's disaster risk reduction and management system. RA10121's NDRRM Plan gives DSWD a leading role during disaster response.

The Department of Public Works and Highways (DPWH). The DPWH serves as the engineering and construction arm of the government. It is tasked to ensure the safety, efficiency and quality in construction of all infrastructure facilities and public works and highways. The department's role in disaster risk reduction and management is critical as it is responsible for the planning, design, construction, and maintenance of public infrastructure particularly the national highways, flood control and water resources development systems, and other public works as set by national development objectives. The DPWH also holds the largest fleet of heavy equipment and specialized tools which are indispensable during times of disaster. This alone makes the department's participation a must in most post-disaster operations.

The Department of Education (DepEd). The government Basic Education Act of 2001 (RA 9155) spelled the current mandate and operational structure of the Department of Education. It specified the department's responsibility in regulating and managing the country's system of basic education which covers primary and secondary school systems. Although beyond its primary responsibility, the DepEd is a key player in national activities and processes that require social mobilization and communication. An example of this is the assumed role of teachers during local and national elections. The department's facilities also form part of the resources for DRRM, particularly as venues for capacity building activities and as refuge or evacuation centers for affected families during times of disaster.

The Department of Agriculture (DA). The DA was reorganized in 1987 under Executive Order No. 116 mandating it to provide the policy framework and direct public investments toward the promotion of the country's agricultural development. It has 14 regional offices, 8 staff bureaus and 9 attached agencies all performing staff and support functions for the sector. The DA plays a key role in in pre and post disaster operations as agricultural producers, the department's main stakeholders, are among the most vulnerable to the impacts of climate change and seasonal climatic aberrations. Its active participation in DRRM initiatives therefore ensures that the welfare of agricultural workers is addressed in times of calamity or disaster.

3.2 QRF Allocation and Utilization

Tables 1 and 2 present the budget appropriations and obligations for years 2009 to 2013. Total calamity funds increased from a low of PHP 3.75B in 2010 to a high of PHP 7.5B in 2012, while QRF levels increased from PHP 0.60M to PHP2.6B. In a span of two to three years, calamity fund appropriations doubled and QRF levels more than quadrupled indicating a shift in the government's fiscal priorities, and a greater urgency for DRRM initiatives given the recent spate of manmade and hydrometeorological-related disasters.

Table 1. Calamity and quick response funds over the years (2009-2012)

FUND	FY 2012	FY 2011	FY 2010	FY 2009
Calamity Fund	7,500,000,000	6,000,000,000	3,750,000,000	4,303,516,293
Original Appropriation	7,500,000,000	5,000,000,000	2,000,000,000	2,000,000,000
Augmentation	0	1,000,000,000	1,750,000,000	2,303,516,293
Less: Releases	6,461,478,261	5,920,906,910	2,989,709,460	4,303,516,293
Fund Balance	1,038,521,739	79,093,090	760,290,540	0
Quick Response Fund				
Releases	2,645,000,000	1,787,986,466	645,000,000	597,500,000
30% level	2,250,000,000	1,800,000,000	1,125,000,000	1,291,054,888
Deviation	395,000,000	(12,013,534)	(480,000,000)	(693,554,888)
For FYs 2009, 2010 and 2011 QRF allocations were sourced from the Calamity Fund Starting FY 2012, QRF allocations were lodged against respective budgets of Departments Source: DBM (2013)				

Looking at specific department appropriations, the aggregate levels of QRF for DND, DSWD, DPWH, DA and DepEd increased over the years. A spike in budget appropriation can be seen from 2009 to 2011, the same period when the current government administration transitioned, and RA10121 was ratified.

The QRF allocation for OCD and DSWD more than doubled during this period and greater amounts were realized for DA where a huge portion of the pie was allocated to the National Irrigation Administration (NIA). QRF funding for DepEd has been fairly consistent at around PHP 500M to PHP 600M a year. Table 2 shows the breakdown of QRF appropriations for each executive department.

Figures 2 and 3 reflect generally increasing trends on QRF appropriation and utilization with spikes and fluctuations on disaster/non-disaster years. The graph shows a huge QRF allocation for DepEd in 2007 amounting to PHP 2.1B as a consequence of Typhoon Reming hitting the Bicol region the previous year. The DA's QRF budget over the years fluctuated, settling at around PHP500M for the Central Office with commensurate funds for DA-NIA. Appropriations for DSWD and OCD fairly increased until they reached the above PHP500M level starting FYs2010-2011.

Table 2. QRF appropriations as reported by OCD, DSWD, DPWH, DA and DepEd

	2013	2012	2011	2010	2009
OCD	530,000,000	530,000,000	593,281,908	190,000,000	230,000,000
DSWD	662,500,000	662,500,000	662,500,000	662,500,000	287,800,000
DPWH	600,000,000	550,000,000			
DA	1,000,000,000	500,000,000	1,562,606,000	-	8,000,000
DepEd	550,000,000	550,000,000	480,000,000	550,000,000	600,000,000
DND Proper	352,500,000	352,500,000			
Total QRF	3,695,002,013	3,145,002,012	3,298,389,919	1,402,502,010	1,125,802,009

Note: Yearly totals were computed from submitted line agency QRFs and do not cover fund replenishments for 2013

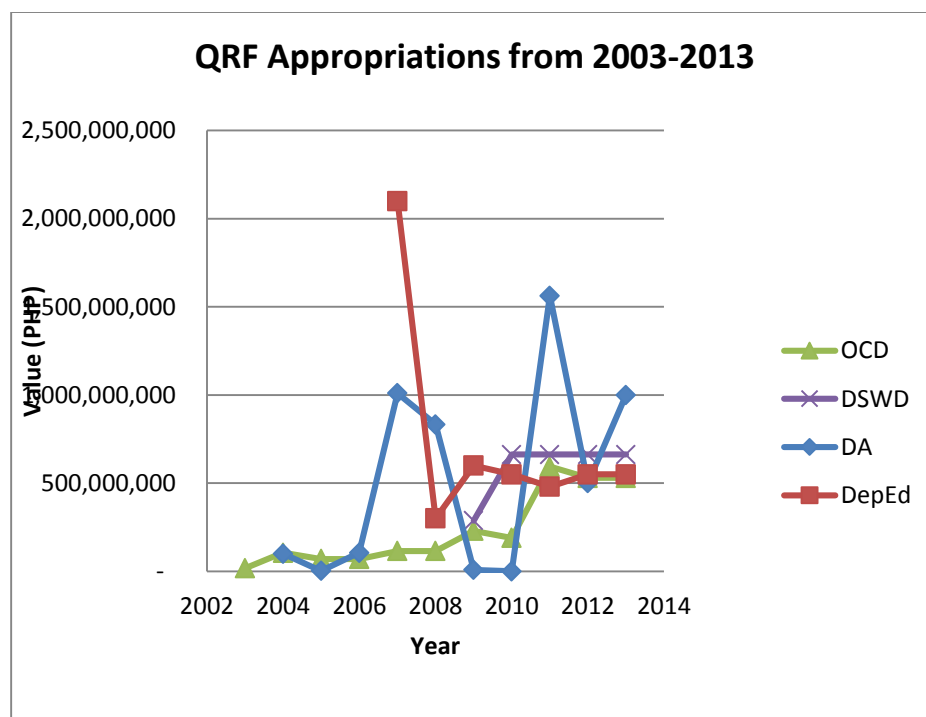


Figure 2. QRF appropriations per line agency from 2003-2013

There was a good rate of utilization on QRF funds as most yearly appropriations were expended by the implementing agencies. The fund absorption performance declined for OCD and DSWD in 2010-2011, with the latter recovering in the succeeding years.

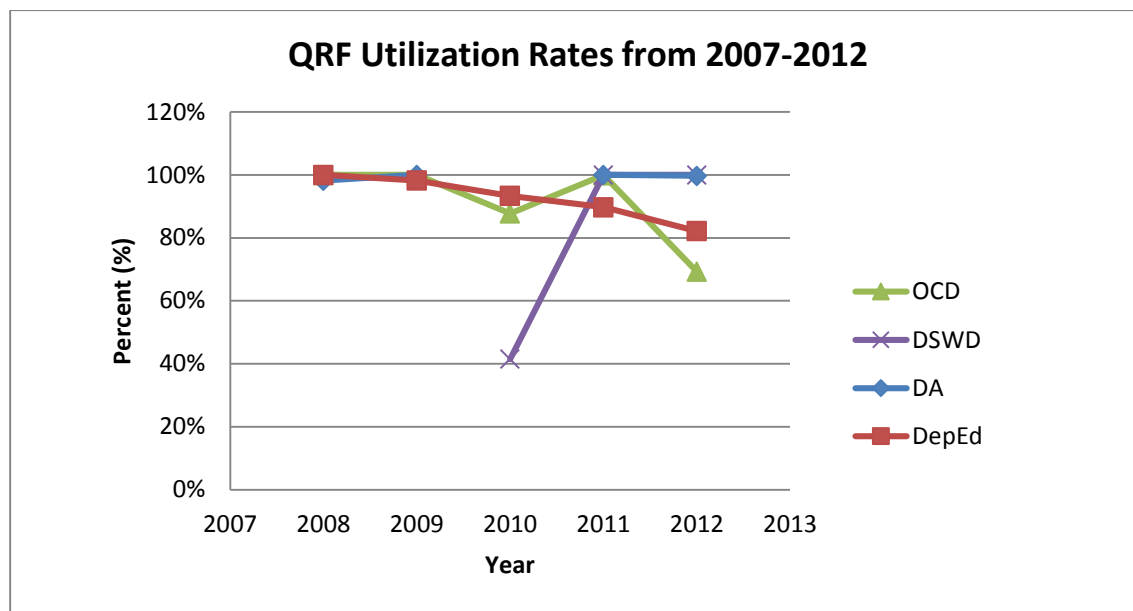


Figure 3. QRF utilization per line agency from 2003-2013

Tables 3 and 4 show the respective department QRF allocation and utilization rates for the period 2012-2013. High utilization rates were recorded in FY2012 for DSWD, DPWH, DA, and DepEd. Fund absorption was relatively lower for DND-OCD at 69%. Data by the first semester of 2013 show similar fund use with DSWD already depleting its appropriation for the year. It is worth noting that rehabilitation of damages inflicted by Typhoon Pablo region XI in December 2012 accounted for much of the QRF use early in 2013.

Table 4 gives a limited historical perspective to the appropriation and utilization of QRF within the executive departments. Data show that the DA and DepEd were consistent recipients of huge QRFs for most of the past decade, except in particular years (FYs2005, 2009, 2010) when DA got low appropriation. OCD and DSWD had increasing appropriations peaking above PHP500M starting in FYs2010 and 2011. Utilization rates were exceptional for all departments during years prior to FYs2009-2010.

The reasons behind the decline in fund absorption rates could be any of the following: (1) sudden increase in funding creating shock in the system, (2) administrative requirements too restrictive creating lags in fund access, and (3) institutional structures have not adjusted to the huge resource infusion and additional DRRM mandate.

For DSWD, it appears that the sudden increase in QRF appropriation in 2010 gave a shock to its institutional structures leading to low fund absorption. The department eventually adjusted in the succeeding year by augmenting its internal organizational structure. A new disaster risk reduction

management office (DRRMO) was instituted within the department to focus on disaster-related concerns. The strategy seemed to work as DSWD logged 100% QRF utilization in all succeeding years, excluding fund augmentations for major disaster events. The department now becomes an effective channel for providing resources and relief to communities affected by disaster.

Table 3. QRF appropriations and rate of utilization per department from 2012-2013

DEPT	ALLOTMENT			OBLIGATIONS	UNUTILIZED	% Utilization	
	MOOE	CO	TOTAL				
2012 QRF							
OCD	530,000,000	-	530,000,000	367,233,388	162,766,612.00	69%	
DND	120,000,000	232,500,000	352,500,000	243,695,152	108,804,847.07	69%	
DSWD*	662,500,000	-	662,500,000	662,494,472	5,527.85	100%	
DPWH**	-	1,100,000,000	1,100,000,000	1,099,756,892	243,107	100%	
DEPED	-	550,000,000	550,000,000	452,000,000	98,000,000.00	82%	
DA	350,000,000	150,000,000	500,000,000	498,386,647	1,613,352.29	100%	
2013 QRF							
OCD	530,000,000	-	530,000,000	-	530,000,000	0%	As of May-13
DND	120,000,000	232,500,000	352,500,000	35,975,764	316,524,236	10%	As of Jul-13
DSWD*	662,500,000	-	662,500,000	661,875,405	624,595	100%	As of May-13
DPWH*	-	600,000,000	600,000,000	599,967,424	32,576	100%	As of Dec-13
DEPED	-	550,000,000	550,000,000			0%	
DA	350,000,000	150,000,000	500,000,000	267,224,432	232,775,569	53%	As of Sep-13

*Already received augmentation/replenishment fund as of the date mentioned above

** with PHP550,000,000 replenishment fund

The case of OCD is more difficult to gauge. It was able to fully utilize a huge QRF appropriation in 2011 and previous years, but failed to do the same in 2012 and 2013. The low utilization rate as reflected during 2012-2013 may be due more to administrative restrictions on the fund more than concerns on institutional structures. It is worth recalling that the standby fund designation of QRF started in 2012 disallowing pre-disaster expenditures. However, OCD has also gone through a change in leadership during the same year and its organizational structure is still based on a decades-old provision.

The DA and DepEd understandably had huge appropriations for the rehabilitation of irrigation systems and school infrastructure damaged by natural and manmade disasters over the years.

Table 4. QRF appropriations and rate of utilization per department from 2003-2012

YEAR	APPROP SOURCE	ALLOTMENT	OBLIGATIONS	UNUTILIZED	% UTILIZED
OCD					
• 2003	CONT/CURRENT	17,500,000	17,500,000	-	100%
• 2004	CURRENT	105,000,000	105,000,000	-	100%
• 2005	CURRENT	70,000,000	70,000,000	-	100%
• 2006	CURRENT	70,000,000	70,000,000	-	100%
• 2007	CURRENT	115,000,000	115,000,000	-	100%
• 2008	CURRENT	115,000,000	115,000,000	-	100%
• 2009	CURRENT	230,000,000	229,971,841	28,159	100%
• 2010	CURRENT	190,000,000	166,718,092	23,281,908	88%
• 2011	CONT/CURRENT	593,281,908	592,605,821	676,087	100%
• 2012	CURRENT	530,000,000	367,233,388	162,766,612	69%
DSWD					
• 2009	CURRENT	287,800,000			
• 2010		662,500,000	275,119,675	387,380,325	42%
• 2011	CURRENT	662,500,000	662,494,472	5,528	100%

YEAR	APPROP SOURCE	ALLOTMENT	OBLIGATIONS	UNUTILIZED	% UTILIZED
• 2012	CURRENT	662,500,000	662,415,452	84,548	100%
DPWH					
• 2012	CURRENT	1,100,000 ,000	1,099,756 ,892	243,107	100%
DA					
• 2004	CURRENT	100,000,000	97,749,031	2,250,969	98%
• 2005	CURRENT	3,000,000	3,000,000	-	100%
• 2006	CURRENT	105,000,000	105,000,000	-	100%
• 2007	CURRENT	1,010,000,000	1,009,994,417	5,583	100%
• 2008	CURRENT	833,524,000	818,271,410	15,252,590	98%
• 2009	CURRENT	8,000,000	8,000,000	-	100%
• 2010		-	-	-	
• 2011	CURRENT	1,562,606,000	1,562,606,000	-	100%
• 2012	CURRENT	500,000,000	498,386,648	1,613,352	100%
DEPED					
• 2007	CURRENT	2,100,000,000	1,983,915,813	116,084,187	94%
• 2008	CURRENT	300,000,000	300,000,000	-	100%
• 2009	CURRENT	600,000,000	589,450,000	10,550,000	98%
• 2010	CURRENT	550,000,000	513,284,000	36,716,000	93%
• 2011	CURRENT	480,000,000	430,831,350	49,168,650	90%
• 2012	CURRENT	550,000,000	452,000,000	98,000,000	82%

3.3 Process Flows in QRF Availment

Process flows in availing QRF within the different executive departments show a distinct structure of assessment, requisition and approval from stakeholders in the regions to the central headquarters in the National Capital. Aside from DND-OSEC and DepEd where funds are held centrally for eventual interagency transfer, the implementing executive departments download certain portions of their annual appropriations to the regions for proper position and easy access in times of disaster. It should be recalled that starting FY2012, all QRFs are released through the annual GAA of the executive departments.

This is in contrast to the process of availing calamity funds where requests flow from the implementing agency up to OCD and NDDRMC for endorsement to the President for approval. DBM then releases the funds to the implementing units as approved.

Figure 4 presents the process flow for availing calamity funds, while Figures 5 to 9 show the process flows for availing QRF within the different executive departments.

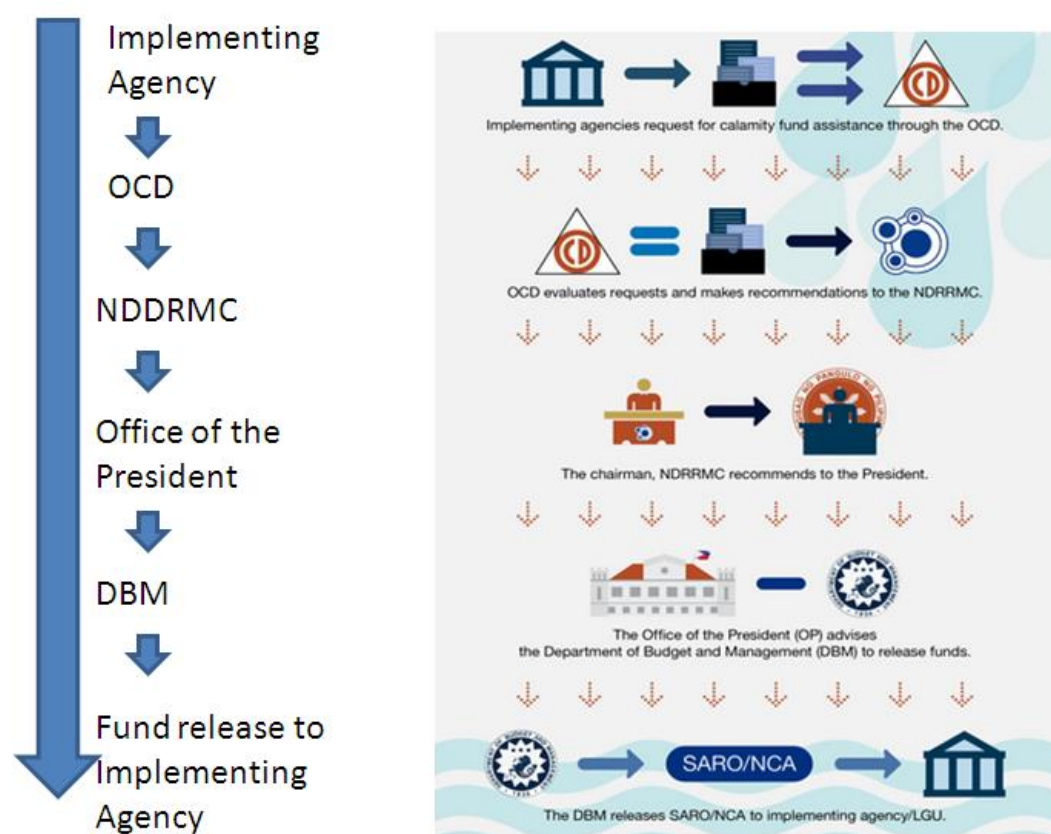


Figure 4. Calamity Fund Availment Process Flow (DBM 2013)

3.3.1 DND-OSEC QRF Process Flow for DRRM Feedback and Response

The 2012 QRF under the DND-OSEC was earmarked to support the implementation of the Humanitarian Assistance and Disaster Response (HADR) Short term development program of the AFP (2012-2014). This use of fund is consistent with the department's Defense Planning Guidance (DPG) for 2013-2018. Although technicalities may be inconsistent with the current QRF mandate; these pre-disaster activities ensure effective disaster response operations through proper organization, training and equipage of AFP units for DRR operations, and construction of 3-in-1 facilities that aid warehousing/prepositioning of stocks for post-disaster operations.

QRF funding within DND-OSEC is availed through AFP/line agency endorsement to the DND Secretary. A letter of request together with accompanying project documents is forwarded to the Office of the Secretary. The OSEC then forwards the request to the Office of Assistant Secretary for Comptrollership (OASCOM) for appropriate assessment. OASCOM gives recommendation on the merits of the request and returns the documents to the DND Secretary for approval/disapproval. In cases where projects are approved, memo directives and letters of acceptance are transmitted to GHQ, AFP and the Major Services as the Implementing units. Time delays are encountered for non-emergency purchases especially for capital outlay as these have to conform to the usual procurement processes. Approval and procurement are also dependent on the amount of funds requested (50M GHQ BAC, >50M DND BAC). Funds are eventually released with advise on progress report and liquidation.

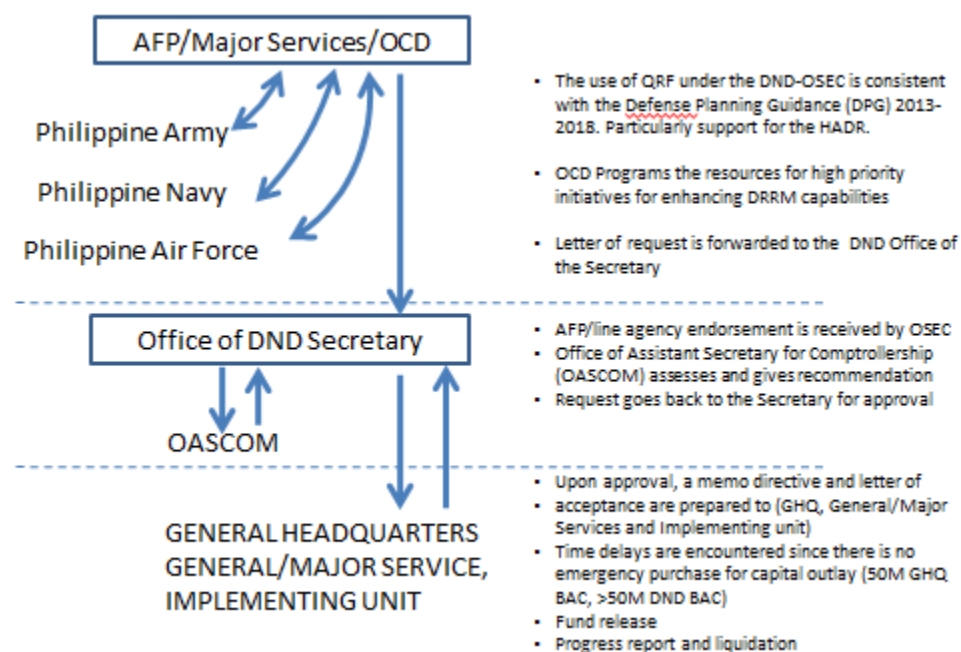


Figure 5.DND-OSEC's Process flow of request for assistance and delivery of support during disaster

3.3.2 DND-OCD QRF Process Flow for DRRM Feedback and Response

During times of disasters, requests for assistance from OCD progressively flow from the affected community, municipality, province, up to the regional office and OCD Central office. The regional DRRMC led by the OCD regional director acts as the lead agency during disasters if 2 or more provinces in the region are affected. On its own, the OCD taps its QRF for disaster relief and rehabilitation, particularly through provision of non-food items to affected communities. The OCD Central Office makes the QRF allocation for the year available for use by allocating a monthly budget for NFI purchase, back in 2012 when pre-disaster expense was allowed by DBM. But now that pre-disaster charges to QRF are restricted, the fund remains untouched until disaster arises. This situation becomes untenable if OCD does not have access to alternative funds/resources for a more proactive stance.

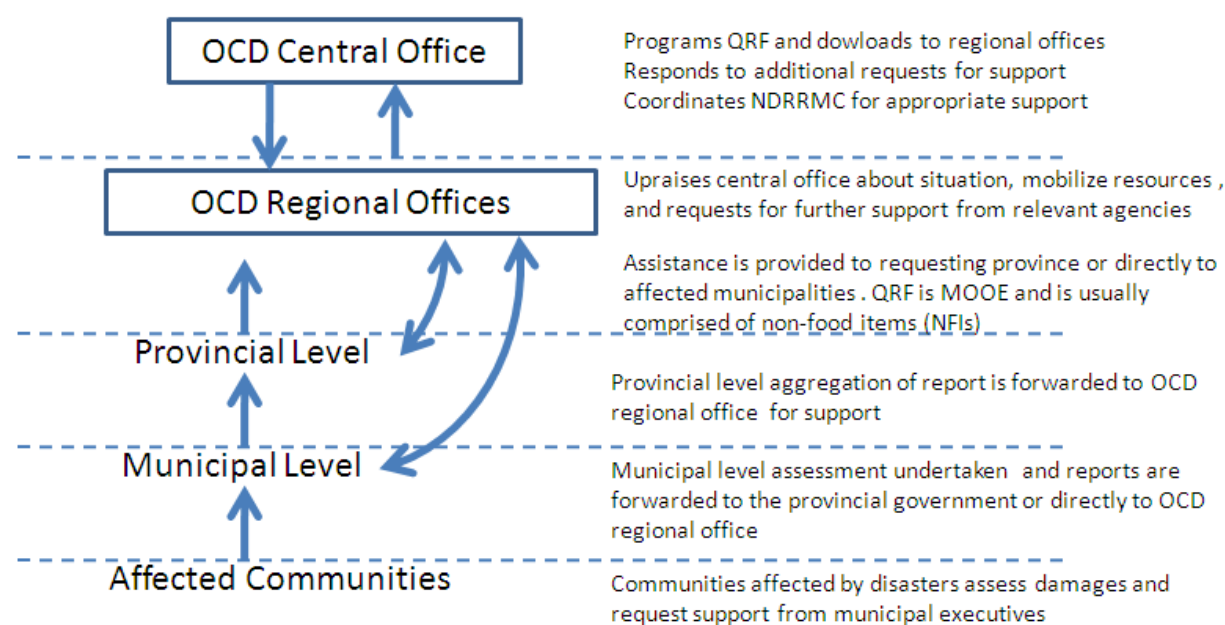


Figure 6. OCD's Process flow of request for assistance and delivery of support during times of disaster

3.3.3 DSWD QRF Process Flow for DRRM Feedback and Response

In the event of disasters, a rapid assessment of damage and needs is done by the regional cluster or RDRRMC. Once the report is received, the DSWD central office prepares the work and financial plan for immediate relief using its QRF and forwards this to the NDRRMC for resource augmentation. The NDRRMC then consolidates at the national level and forwards to the Office of the President for eventual approval and release of additional calamity funds.

A portion of the DSWD's QRF is downloaded to the regions as stand by fund, usually consisting of PHP 500,000.00 and packed relief goods for 2,000 people.

The process flow for QRF utilization in the event of a disaster includes damage assessment at the local level involving relevant departments like DPWH and DA for infrastructure, LGU and NHA for

housing/shelter and DSWD, NGOs and LGU for social impact. This would yield a post disaster damage report from the regional disaster management group (DROMIC), which includes a provision of augmentation report to cover food and nonfood items for affected local governments/communities. Updates and requests are forwarded to the central office for appropriate resource support and coordination with NDRRMC and other national agencies.

Requests for funding augmentation can come from both the regional and national levels. After assessment by the regional and central offices, formal agreements are forged between DSWD and project proponents. This leads to release of funds and project implementation, with technical assistance and monitoring from DSWD.

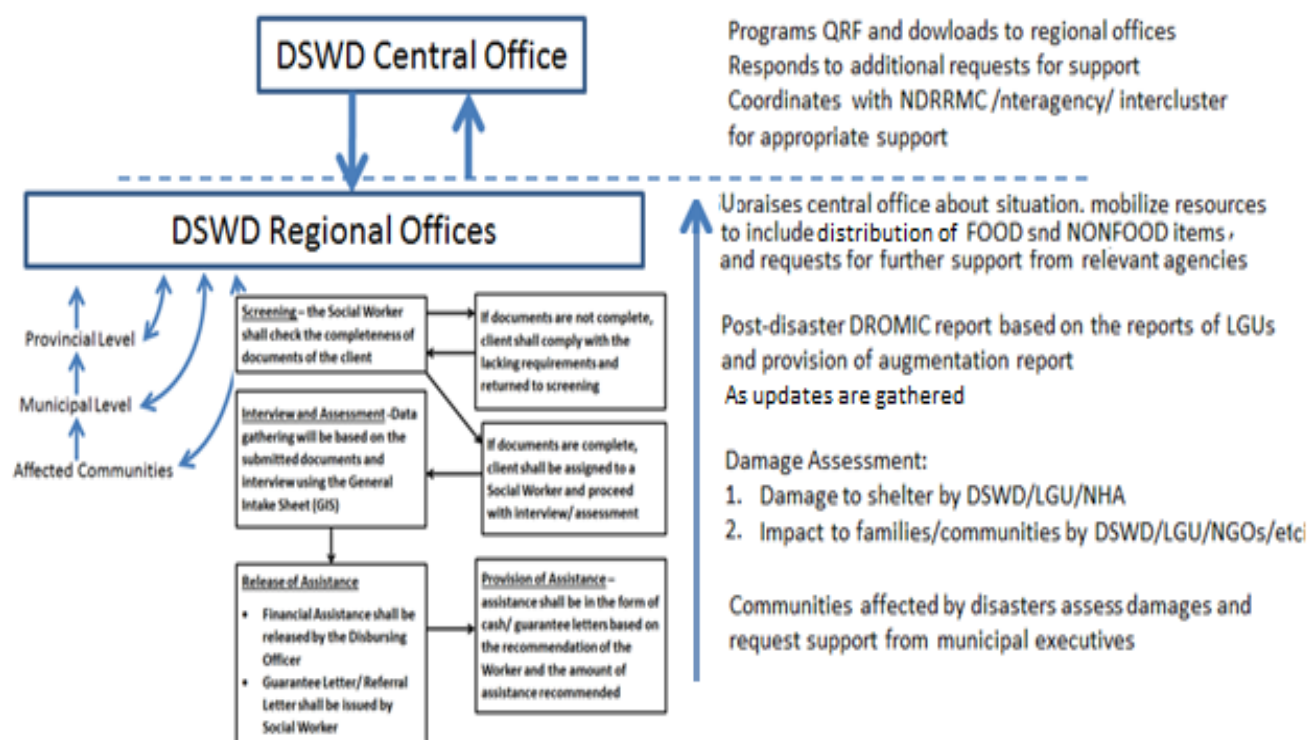


Figure 7a. DSWD's Process Flow of QRF utilization during and after disaster events

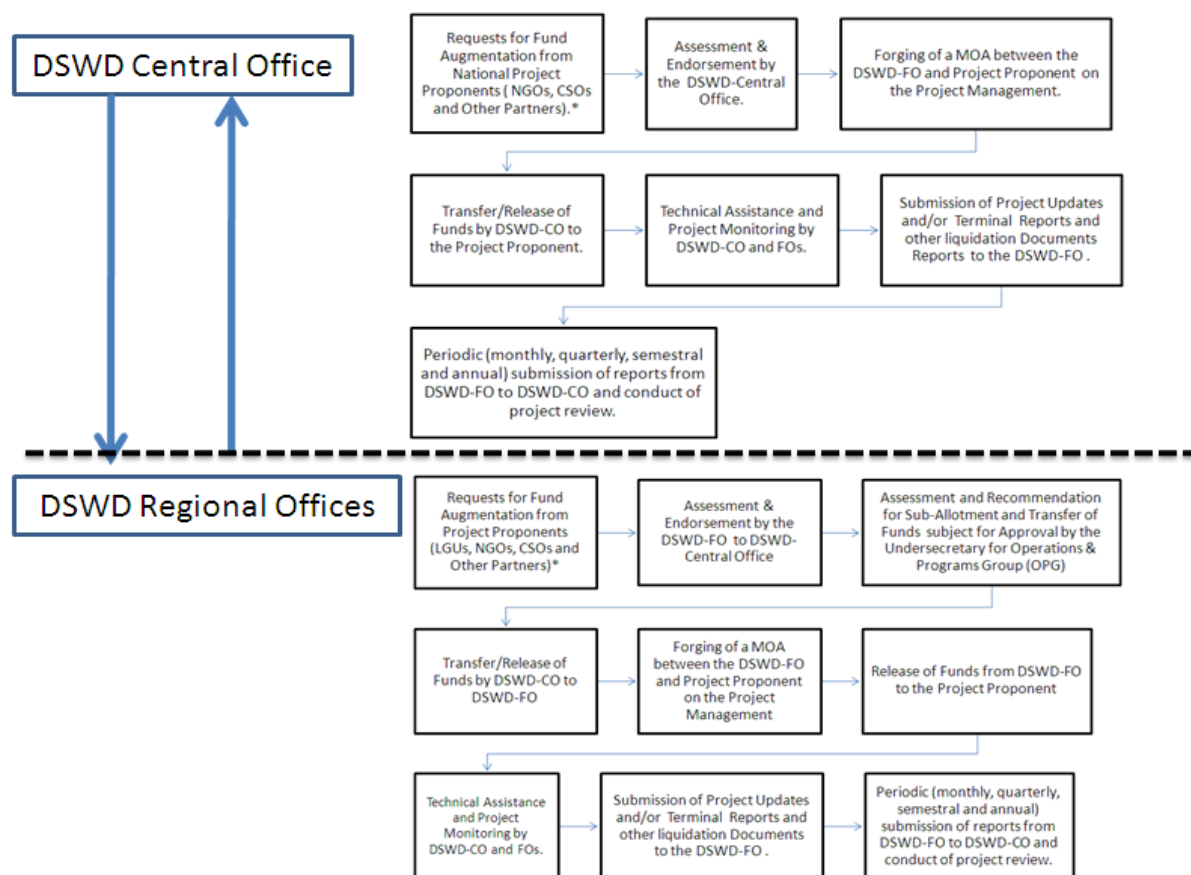


Figure 7b. DSWD's Process Flow of QRF availment at the national and regional levels

3.3.4 DPWH QRF Process Flow for DRRM Feedback and Response

DPWH categorizes damages into three categories:

- (a) Priority I involves immediate rehabilitation of collapsed bridges, cut road sections, breached seawalls and dikes to quickly restore mobility and ensure the safety of the people in affected areas
- (b) Priority II covers ordinary repair works such as patching potholes, resurfacing of washed-out roads and slightly damaged flood control structures.
- (c) Priority III is characterized by minor repair work or improvement to prevent further infrastructure deterioration.

Among the categories of damages, only priority I concerns are funded under the department's quick response funds. In the event of disasters, prompt action starts with the inspection of site damages and assessment of local needs. Regional staff and district engineers make an assessment of the damages and report to the office of the secretary and bureau of maintenance. Regular reporting is instituted every six hours with a comprehensive situational report covering all areas expected after 48 hours. The central office, through the OSEC and BOM, consolidates and validates the damages and approves funding for the plan of work.

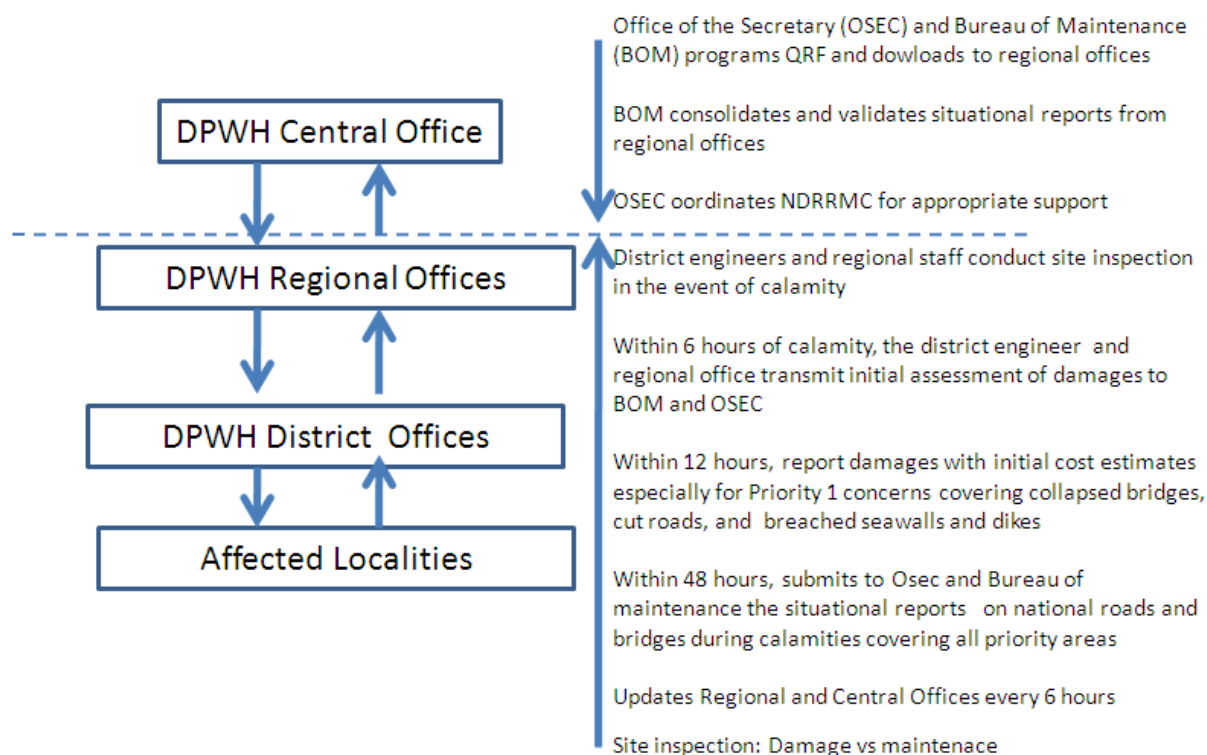


Figure 8. DPWH's Process Flow of QRF utilization during and after disaster events

3.3.5 DepEd QRF Process Flow for DRRM Feedback and Response

QRF under the DepEd is classified as capital outlay and is dedicated to the repair and reconstruction of school facilities damaged by disasters.

Request for fund assistance is submitted by the management of affected schools. The Schools Division/ City Superintendent (SDS) sends engineers to validate and assess the damage. Upon validation, and not later than 60 days after the calamity, SDS sends to the DepEd Central Office the request for funding with required documentations: (a) fire incidence report from BFP if due to fire, (b) PAGASA reports and DepEd damage assessment if due to typhoon or flood, (c) PHILVOLCS report if due to earthquake, (d) pictures of damages, and (e) detailed narrative report.

Within the DepEd Central Office, the Director of Physical Facilities and Schools Engineering under the Office of Planning Service evaluates the request and recommends approval to the Secretary. The Office of the Secretary then approves the request for fund release. Project implementation in most cases is done through negotiated procurement.

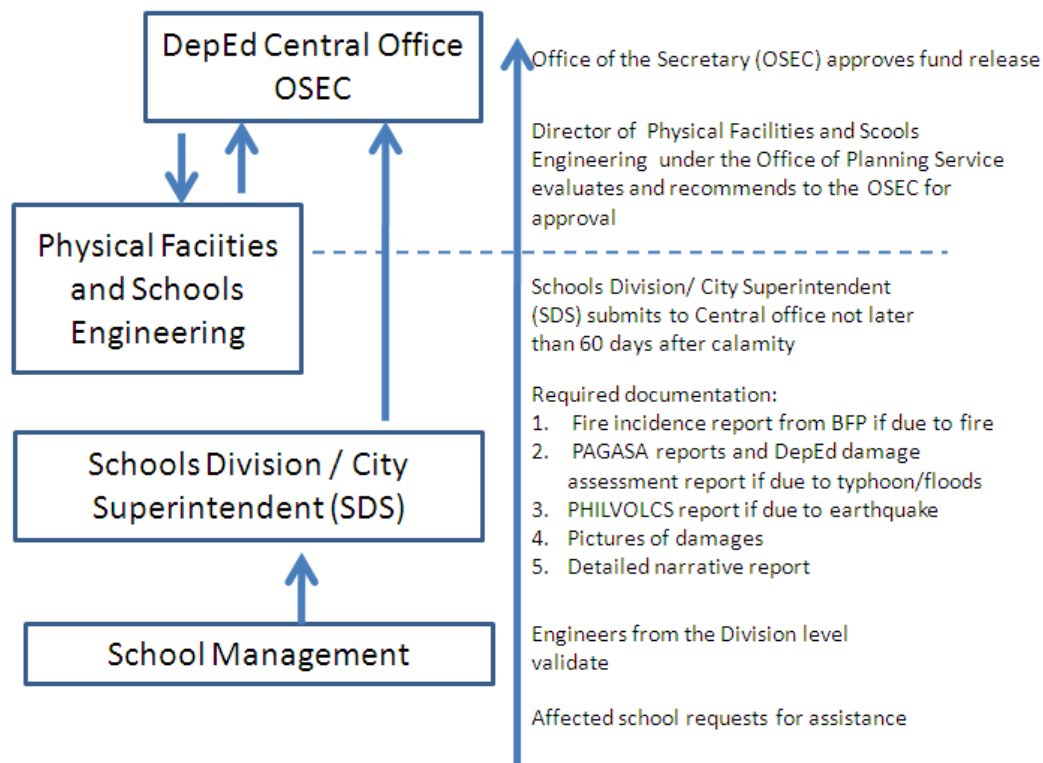


Figure 9. DepEd's Process Flow of QRF utilization during and after disaster events

3.3.6 DA QRF Process Flow for DRRM Feedback and Response

Similar to the other executive departments, QRF within the DA is availed through the request of the various regional field units affected by disaster. The DA Regional Field Units (DA RFUs) conduct needs assessment together with their provincial and municipal counterparts. The Central Office is then appraised of the situation, and informed of request for resource mobilization and fund support. The Office of the Secretary through the Undersecretary for Regional Operations assesses the requests, approves resource support, and effects releases of suballotment advise.

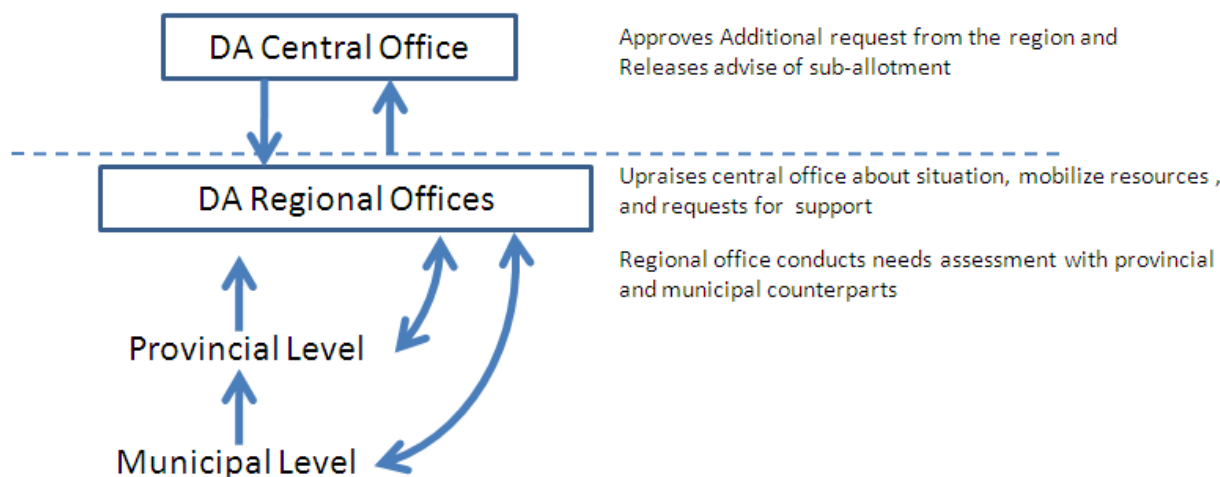


Figure 10. DA's Process Flow of QRF utilization during and after disaster events

3.4 Complementary Assets for Disaster Risk Reduction and Management

The QRF of the various executive departments serve a very special purpose as stand by resource in times of disaster. By itself, however, the fund's efficiency as a tool for disaster response is very much limited. It has to be complemented by other resources available and strategically prepositioned in the field. Such resources include trained manpower, information communication technology (ICT) equipment, transport and heavy equipment, and fixed facilities/infrastructure. These resources are often made available by the concerned executive departments on a dual-use arrangement. The following sections detail the level of DRRM-related resources that are available for use in times of disaster.

3.4.1 DRRM –Related Assets at DND-OSEC

The DND's Defense Planning Guidelines (DPG) touches on disaster risk reduction and management, particularly the AFP's capability improvement on search and rescue and disaster response capacity. There is a department directive to allocate resources progressively to increase operational availability rate of disaster response or achieve higher equipment operational availability rating for the period 2012-2014. Capacity buildup for disaster response in high risk areas includes the organization, training, and equipage of a ready reserve force that may be prepositioned for quick response in times of calamities and natural disasters. The OCD administrator is tasked to program the resources required to support high priority initiatives for enhancing response capabilities.

There is a critical timeline for effective response during disasters and the QRF plays a key role on this operation. Particular support for the HADR development plan improves the AFP's response capability in times of disaster by focusing on manpower training, and equipment and supplies build-up.

DND-AFP's disaster response capability is dependent on the availability disaster response units and appropriate equipment for disaster risk reduction and management. It has organized disaster response taskforces that can be deployed from strategic military bases, equipped with available assets/equipment for disaster response and relief operations. Enumerated in the following tables are the DND-AFP's inventory of strategic assets and available launching points.

The DND is currently involved in the development of 3-in-1 facilities which can be used as hangar for aircraft, office and warehouse for OCD Regional Disaster Risk Reduction and Management Centers (RDRRMCs).

Tables 5 to 7 detail the strategic assets of DND under the Armed Forces of the Philippines (AFP) which can be used/deployed in times of calamity. Key DRRM-related resources under the department include transport equipment, trained manpower, and multipurpose facilities.

Table 5.Strategic Assets for deployment of disaster response teams and relief

ASSET	DESCRIPTION
EQUIPMENT	
1 C130	120 persons with equipment or 30000lbs
2 F27 Fokker	36 persons with equipment or 7000lbs
2 Landing craft	120-500 persons or 1000tons
2 Huey rescue helicopters	
22 H-UH1 helicopters	
25 2 ½ ton trucks	
30 Navy vessels	Strategically deployed nationwide
STRATEGIC BASES	
NCR	BaseOps(VAB), Camp Aguinaldo, Fort Bonifacio, HPN
NORTH LUZON	CAB, Wallace, La Union, TOG 1 Baguio, Laoag and Cagayan Airport, Fort Magsaysay Airfield, NOLCOM
SOUTHERNLUZON	Sangley Point Cavite, Camp CapinpinTanay, Camp NakarLucena, TOG 5 Legaspi, H9ID
VISAYAS	HQS 2ADIV Mactan, TOG8 Tacloban, Iloilo Airport, Dumaguete Airport,
EASTERN MINDANAO	TOG 10 Cgayan de Oro, TOG11 Davao Airport, TOG12 Cotabato Airport, Bancasi Airport
WESTERN MINDANAO	3ADIV Zamboanga City, Majini Wharf

Source: AFP HADR 2012

Table 6.DND Available DRR-related Assets (as of 2011)

AREA	UNITS	RUBBER BOATS	M35 TRUCKS	AMBU	ENGR'G EQUIPMENT	AIR
NCRCOM	JTF,JTFCMO	37	12	0	0	0
HPA (NCR)	ASCOM	7	18,11 bus	2	211	0
HPN (NCR)	PN-DRTG	11	18, 5AMPS	2	38	0
HPAF (NCR)	505 SAR	5	2	2	27	4UH,1C130, 2F27, 2H2
GHQ	GHQ/ HSC DRTU	4	4	2	0	0
NOLCOM	DRTUs	38	120	16	5	2UH-1H

SOLCOM	DRTUs	14	95	2	102	3UH-1H
CENTCOM	DRTUs	6	90	3	0	4UH-1H
WESCOM	DRTUs	18	18	4	3	3 (AS76/N22/ Islander)
EMC	DRTUs	4	18	7	15	2UH-1H/ 1Bell
WMC	DRTUs	14	62	5	0	2UH-1H
Total		158	503	45	401	18H,1C130,2FOKKER, 1BELL 205, 2AS76

Source: AFP HADR 2012

Table 7. Deployable DRRUs and Equipage Status

	NUMBER OF TEAMS	DRRO EQUIPMENT/ FLOOD/SEA RESCUE	VARIANCE
NCR	20	7	(13)
NORTH LUZON	5	4	(1)
SOUTHERNLUZON	3	2	(1)
CENTRAL VISAYAS	4	0	(4)
PALAWAN	4	0	(4)
EASTERN MINDANAO	5	0	(5)
WESTERN MINDANAO	4	0	(4)

Source: AFP HADR 2012

3.4.2 DRRM –Related Assets at DND-OCD

As OCD is not allowed to spend on capital outlay from its QRF and related funds, most of its assets related to disaster risk reduction and management is classified as information and communication technology (ICT) equipment. Although it is logical that most DRRM equipment is with the local governments and other executive departments like the DPWH, it is advisable that the unit maintaining coordination among council members should have its own set of minimum set of DRRM related assets and equipment.

OCD as secretariat to the NDRRMC capitalizes on ICT equipment for coordination with the various council members and stakeholders. This resource is vital in getting consensus in mobilizing resources for disaster response including QRF use and obligation. Recent disaster events highlighted the need to augment OCD's resource capacity (i.e. provision of satellite phones for ready communication in heavily damaged areas).

Table 8 shows a summary of computing and telecommunication facilities available to OCD as it serves its functions as executing arm of the NDRRMC

Table 8. Inventory of DRR- related assets at OCD

REGIONS	EQUIPMENTS	laptop	serviceable	unserviceable	desktop	serviceable	unserviceable	printer	serviceable	unserviceable	switches	serviceable	unserviceable	scanners	serviceable	unserviceable	software	serviceable	unserviceable	projector	serviceable	unserviceable	photocopying machine	serviceable	unserviceable	Fax machine	serviceable	unserviceable	router	serviceable	unserviceable
I		3	2	1	7	7		6	6		2	2		2	2		0		0			0			0		0		0		
II		9	9			11			11		1	1		0			9	7		2	2		0			0		0		0	
III		3	3		7	7		7	7		2	2		1	1		0		0			0			0		0		0		
IV-A		5	3	2	5	4	1	5	5		1	1		1	1		0		0			0			0		0		0		
IV-B		5	4	1	7	6	1	7	4	3	0			1	1		4		4			4			4		4		2	2	
V		16	13	3	9	9		9	9		2	2		1	1		4		4			4	2		2	2		0		0	
VI		7	7		3	3		4	4		0			1	1		0		0			0			0		0		0		
VII		0	0		4	4		2	2		2	2		1		1	0		0			0			0		0		0		
VIII		3	3		5	4	1	3	2	1	1	1		1	1		0		0			0			0		0		0		
IX		9	8	1	7	5	2	10	8	2	2	2		1	1		7	3		4	2	2		0		0		0		0	
X		2	2		7	7		5	4	1	1	1		1	1		0		0			0			0		0		0		
XI		8	3	5	13	10	3	18	10	8	2	2		1	1		8	6		2			2		2		1	1			
XII		3	3		11	11		3	3		0			3	3		0		0			0			0		0		0		
CARAGA		5	3	2	10	10		5	4	1	2	2		3	3		4		4			4			4		4		2	2	
NCR		2	2		9	8	1	6	5	1	1	1		1		1	5	5		0			0			0		0		0	
ARMM		0			0			0			0			0			0		0			0			0		0		0		
BASULTA		5	5		3	3		2	2		0			1	1		0		0			0			0		0		0		
CAR		3	3		4	4		3	3		1	1		1	1		9	7		2			2		2		1	1			
TOTAL		88			111			95			20			21			50		22			16			14			6			

Source: NDRRMC

3.4.3 DRRM –Related Assets at DSWD

Resources within DSWD that can be used for disaster risk reduction and management include their response teams and personnel, operating funds for DRR and logistical resources including transportation, warehouses, and operations centers. DRRM is an intense and complex operation requiring ample manpower, networking and resource complements. The department's QRF works in complementation with other institutional resources in the field. Figure 11 presents details on available manpower, funds and logistics support which can be deployed in disaster events.

Human Resources	Funds	Logistics
<ul style="list-style-type: none"> • Quick Response Teams at the DSWD-CO and FO levels; • Social Welfare and Development (SWAD) teams detailed at the Provincial Levels; • City/Municipal Links of the Pantawid Pamilyang Pilipino Program detailed at the City/Municipal levels; • Core Group of Specialists on DRRRM programs and projects. • Pool of trained personnel on CCCM, CISD, PSP, FCBDP, IDP Protection, etc.; and, • Private volunteers on DRRRM programs and project implementation through the DSWD registry of volunteers. 	<ul style="list-style-type: none"> • Annual Quick Response Fund (QRF) allotment amounting to P662.5 million under GAA. • Annual Disaster Fund (DF) allotment amounting to P48.04 million; and, • Standby funds for all DSWD-FOs at P500,000.00, except for NCR and XII at P1 million each; • Stockpile of family food packs at 2,000 in all DSWD-FOs and 100,000 at NROC at any given time. • Donations from international and local donors in the aftermath of any disaster. 	<ul style="list-style-type: none"> • One (1) National and 16 Regional Resource Operations Center (N/ROC) • One (1) National and 16 Regional Disaster Response Operations Monitoring and Information Centers (DROMICs); • Five (5) hauling/delivery trucks and 2 fork lifts at NROC; • Eleven (11) regional hauling/delivery trucks;* • Eight model evacuation centers;* • Three (3) mobile kitchens; and,* • Three (3) model warehouses.*

Figure 11. DSWD's resources for disaster risk reduction and management

3.4.4 DRRM –Related Assets at DPWH

DPWH has a wide array of equipment which can be used for disaster risk reduction, and relief and rehabilitation operations. These include shop tools and equipment, service vehicles, and road construction and maintenance equipment which serve both operations for regular infrastructure maintenance and disaster damage intervention.

As of 2013, of the total 8159 equipment the DPWH has in its national regional offices, less than half (or around 3900 units) were in operational status. The rest were either awaiting repairs or are already unserviceable. This situation necessitates a closer look in terms of maintaining response capability in the field. Equipment repletion (or the purchase of new equipment) may be more cost-effective than spending for the maintenance of decades-old heavy equipment.

Tables 9 to 11 detail the list of current quick response equipment in DPWH's inventory, including their deployment and operational status. These information highlight the necessity of strengthening disaster response capacity through equipment augmentation.

Table 9. Key Quick response Equipment (DPWH 2013)

Equipment Code	Description	Function/Activities		% of Equipment Availability and Reliability for Mobilization at any Given Time?	Sample Activity
		Pre-Disaster	Post Disaster		
H01	High-Side Pick-up with Roof (Crew Cab)	✓	✓	90-100%	Evacuation, Relief Operations, Rescue and Recovery
H03	Dump Truck 4x2, 210 HP, 5.5 cu. m. dump body capacity	✓	✓	90-100%	Evacuation, Relief Operations, Rescue and Recovery
or	Dump Truck 4x2, 120 HP, 3.5 cu. m. dump body capacity	✓	✓	90-100%	Evacuation, Relief Operations, Rescue and Recovery
F05	Drop-side Truck w/ Boom Crane Min. 3 Tons with Winch*	✓	✓	40-50%	Evacuation, Relief Operations, Rescue and Recovery
F16	Hydraulic Excavator, Crawler Type, 0.50 cu. m. with breaker line, Min. Operating Weight - 13,500 kg., Min. Rated Output - 100 HP	✓	✓	90-100%	Restoration, Rehabilitation, Rescue and Recovery
F17	Hydraulic Excavator, Wheel Type, 0.50 cu. m. with breaker line, Min. Operating Weight - 13,500 kg., Min. Rated Output - 100 HP	✓	✓	90-100%	Restoration, Rehabilitation, Rescue and Recovery
L02	Loader, Front End, Min. Operating Weight - 9,700 kg., Min. Rated Output - 125 HP	✓	✓	90-100%	Restoration, Rehabilitation, Rescue and Recovery

Source: DPWH-BOE

Table 10. Average number of equipment per District Engineering Office Classification (DPWH 2013)

DEO Classification		Total	Service Vehicle (H01)	Dump Truck (H03)	Backhoe, Crawler-Type (F16)	Backhoe, Crawler-Type (F17)	Wheel Loader, Front End (L02)	Road Grader (N01)	Road Roller, Vibratory (Z02)
Nationwide									
	Total Inventory	3,281	2,125	530	10	42	204	321	49
	% of Total Inventory	100%	65%	16%	0%	1%	6%	10%	1%
	Nationwide Average Per District	18	12	3	0	0	1	2	0
A 1st Class (No of DEO: 26)									
	Total Units Assigned and Deployed	635	408	93	2	13	37	73	9
	% of Total Inventory	19%	12%	3%	0%	0%	1%	2%	0%
	Average Per District	24	16	4	0	1	1	3	0
B 2nd Class (No of DEO: 126)									
	Total Units Assigned and Deployed	2,197	1,417	362	7	27	141	211	32
	% of Total Inventory	67%	43%	11%	0%	1%	4%	6%	1%
	Average Per District	17	11	3	0	0	1	2	0
C 3rd Class (No of DEO: 29)									
	Total Units Assigned and Deployed	449	300	75	1	2	26	37	8
	% of Total Inventory	14%	9%	2%	0%	0%	1%	1%	0%
	Average Per District	15	10	3	0	0	1	1	0

Source: DPWH-BOE

Table 11. Summary of the number and status of DRR-related assets within the DPWH

Summary of All Equipment																		
STATUS	CESPD	NCR	CAR	I	II	III	IVA	IVB	V	VI	VII	VIII	IX	X	XI	XII	XIII	TOTAL
A	125	16	23	56	90	23	21	40	39	32	23	38	54	36	21	38	14	689
B	163	198	248	168	221	302	318	132	158	263	214	159	97	187	179	115	139	3,261
CN	1	3	10	3	37	16	14	14	8	13	77	18	16	7	12	7	9	265
CJ	1	7	16	12	15	10	23	13	23	8	63	16	12	13	7	3	14	256
DN	3	9	24	16	36	70	22	10	24	16	70	44	23	27	15	23	9	441
DJ	13	61	33	49	39	102	70	59	68	31	41	91	34	47	25	19	24	806
E	174	71	113	218	95	280	72	279	207	131	213	223	127	144	19	40	35	2,441
Total	480	365	467	522	533	803	540	547	527	494	701	589	363	461	278	245	244	8,159
Summary of Shop Tools and Equipment																		
STATUS	CESPD	NCR	CAR	I	II	III	IVA	IVB	V	VI	VII	VIII	IX	X	XI	XII	XIII	TOTAL
A	31	2	12	25	35	6	4	32	20	14	7	17	39	23	13	23	6	309
B	22	7	7	4	13	32	18	23	8	34	55	12	11	20	22	16	5	309
CN					4	2	3	2	3		15	2			2	1	1	35
CJ			1	1	2		6	2	4	1	26	1		5			1	50
DN		2	1	4	12	31	2	1	4	2	42	11	13	6	8	4	1	144
DJ	9	7	9	17	22	46	16	18	18	11	20	39	12	15	9	4	2	274
E	35	13	16	75	44	81	7	86	85	40	123	99	61	71	6	19	9	870
Total	97	31	46	126	132	198	56	164	142	102	288	181	136	140	60	67	25	1,991
Summary of Service Vehicle - H1																		
STATUS	CESPD	NCR	CAR	I	II	III	IVA	IVB	V	VI	VII	VIII	IX	X	XI	XII	XIII	TOTAL
A	94	2	3	11	31	7	3		8	3	7	5	5	7	5	4	4	199
B	139	130	192	119	150	176	211	75	88	143	94	93	54	103	82	66	92	2,007
CN	1	1	6	2	13	4	5	3	1	3	29	8	9	3	3	2	2	95
CJ	1	5	10	1	6	7	7		6	3	18	8	4	1	2		10	89
DN	3		18	6	10	11	6	3	10	9	17	15	5	11	4	7	5	140
DJ	3	20	17	21	8	33	33	10	19	10	12	30	15	15	7	8	9	270
E	139	43	67	98	29	108	57	79	70	64	49	79	27	52	7	14	20	1,002
Total	380	201	313	258	247	346	322	170	202	235	226	238	119	192	110	101	142	3,802
Summary of Road Construction/Maintenance Equipment																		
STATUS	CESPD	NCR	CAR	I	II	III	IVA	IVB	V	VI	VII	VIII	IX	X	XI	XII	XIII	TOTAL
A		12	8	20	24	10	14	8	11	15	9	16	10	6	3	11	4	181
B	2	61	49	45	58	94	89	34	62	86	65	54	32	64	75	33	42	945
CN		2	4	1	20	10	6	9	4	10	33	8	7	4	7	4	6	135
CJ		2	5	10	7	3	10	11	13	4	19	7	8	7	5	3	3	117
DN		7	5	6	14	28	14	6	10	5	11	18	5	10	3	12	3	157
DJ	1	34	7	11	9	23	21	31	31	10	9	22	7	17	9	7	13	262
E		15	30	45	22	91	8	114	52	27	41	45	39	21	6	7	6	569
Total	3	133	108	138	154	259	162	213	183	157	187	170	108	129	108	77	77	2,366
Note: A - Operational, but awaiting assignment; B – Operational; CN - Undergoing minor repair; CJ - Undergoing major repair; DN - Awaiting minor repair; DJ - Awaiting major repair; E – Unserviceable; CESPD - Central Equipment Spare Parts Division																		

Source: DPWH-BOE

3.4.5 DRRM –Related Assets at DepEd

The main assets of the DepEd which are critical for DRRM-related initiatives are its school facilities and manpower. As of SY2012-2013, almost 60,000 schools and 600,000 teachers are under the primary and secondary school systems. Public facilities and public school teachers respectively comprise 78% and 89% of total number of the school facilities and teachers within the system. Although such assets are not primarily for DRRM, school facilities usually double as evacuation centers in times of disaster, while teachers are often mobilized for social and civic activities related to information dissemination and disaster preparedness. Table 12 shows the current inventory of primary and secondary school facilities in the country. The department only has control over the use of the public schools and their respective staff complement.

Table 12. DRRM-related assets under the Department of Education

	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
ELEMENTARY					
Schools	44,691	44,846	45,964	46,137	46,404
Public	37,607	37,762	38,351	38,503	38,659
Private	7,084	7,084	7,613	7,634	7,745
Teachers	405,588	410,386	413,872		
Public	353,280	358,078	361,564	363,955	377,831
Private	52,308	52,308	52,308
SECONDARY					
Schools	10,066	10,384	12,950	12,670	12,878
Public	5,359	5,677	7,268	7,470	7,748
Private	4,707	4,707	5,682	5,200	5,130
Teachers	193,224	197,684	201,435		
Public	138,058	142,518	146,269	150,619	169,743
Private	55,166	55,166	55,166

3.5 QRF Efficiency Assessment

Secondary data and results from focus group discussions and key informant interviews were used to qualitatively assess the efficiency or QRF allocation, utilization and control within the various executive departments. Table 13 presents the details of efficiency indicators and their respective adjectival rating.

The quick response fund was evaluated through a qualified assessment of the sufficiency and efficiency of elements representing fund appropriation, disbursement/implementation, and control. Ratings were established for QRF allocation and utilization, fund availment process, accounting and auditing processes, monitoring and evaluation protocols, and DRRM asset complementation.

Qualified ratings show avenues for improvement in fund allocation, fund administration, monitoring and evaluation, and asset complementation. It is worth noting that the current system is generally strong in terms of fund allocation, utilization, and availment process; but falls short in fund monitoring and control and DRRM asset complementation.

Table 13. Qualitative efficiency Assessment of the quick response funds under various departments

	DND-OSEC	OCD	DSWD	DPWH	DEPED	DA	Efficiency Indicator
QRF Allocation and utilization	-	-	+	+	+	+	
• Annual budget	+	+	-	-	-	-	Appropriations/augmentations
• Percent utilization	-	-	+	+	+	+	Utilization rate
• Budget augmentation	-	-	+	+	-	+	2012 budget
• Liquidation Timeliness	-	-	-	-	-	-	COA/Agency report
Availment Process	+	+	+	+	+	+	
• Process flow	+	+	+	+	+	+	Availment protocol
• Stakeholder consultation	+	+	+	+	+	+	Process flow
• Community feedback	+	+	+	+	+	+	Process flow
• Timing of fund use	+	+	+	+	+	+	Disbursement/downloading
Accounting and Auditing	-	-	+	-	-	+	
• Predisaster programming	-	-	+	-	-	+	Stand by fund restriction
• Procurement	-	-	-	+	+	+	Emergency/ Negotiated Proc
• Fund disbursement	+	+	+	+	+	+	Status report

	DND-OSEC	OCD	DSWD	DPWH	DEPED	DA	Efficiency Indicator
• Policy awareness	+	+	+	+	-	+	Consistency w/ policy
• Liquidation Timeliness	-	-	-	-	-	-	COA/Agency report
Monitoring and Evaluation	-	-	-	-	-	-	
• Project proposal	+ ¹	-	-	-	-	-	Document submission
• In course monitoring	-	-	-	-	-	-	Percent accomplishment
• Final report	-	-	-	-	-	-	Document submission
• M&E System	-	-	-	-	-	-	M&E protocol
DRR Asset complementation⁵	-	-	-	-	-	-	
• Manpower	+	-	-	-	-	-	Personnel
• Equipage	-	-	-	-	-	-	DRR equipment
• Vehicles/Heavy Equipment	- ²	-	-	-	-	-	DRR equipment
• Facilities	- ³	-	-	-	+ ⁴	-	Building/Bases

Note: rating (+) sufficient/efficient; (-) insufficient/inefficient

Rating is based on stakeholder consultations, agency reports, and author's assessment

¹ The program of expenditure for the DND QRF is prepared based on the submission of proposals by the AFP, OCD and

² The strategic assets in Table 5 are primarily intended for military purposes, however, these may be used for disaster response and relief operations in keeping with the dual-use concept.

³ The DND has no existing facility for DRR. Most OCD regional offices are located inside PNP camps as rented space.

⁴ DepEd facilities refer to school buildings, which are often used as training venue and evacuation site (but these are not disaster-proof establishments nor are they designed to accommodate evacuees)

⁵ Most DRR-related assets referred to are dual-purpose and primarily for regular Department operations

4. Insights and Recommendations

4.1 Policy Framework

Republic Act 10121 passed into law in 2010 and laid out the policy basis for strengthening the country's risk reduction and management system, specifying its enabling mechanisms and resource complement. The previous calamity fund appropriated under the annual General Appropriations Act (GAA) was renamed as National Disaster Risk Reduction and Management Fund (NDRRM Fund). The previous thirty per cent (30%) allocated as quick response fund or stand by fund for relief and recovery programs was already included in the annual budgets of DND, DSWD, DepEd, DPWH and DA easing access to the fund.

RA 10121 is barely three years old, but it heavily impacts the operations of all departments/agencies that have a stake on DRRM. The policy transition not only comes with substantial funding/resources for DRRM, but also imposes new accountabilities and operational implications. Enough time and attention should be allotted in ensuring that structures and protocols within the bureaucracy are in place for it to effectively absorb, utilize, mobilize and account for the resources made available for DRRM.

RA 9184 or the Procurement Act, the fund designation indicated in the GAA, DBM National Budget Circulars 507/534/543, and the administrative processes within line agencies set the backdrop for QRF utilization and control. These policy requisites restrict how QRFs are availed, disbursed, and utilized. Though bureaucratic, tasking, and limiting in many ways, these provisions ensure that the standby fund is properly disbursed and used as mandated.

However, the monthly cash programming and the yearly obligation requirement for QRF need revisiting as they do not fit in the context of disaster risk reduction and management. This coupled with the pre-disaster expense restriction for standby funds results in a scenario that is constrictive for relief and rehabilitation operations. The usual programming practice for regular accounts is not appropriate for quick response funds where the timing and magnitude of disaster/emergency occurrence cannot be ascertained. A two-year window for fund use may be more applicable for QRF and other funds associated with DRRM. This will give enough room for resource maneuvering and fiscal adjustments to better address requirements in the field before, during, and after times of disaster.

Instead of a monthly cash program, a more appropriate check for the fund would be a monthly status reporting of QRF. This could be patterned over the practice of the US Federal Emergency Management Agency (FEMA) where monthly disaster relief fund reports lend to greater awareness, scrutiny, and transparency in funding level and use.

RA 10121 and all DRRM related policy are supposed to be founded on proactivity and facilitated action. The low absorption rate of QRF in some of the implementing departments reflects poorly on both the accessibility of the fund and the agency's capacity to capitalize on the resources made available for disaster risk reduction and management. QRF limitation to MOOE and non-food items (NFIs), and the pre-disaster expense restriction effectively relegates QRF for post-disaster relief and rehabilitation. While this enforces QRF's role as a standby fund, it also removes any semblance of proactivity from its use. As DRRM necessitates proactivity among all stakeholders, all barriers holding back this impetus must be addressed with resolve.

4.2 QRF Appropriation and Utilization

Calamity and quick response fund allocations have been generally increasing since the new presidency transitioned and RA 10121 was passed into law. This development is important regardless of cause or underlying reason. The manifestations and ill effects of climate change and extreme seasonal climate variability call for a change in fiscal priorities. DRRM-related expenditures and investments yield positive welfare impacts for stakeholders and translate to less lives lost and properties damaged from disaster.

However, trends in DSWD's/DPWH's/DA's QRF utilization up to FY2013 suggest the need to augment the current level of funding. Several departments required budget replenishment after major disasters. In FY2013 alone, the budget of DSWD was already expended barely four months into the year. The level of QRF funding should be based on a yearly assessment of projected needs. However, the limited historical data show QRF funding shocks after major calamities. This was reflected in DepEd's 2007 funding for the damages from typhoon Reming, and the fund replenishments for DSWD, DPWH and DA post typhoon Pablo in 2012. With the increasing frequency of extreme hydrometeorological disturbances/disasters hitting the country every year, it is apparent that more funds need to be infused for disaster response and rehabilitation.

Sufficient resources should be made available in the field as a single major disaster may incur damages amounting to billions of pesos. A good example is the damage brought about by typhoon Pablo which exhausted the QRFs of DSWD, DPWH and other agencies.

Two options are available here, either increase the fund allocation for each department or ensure the availability of sufficient reserve funds for eventual QRF replenishment. If the choice is the latter, then all the relevant executive departments must be made aware of this assurance so that the same can be accounted for in DRRM planning and response processes (note that DepEd was unsure during the FGD whether their QRF would be replenished soon enough upon depletion).

4.3 Fund Availment Process Flows

Process flows for QRF availment should be as simple as possible. This lends to rapid deployment of relief and rehabilitation interventions in times of disasters. What currently lacks in the system and needs to be augmented is the monitoring and evaluation counterpart to ensure that funds are being used as intended and in a timely manner.

Administrative and fund availment processes within the executive departments may have also received a shock with data from the DBM showing a sharp increase in QRF allocation in recent years (DBM 2013). This contention, however, should be subject to further scrutiny as line agency budgets reflected high levels of QRF availment prior to 2012. There is a big discrepancy between the figures from DBM and implementing departments on the level of QRF funding over the years.

Without the shock value of resource infusion, the default explanation for low absorption rate/fund utilization in some of the departments would be the inaccessibility of the fund. Existing policy should therefore be streamlined to remove the possibility of this impediment.

4.4 Fund Accounting and Control

There should be disaggregation of expense reporting for QRF funded projects to enable proper assessment of fund utilization. An avenue for exclusive QRF liquidation should be institutionalized in the process. Appropriate monitoring and evaluation protocols should also be put in place to better account for QRF fund utilization. The recommendation is in line with the principles of transparency and accountability and should be consistent with similar processes to be instituted among the other departments with QRFs.

A balance should be struck between fund flexibility and control. The post-disaster restriction governing QRFs, ironically may have the opposite implication on fund use and control. This restriction relegates line agencies to avail of emergency purchases for food and nonfood items in times of disaster. There is more control with the “competitive bidding” provision of RA9184 or the procurement law in place, but this necessitates the allowance of predisaster programming and expenditure for QRF. This also has implication on availability of appropriate relief goods, and timing of intervention and response in the field.

There is debate on the merits of the calamity fund of pre-2012 vs the GAA allocation in 2012 for QRF. There seems to be more flexibility and room for maneuvering with the previous calamity fund setup compared to having it within the line agency budget matrix. It would be ideal if the QRF can have flexibility for use in capacity building and predisaster activities, while maintaining reserve levels for eventual disaster response

4.5 Monitoring and Evaluation

The study was limited by the amount of data and information available from the various implementing departments. QRF utilization was generally high over the years but the means to assess the degree of “disaster response adequacy” was not present. No narrative report or document on QRF funded activities, services, and projects indicating the accomplishments and timing of fund use was available for scrutiny by the researcher. This is a serious systemic concern considering that huge amounts of money are being poured into the fund, and that answering efficiency concerns would mean more lives and properties saved. Metrics should be in place to measure levels of accomplishments, including the timing of provision of relief and encountered constraints. It is only with these that the true efficiency of the QRF could be assessed.

Based on focus group discussions and key informant interviews, as well as the encountered difficulties in obtaining data/reports from the different departments, it is an obvious conclusion that there is no substantial monitoring and evaluation mechanism in place for QRF. This gap has to be addressed if the fund is to be truly responsive, as well as managed sensibly and efficiently in the years to come.

4.6 DRRM Asset Complementmentation

The efficiency by which QRF could be made available in times of disaster is still premised on the available resource complements in the field. Rescue operations cannot be implemented without warm bodies, relief goods cannot reach affected communities without transport equipment, damaged roads cannot be made accessible without heavy equipment, and people cannot be evacuated without secured

facilities and appropriate communication channels. This is the impetus behind efforts to augment or beef-up the response capacity of implementing departments through appropriate DRRM-related resources.

DRRM-related assets cover the array of manpower, equipment, and facilities deployable for pre- and post-disaster needs. The inventory of DRRM-related assets should be pursued in a more comprehensive fashion. All relevant departments including the department of interior and local government should contribute in the process. Also, inventory of donations should be reported and coordinated with the procurement teams to keep track of the available relief goods. Communications centers should have satellite hook ups for continuous and up-to-date information. This would allow for proper accounting, mobilization and augmentation of resources in the field during times of calamity/emergency.

Manpower capacity and equipment build-up should be an ongoing exercise. There can never be enough trained personnel nor too much equipment for DRRM, especially given the current wanting level for both. Appropriate funding, and flexibility on its used should be made available for this.

Training is even applicable to armed forces personnel who play a critical role in disaster response particularly in hazardous and remote areas. The army is usually deployed to the affected localities although DRR is not the AFP's primary mandate. DND-AFP's effectivity in the field is dependent on the size, training, and equipment status of disaster response units that can be deployed to affected areas. Concerns are pressing on the provision of training, supplies and equipment. The current asset inventory is multi-use and the process of deploying them is very regimented. The same augmentation concern applies to the DRRM-related assets of DPWH.

There was controversy early in 2012 about the conditional use of the calamity or NDRRM fund for capacity building and predisaster operations. While it is prudent that the government ensure the availability of funds during actual disasters, the predisaster component activities are similarly critical. More lives and billions worth of properties will be saved with better trained personnel, better equipped line agencies, and better prepared communities.

4.7 Institutional Augmentation

QRF utilization efficiency is affected by either fund accessibility or institutional concerns. The former relates to administrative requisites while the latter refers to organizational set-up. The case of OCD exemplifies these two issues. The need augment OCD's ability to use its QRF is apparent given the low absorption rate of the fund in 2012 and early 2013. Access to the fund should not be compromised by administrative concerns.

All implementing agencies must be able to capitalize on the resources made available for disaster risk reduction and management.

4.8 Overall Fund Efficiency

The quick response fund is a vital component of disaster response and recovery operations. It is therefore of prime importance that all facets of fund appropriation, utilization, and control are aligned with disaster risk reduction and management principles.

Distinct avenues for improvement were shown through qualified assessment of performance indicators representing QRF allocation and utilization, fund availment process, accounting and auditing processes, monitoring and evaluation protocols, and DRRM asset complementation.

QRF's level of efficiency can be enhanced through systematic changes: (a) appropriate levels of yearly QRF allocation has to be projected; (b) fund programming and obligation must not be constrained by the usual monthly/yearly budget execution documents (monthly fund status reporting is more appropriate); (c) fund use policy should not constrain proactivity (qualified pre-disaster expenditure and resource positioning should be accommodated); (d) more apt monitoring and evaluation protocol has to be put in place for obligated funds and funded projects; (e) investments on DRRM-related resources should be increased to complement QRF; and, (f) institutional augmentations should be implemented as necessary.

5. References

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Annex A

XXXVII. CALAMITY FUND

For aid, relief and rehabilitation services to communities/areas affected by man-made and natural calamities, and repair and reconstruction of permanent structures, including other capital expenditures for disaster operation, and rehabilitation activities, as indicated hereunder..... P 7,500,000,000

New Appropriations, by Purpose

A. PURPOSE(S)	Current Operating Expenditures			
	Personal Services	Maintenance and Other Operating Expenses	Capital Outlays	Total
1. Aid, Relief and Rehabilitation Services to Communities/Areas Affected by Calamities, including Training of Personnel, and Other Pre-disaster Activities		P 2,650,000,000	P	P 2,650,000,000
2. Repair and Reconstruction of Permanent Structures, including Capital Expenditures for Pre-disaster Operations, Rehabilitation and Other Related Activities		800,000,000	4,050,000,000	4,850,000,000
TOTAL NEW APPROPRIATIONS		P 3,450,000,000	P 4,050,000,000	P 7,500,000,000

Special Provision(s)

1. Use and Release of Fund. The amounts appropriated herein may be made available for relief, rehabilitation, reconstruction, and other works or services in connection with natural calamities, epidemics as declared by the DOH, crises resulting from armed conflicts, insurgency, terrorism, and other catastrophes, which may occur during the budget year or those that occurred in the immediately preceding year: PROVIDED, That the beneficiaries of relief, rehabilitation, reconstruction, and other works or services in connection with the occurrence of calamities, epidemics, crises, and catastrophes already covered by donations or grants received by all agencies of the government shall not be entitled to support or assistance from this Fund until the donation or grant has been fully expended or used. The National Disaster Risk Reduction and Management Council (NDRRMC) shall be responsible for consolidating the donations and grants given to agencies of the government in support of calamities.

Releases from this Fund shall be made by the DBM directly to the appropriate implementing agencies upon approval of the President of the Philippines, and in accordance with the favorable recommendation of the NDRRMC for local disasters or the appropriate agency for international crises: PROVIDED, That the NDRRMC shall consider the donations or grants received by agencies of the government in support of calamities in making the foregoing recommendation to the President of the Philippines.

The NDRRMC shall submit, either in printed form or by way of electronic document, to the DBM, the House Committee on Appropriations and the Senate Committee on Finance a consolidated accountability report on the utilization of the donations or grants given to agencies of the government. The NDRRMC shall likewise post said report, at least on a quarterly basis, on its official website. The Chairperson of the NDRRMC shall be responsible for ensuring compliance with this requirement.

2. Quick Response Fund. The Quick Response Fund (QRF) under the Calamity Fund shall now be lodged under the budgets of the

below-stated implementing agencies, in the following amounts:

DSWD-OSEC	P 66 P 662,500,000
DND-Office of Civil Defense	530,000,000
DND-OSEC	352,500,000
DPWH-OSEC	550,000,000
GRAND TOTAL	P2,095,000,000

The foregoing QRFs shall serve as a stand-by fund to be used for relief, rehabilitation and reconstruction programs and projects in order that the situation and living conditions of people living in communities or areas stricken by calamities, epidemics, crises, and catastrophes occurring during the year may be normalized as quickly as possible.

Source: GAA 2012