



# Disaster Risk Financing in the Philippines: A Three-Year Snapshot, 2018-2020

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# Outline of Presentation

## 1. Introduction

- a. Research Questions
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## 1. DRF in the Philippines

- a. Sources of DRM Funding in the Philippines
- b. Mapping of DRF Flows in the Philippines
- c. Damage and Losses (per Hazard)
- d. Damage and Losses (per Geographic Area)
- e. DRF Gaps per Geographical Area

## 1. Conclusion and Recommendations



# Research Questions

## 1. What are the different sources of DRM funding in the Philippines?

1. Who are the intended users of these funds?
2. Which can be used for disaster risk reduction (prevention and mitigation, preparedness), AHA, response, and rehabilitation and recovery?

## 1. How much DRM funds have been allocated in recent years (2018-2021)?

1. Which regions have received the most funding?
2. For what hazards?
3. Are allocated funds sufficient to meet needs?



# Methodology

## Desk Review of

- Databases: UN OCHA, databases of bilateral and multilateral sources, aggregators, CSOs
- Official Government Documents: DBM, COA, OCD Situational Reports

- **Data Limitations**

- **Scope**

- Coverage: **2018 - 2021**
    - Limited data collection period: **~4 weeks**

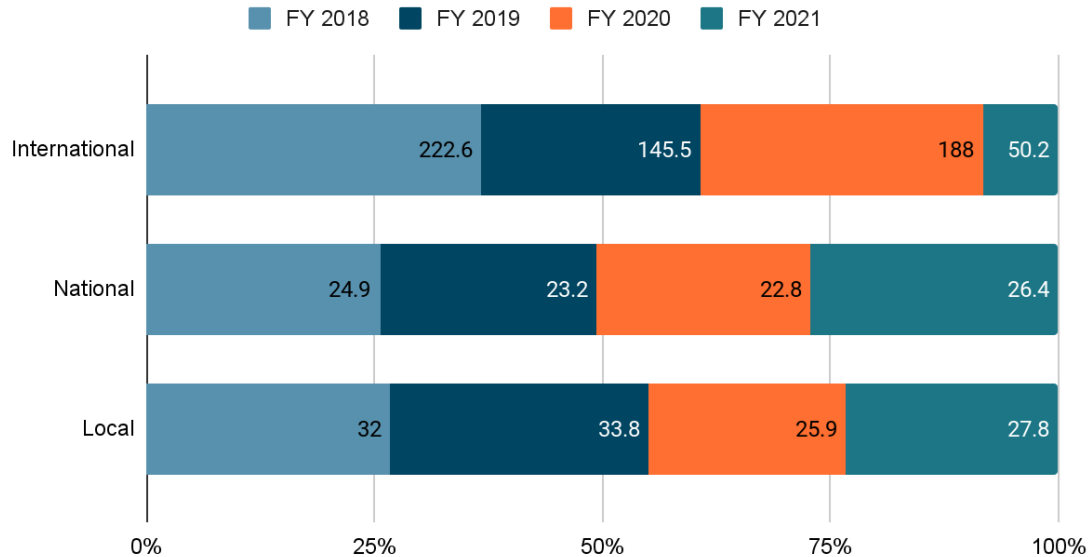
- **Data Availability**

- No one-stop source of disaster-related data in the Philippines
    - No disaggregated funding data per DRM phase and response cluster
    - No consolidated local DRM funding data
    - Damage and losses confined only to agriculture, infrastructure and private properties



# Sources of DRF in the Philippines

Fund Flows in Billions of Pesos



**Note:** Figures are in billions of peso



# Which can be used for different DRM phases?

Sources	Risk Reduction	AHA	Response	Rehabilitation and Recovery
<b>National Government</b>				
NDRRMF				CARED, MRRP
QRF		*		
PSF				
Agency Programs	DOF's DMAF			
	Regular PPAs of DOST, DILG, DPWH, DND-OCD, etc.		DA's Crop Insurance, DTI	
			DOLE,DSWD	DILG's ADM
Government Financing (Loans)				LBP, DBP, SHFC, SBC, GSIS, SSS, Pag-IBIG
Supplementary Programs				
<b>Local Government</b>				
LDRRMF (MF)				
LDRRMF (QRF)		*		
Other Internal LGU Funds	General Development Fund, GAD Fund			*
Other LGUs				

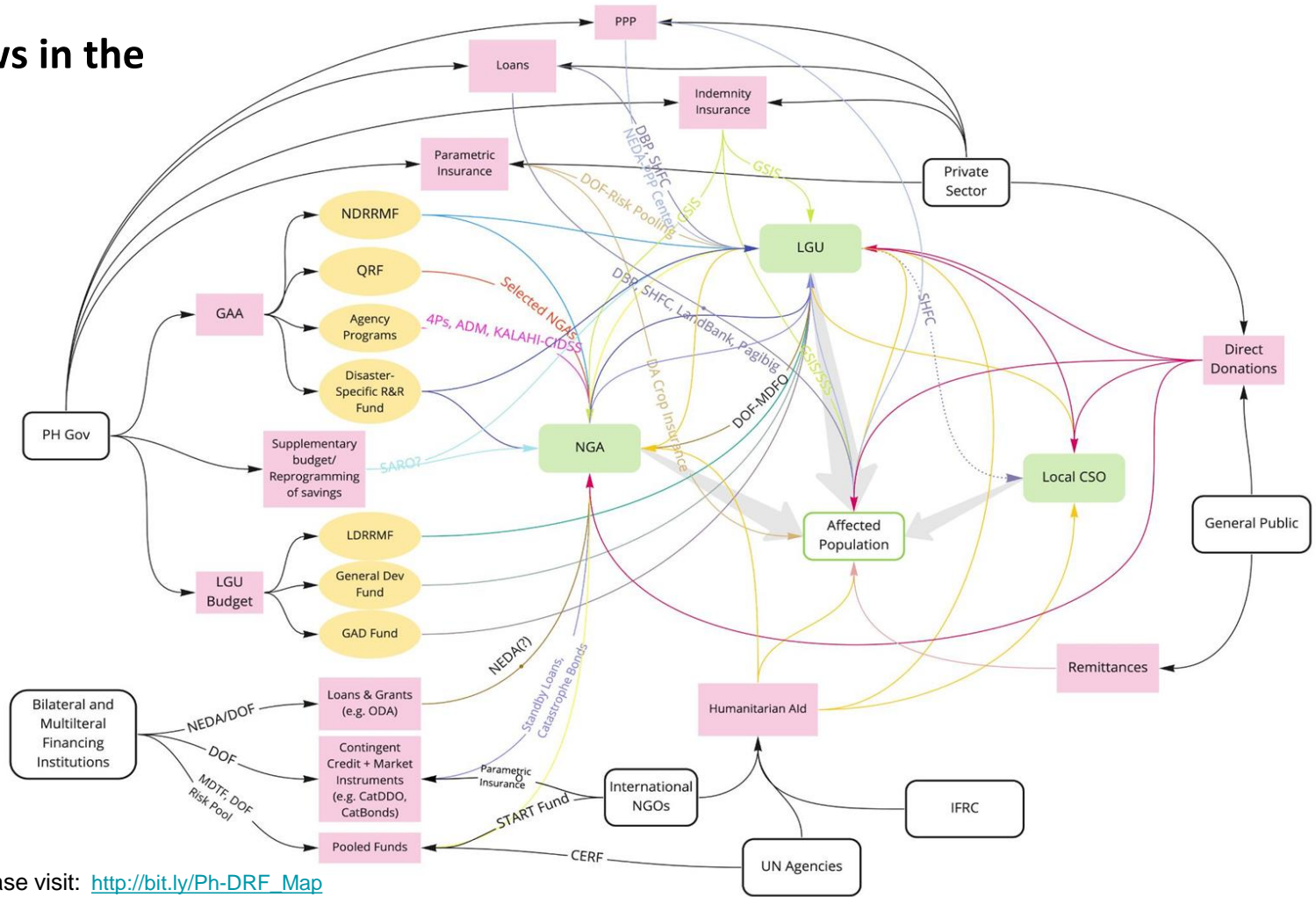


# Which can be used for different DRM phases?

Sources	Risk Reduction	AHA	Response	Rehabilitation and Recovery
<b>UN, M/BFIs, and INGOs</b>				
Pooled Funds		CERF, DREF, START Fund		
Global Index Insurance Facility (World Bank)		*		
Market Instruments				
World Bank's Catastrophe Bonds				
Contingent Credit				
World Bank's Catastrophe Deferred Drawdown Option				
Loans and Grants (ODA)				
<b>Private Sector and Local CSOs</b>				
Public Private Partnership	PDRF's Resilient Cities/Municipalities Leadership Program, Safe Schools Program			
Internal DRM Programs		CSOs		
Private Donations				
Property Insurance				



# DRM Fund Flows in the Philippines



For the full resolution, please visit: [http://bit.ly/Ph-DRF\\_Map](http://bit.ly/Ph-DRF_Map)



## DRF Flows per Hazard (2018 - 2021)

Types of Disaster (OCD Situation Reports)	Frequency	2018	2019	2020	*2021	Total
<b>Hydrometeorological</b>	28	9.05	7.64	825.65	84.82	927.16
<b>Volcanic Eruption</b>	2	0.14		1.1		1.23
<b>Earthquake</b>	7		4.93	0.87		5.81
<b>Disease Outbreak</b>	4	1.66	1.07	1,896.68	803.48	2,702.88
<b>El Niño</b>	1					
<b>Flash Flood and Landslide</b>	2		0.02			0.02
<b>Conflict in Mindanao (Not in OCD Situation Reports)</b>	1	42.49	10.39	15.88	0.39	69.16
<b>Uncategorized</b>		4,398.67	2,885.7	1,020.45	115.68	8,420.5
<b>Total</b>		<b>4,452</b>	<b>2,909.76</b>	<b>3,760.63</b>	<b>1,004.37</b>	<b>12,126.76</b>

**Source:** Various online databases, and OCD's Situation Reports of Major Disaster Events (2018-2021) for frequency

\*as of April 2021



## DRF Allocation per Geographic Area (2018 - 2021)

	2018	2019	2020	2021
<b>Region I - Ilocos Region</b>	₱457,315,050.00	₱474,634,800.00	₱406,229,932.58	₱435,384,069.00
<b>Region II - Cagayan Valley</b>	₱390,462,150.00	₱426,608,100.00	₱412,154,199.98	₱441,733,506.68
<b>Region III - Central Luzon</b>	₱912,533,850.00	₱951,196,350.00	₱743,476,385.58	₱796,833,881.48
<b>Region IV A - CALABARZON</b>	₱1,182,035,550.00	₱1,015,221,300.00	₱877,002,063.93	₱939,942,373.73
<b>Region IV B - MIMAROPA</b>	₱335,047,050.00	₱365,321,250.00	₱360,743,996.94	₱386,633,718.14
<b>Region V - Bicol Region</b>	₱444,745,800.00	₱485,094,900.00	₱462,008,219.30	₱495,165,428.00
<b>Region VI - Western Visayas</b>	₱674,883,900.00	₱725,180,100.00	₱612,823,561.58	₱656,804,421.38
<b>Region VII - Central Visayas</b>	₱749,200,950.00	₱808,155,450.00	₱542,828,068.76	₱581,785,521.89
<b>Region VIII - Eastern Visayas</b>	₱422,168,100.00	₱461,468,550.00	₱461,236,158.62	₱494,337,958.37
<b>Region IX - Zamboanga Peninsula</b>	₱297,748,950.00	₱332,953,650.00	₱470,055,616.10	₱341,559,619.08
<b>Region X - Northern Mindanao</b>	₱507,888,750.00	₱555,535,650.00	₱430,915,463.51	₱461,841,220.56
<b>Region XI - Davao Region</b>	₱431,375,550.00	₱465,159,000.00	₱395,911,214.81	₱424,324,801.88
<b>Region XII - SOCCSKSARGEN</b>	₱343,923,750.00	₱374,554,350.00	₱591,244,956.50	₱375,785,440.77
<b>Region XIII - CARAGA</b>	₱303,589,350.00	₱317,059,200.00	₱323,887,425.33	₱347,132,039.79
<b>BARMM</b>	₱311,336,700.00	₱341,794,200.00		₱435,662,153.78
<b>CAR</b>	₱249,835,200.00	₱272,484,000.00	₱253,010,615.85	₱271,168,573.74
<b>NCR</b>	₱1,600,732,650.00	₱1,767,914,100.00	₱429,027,963.99	₱459,818,259.78

**Source:** Estimates of regional QRF based on IRA and DBM's Budget of Expenditures and Sources of Financing



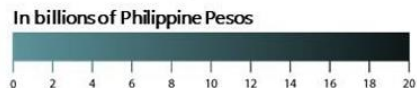
# Damage and Losses per Geographic Area (2018-2021)

Region	2018	2019	2020	2021
Region I - Ilocos Region	₱11,108,591,435.00	₱290,959,888.00	₱796,932,318.00	
Region II - Cagayan Valley	₱17,311,885,174.00	₱3,813,318,123.00	₱7,801,004,040.00	
Region III - Central Luzon	₱6,336,363,824.00	₱463,566,604.00	₱3,679,146,026.00	
Region IV A - CALABARZON	₱372,157,428.00	₱916,047,951.00	₱10,098,010,833.00	₱3,985,973.74
Region IV B - MIMAROPA	₱2,032,780,447.00	₱1,465,268,130.00	₱2,700,352,640.00	
Region V - Bicol Region	₱4,417,242,044.00	₱4,862,846,870.00	₱19,540,660,316.00	₱281,941,127.80
Region VI - Western Visayas	₱591,536,504.00	₱137,717,328.00	₱284,092,065.00	₱206,914,005.40
Region VII - Central Visayas			₱5,000,000.00	
Region VIII - Eastern Visayas	₱319,890,505.00	₱645,575,784.00	₱215,123,405.00	₱415,049,200.40
Region IX - Zamboanga Peninsula		₱310,808,121.00		₱13,209,178.27
Region X - Northern Mindanao		₱345,937,693.00	₱28,309,638.00	₱741,000.00
Region XI - Davao Region				₱23,342,996.00
Region XII - SOCCSKSARGEN		₱54,019,651.00		
Region XIII - CARAGA	₱124,587,334.00			₱129,711,042.30
BARMM		₱636,253,691.00		
CAR	₱6,239,886,513.00	₱1,687,545,362.00	₱1,592,952,118.00	
NCR	₱0.00	₱17,000,000.00	₱723,633,505.00	

Source: OCD's Situation Reports



# Damage and Losses per Geographic Area (2018-2021)



**Source:** *OCD's Situation Reports of Major Disaster Events (2018 – 2021)*

Loss and Damage (2018)



Source: 2018 OCD Situation Reports

Loss and Damage (2019)



Source: 2019 OCD Situation Reports

Loss and Damage (2020)



Source: 2020 OCD Situation Reports

Loss and Damage (2021)



Source: January – April 2021 OCD Situation Reports



## Summary: DRF Gap per Geographic Area (2018-2021)

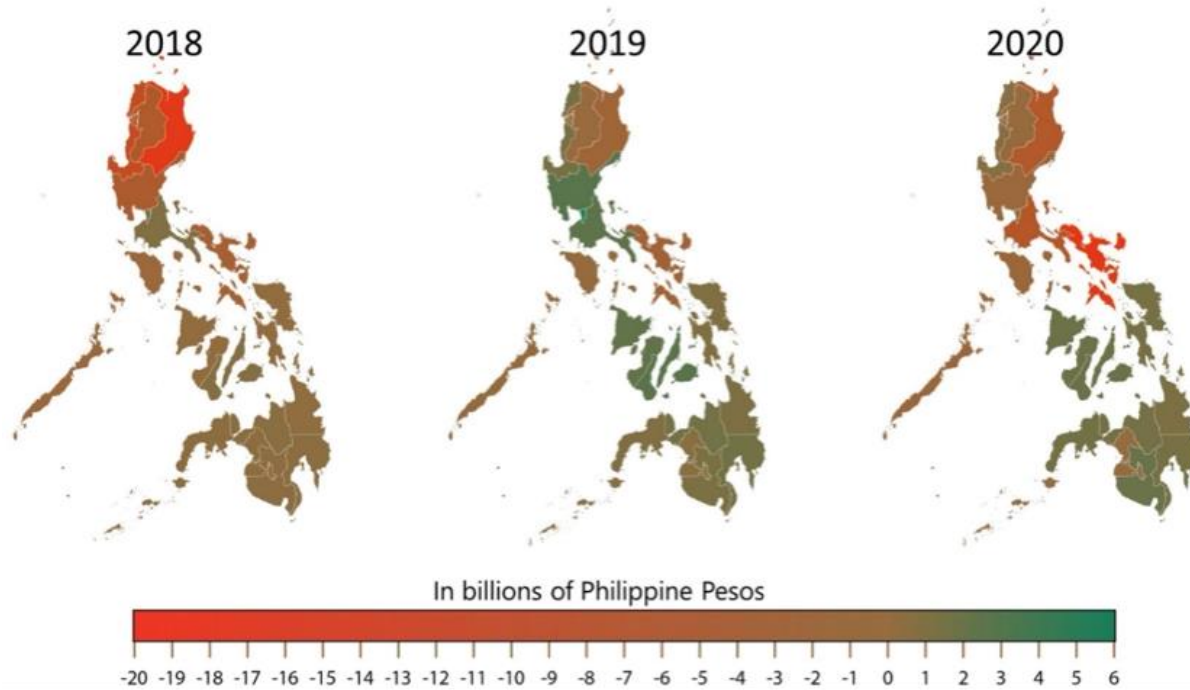
Region	2018	2019	2020	2021
Region I - Ilocos Region	-10,651.28	183.67	-390.70	435.38
Region II - Cagayan Valley	-16,921.42	-3,386.71	-7,388.85	441.73
Region III - Central Luzon	-5,423.83	487.63	-2,935.67	796.83
Region IV A - CALABARZON	809.88	99.17	-9,221.01	935.96
Region IV B - MIMAROPA	-1,697.73	-1,099.95	-2,339.61	386.63
Region V - Bicol Region	-3,972.50	-4,377.75	-19,078.65	213.22
Region VI - Western Visayas	83.35	587.46	328.73	449.89
Region VII - Central Visayas	749.20	808.16	537.83	581.79
Region VIII - Eastern Visayas	102.28	-184.11	246.11	79.29
Region IX - Zamboanga Peninsula	297.75	22.15	470.06	328.35
Region X - Northern Mindanao	507.89	209.60	402.61	461.10
Region XI - Davao Region	431.38	465.16	395.91	400.98
Region XII - SOCCSKSARGEN	343.92	320.53	591.24	375.79
Region XIII - CARAGA	179.00	317.06	323.89	217.42
BARMM	311.34	-294.46	0.00	435.66
CAR	-5,990.05	-1,415.06	-1,339.94	271.17
NCR	1,600.73	1,750.91	-294.61	459.82

**Note:** Figures are in millions of pesos. Highlights in orange signify DRM financing gap. QRF estimates for 2020 and 2021 are undervalued due to lack of local revenue data other than the IRA. Figures for 2021 are as of April of the year.

**Sources:** OCD Situation Reports, IRA, and DBM's BESF



## DRM Financing Gap (2018-2020)



**Source:** Own calculation based on damage and losses data from OCD's situation reports and estimates of regional QRF based on IRA and DBM's BESF



# Conclusion

1. There is **no centralized system for monitoring DRM funding** in the Philippines.
1. Based on best available data, **some regions seem to need more DRM funding than others.**
  - The largest financing gap in the past three years, 2018-2020, was observed in four regions in Luzon, namely, **Cagayan Valley (Region II), Mimaropa (Region IV-B), Bicol (Region V), and the Cordillera Administrative Region (CAR)**. By contrast, only two regions in the Visayas and Mindanao, particularly, **Eastern Visayas (Region VIII) and Bangsamoro Autonomous Region for Muslim Mindanao (BARMM)**, were estimated to have inadequate QRF vis-à-vis cost of damage in 2019.



## Key Recommendations

1. **Advocate for an open and standardized reporting mechanism to effectively map out national and local fund flows** for NGAs, LGUs, private sector, and CSOs, including international humanitarian and official development assistance.
1. **Conduct a more comprehensive review of disaster damage and losses based on the Post-Disaster Needs Assessment (PDNA) reports** of all disasters in the past 10 years or so.







# Maraming salamat! Thank you!



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