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# Vietnam

## Disaster Risk Management: Public Expenditure Review (DRM-PIER)

### Progress to date

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# OUTLINE



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## 1. Overview and method

## 2. Key findings

## 3. Recommendations

# Global Context



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## 1. Sendai Framework for Disaster Risk Reduction 2015

- Priority 1: Understanding disaster risk
- Priority 2: Strengthening disaster risk governance to manage disaster risk
- **Priority 3: Investing in disaster risk reduction for resilience**
- **Priority 4: Enhancing disaster preparedness for effective response and to “Build Back Better” in recovery, rehabilitation and reconstruction**

## 2. Increasing recognition of contribution of DRM to sustainable adaptation to climate change.

# Policy and Institutional Coordination for DRM



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- In Viet Nam many agencies are involved in DRM/DRR activities, even though some might not label it as such
- Coordination within and between agencies is not consistent and there is a lack of information on overall resources being allocated to DRM/DRR activities
- Collection of data on budget flows in time consuming and labour intensive. It exists but is hard to access.

# Purpose

- **improve understanding** of how financial resources are being allocated to DRM/DRR strategies and outcomes through government's various funding sources (domestic, external etc)
- **enable government to report** on DRM/DRR resource allocations in compliance with Sendai Framework and emerging Paris Agreement/Climate Change reporting mechanisms (GCF, UNFCCC)
- **promote policy dialogue and strengthening of the institutional/budget arrangements** for managing DRM/DRR-related public expenditure
- future potential to **track efficiency and effectiveness of specific investments**



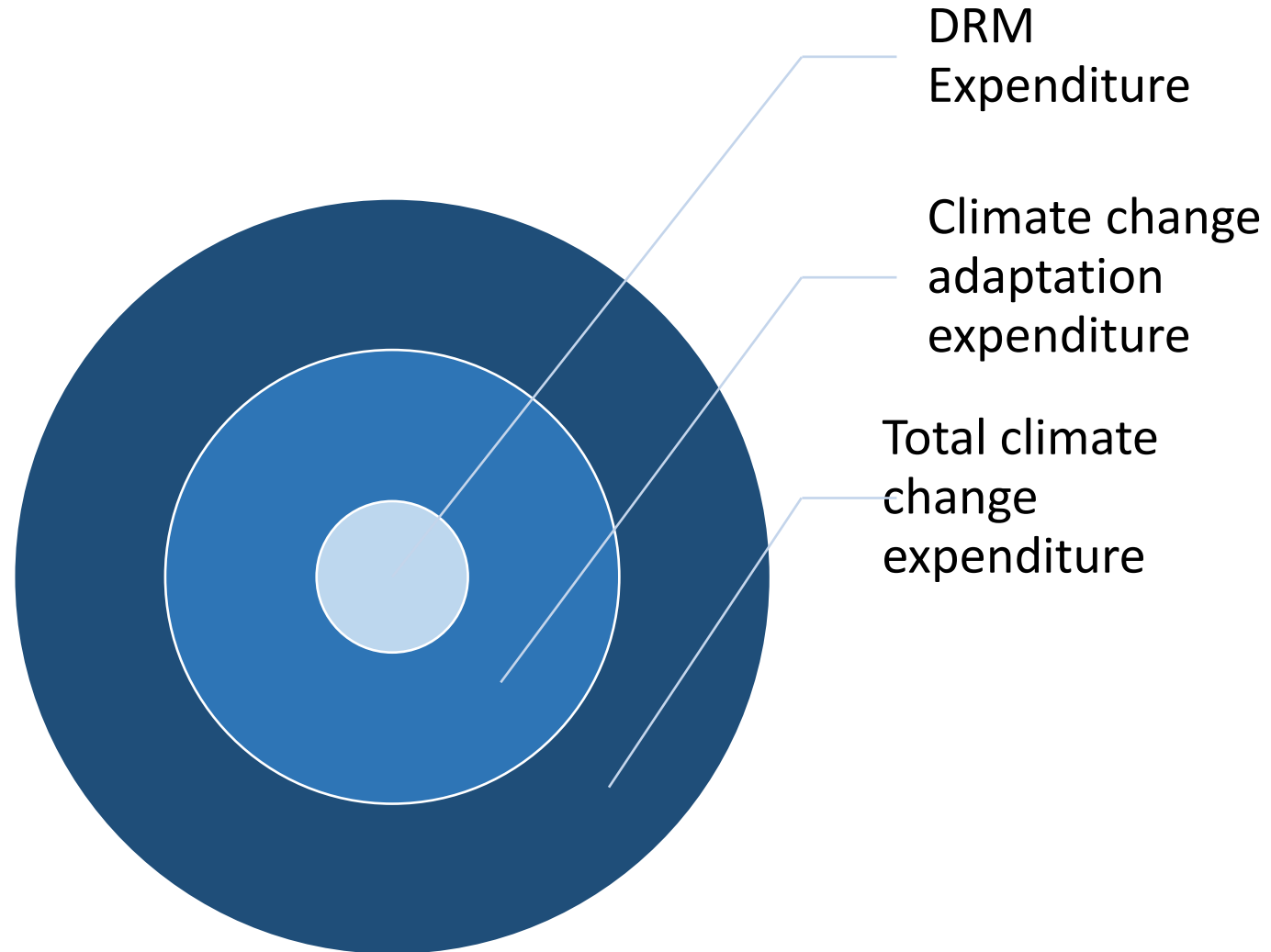
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# Methodology:

## DRM is a sub-set of total CC expenditure



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# METHODOLOGY: Data collection



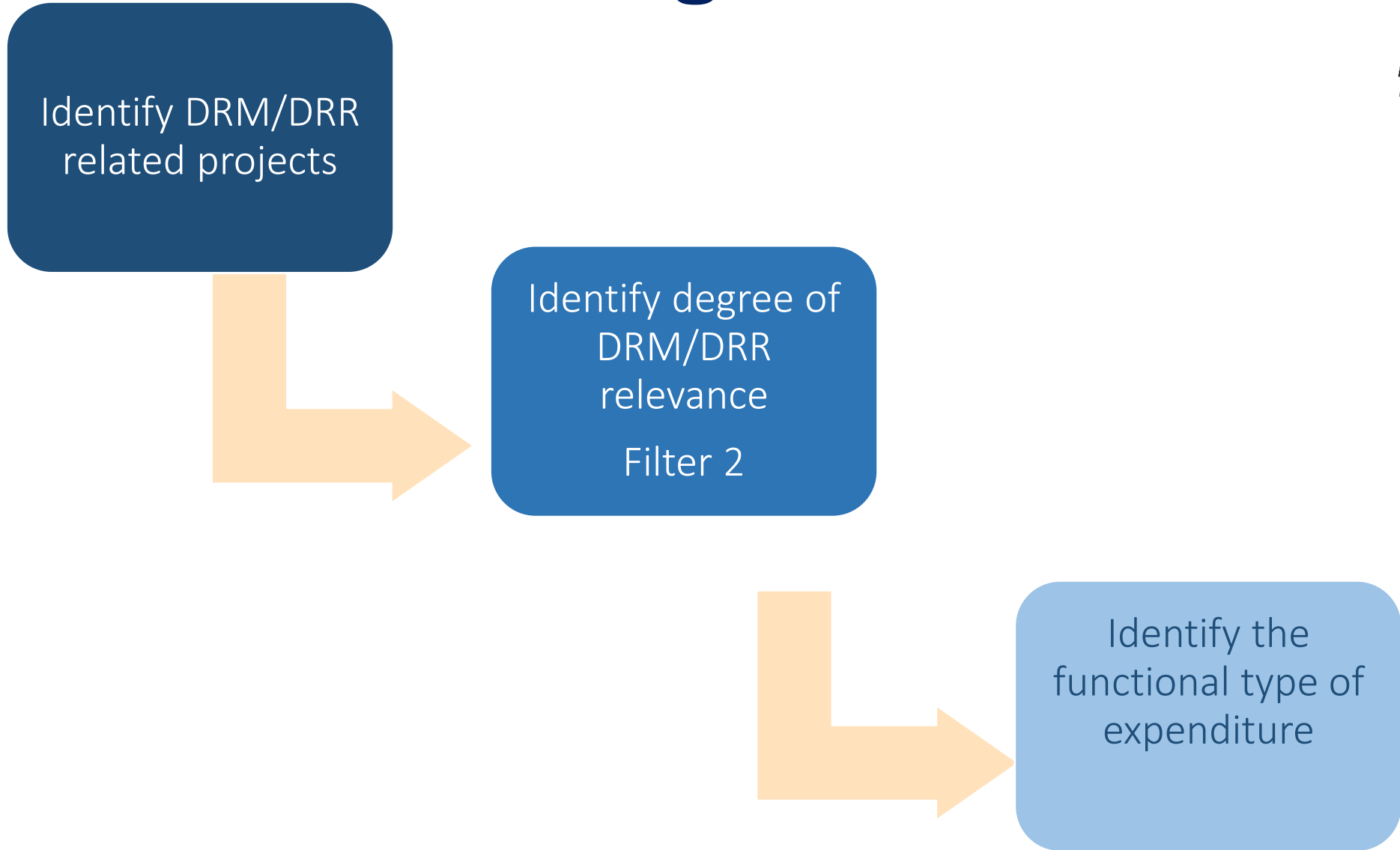
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**Based on the dataset of Climate Change Public Expenditure and Investment Review (CPEIR) and additional data provided by MARD and through on-going related projects.**

- 5 Ministries: MARD, MONRE, MOIT, MOT, MOC,
- 3 Provinces: An Giang, Quang Nam, Bac Ninh
- Data type: Recurrent and investment expenditure (separate work tracks off-budget ODA through civil society organisations)
- Time period: 2010 – 2015 using best available data

**This report presents initial draft data-** work is on-going and recently received **2014/ 2015 data is not yet included. Final report will be available within 2016.**

# Three levels of filtering



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## DRR/DRM Filter 1: Apply “key words” (English – Vietnamese)

- Capacity, protection, warning, safety, safe
- Prevention, mitigation, response, emergency, recovery, rehabilitation, reconstruction
- Disaster, flood, inundation, storm, surge, salt, salinity, earthquake, landslide, landslip, tsunami, tide/tidal, fog
- Forest/Forestry, irrigation, water resources management, hydro-meteorology/Hydology/Hydrological, Meteorology/Meteorological
- Dyke, embankment, dam, weir, sluice, canal, harbor, bridge.



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## Relevance Filter 2: Identify degree of relevance



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- Index 5 - **complete relevance** – explicit and fully dedicated to DRM/DRR
- Index 4 - **high relevance** – one or more primary DRM/DRR objectives and intended to deliver specific DRM/DRR results.
- Index 3 - **medium relevance** - secondary level DRM/DRR outcomes as part of mixed programme of activities
- Index 2 - **low relevance** – only a low or indirect level of DRM/DRR benefits
- Index 1 - **marginal relevance** – very indirect or only very limited links to DRM/DRR
- Index zero – No relevance to DRM/DRR

# Type Filter 3: Identify function of expenditure



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Policy & Institutional Development

A1

Awareness/ Advocacy  
Programs and Capacity Building  
(Community, Business or Official)

A2

Research, Early Warning Systems, Hazard and Risk Mapping Analysis

A3

Risk-Reduction Measures & Capital Investment

A4

Relief/ Response

B1

Recovery/ Reconstruction:

B2

**A. Pre-disaster:** Preparedness, Prevention, Mitigation & Resilience

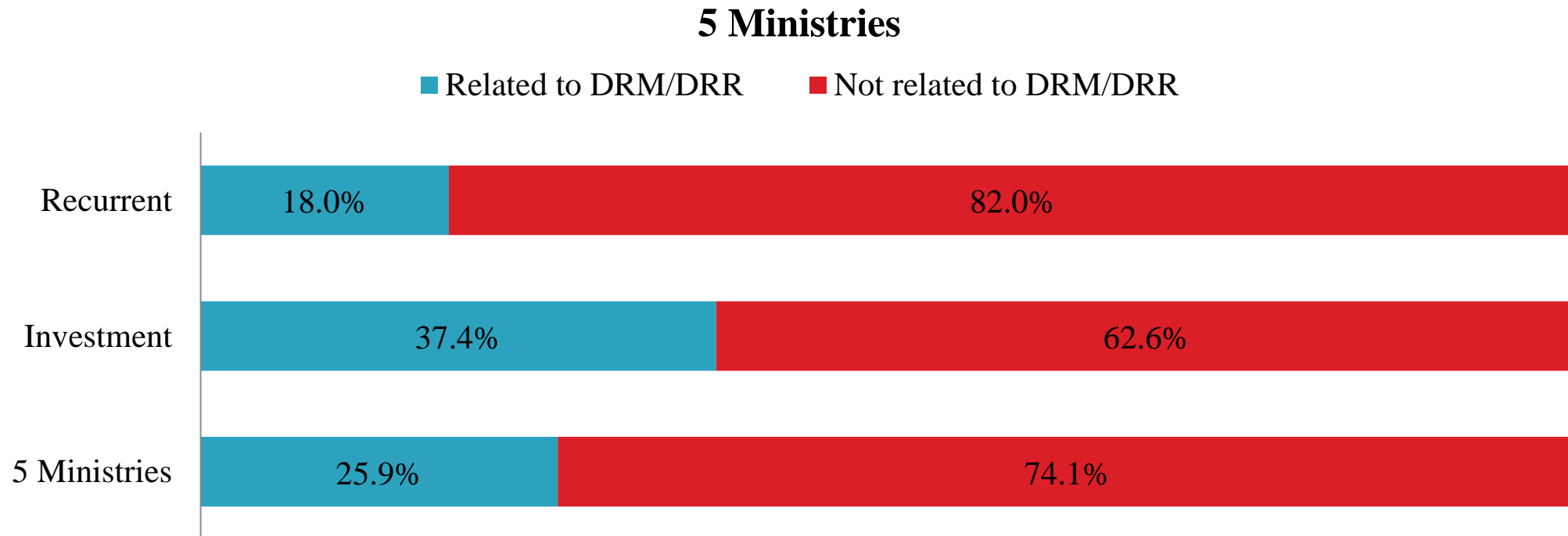
**B. Post-Disaster** Response, Recovery & Reconstruction

# KEY FINDINGS:



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In general, about 20-30% of the projects were identified have DRM/DRR elements after the first filter application

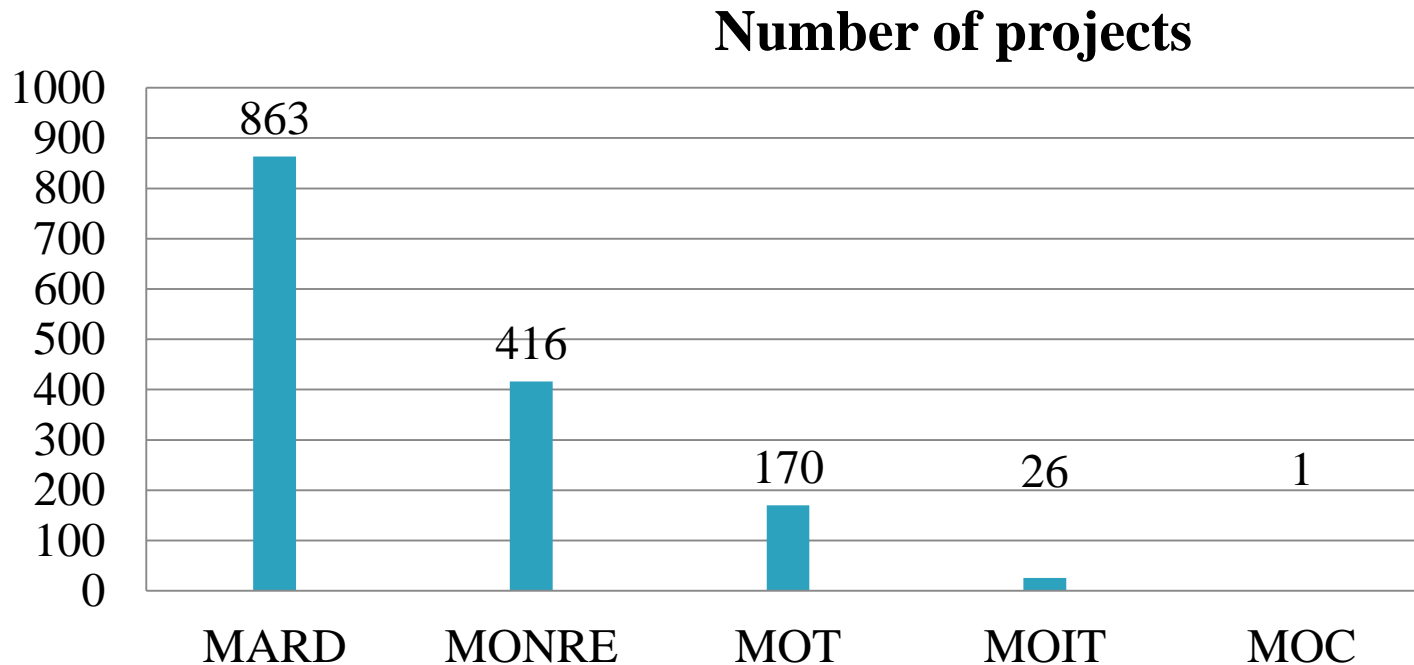


# KEY FINDINGS: 5 Ministries



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Among 5 ministries, **MARD** had the highest number of DRM/DRR related projects (this ministry is the focal point for disaster prevention and control)



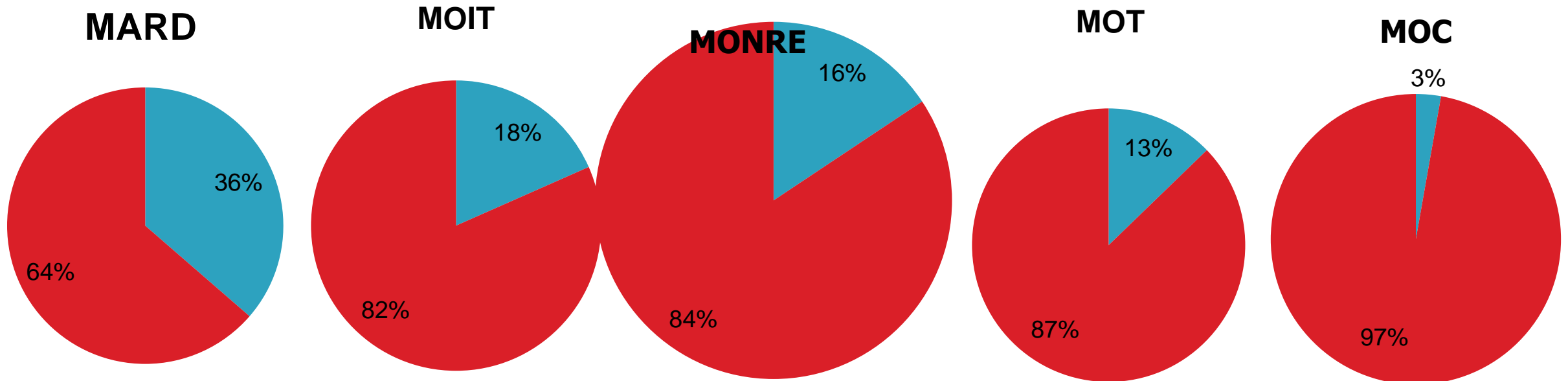
# Who has most DRR/DRM projects?



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- 36% MARD projects identified as being DRM/DRR related projects
- Just 3% of MOC Projects were identified as DRM/DRR related

■ Project related to DRM      ■ Project not related to DRM

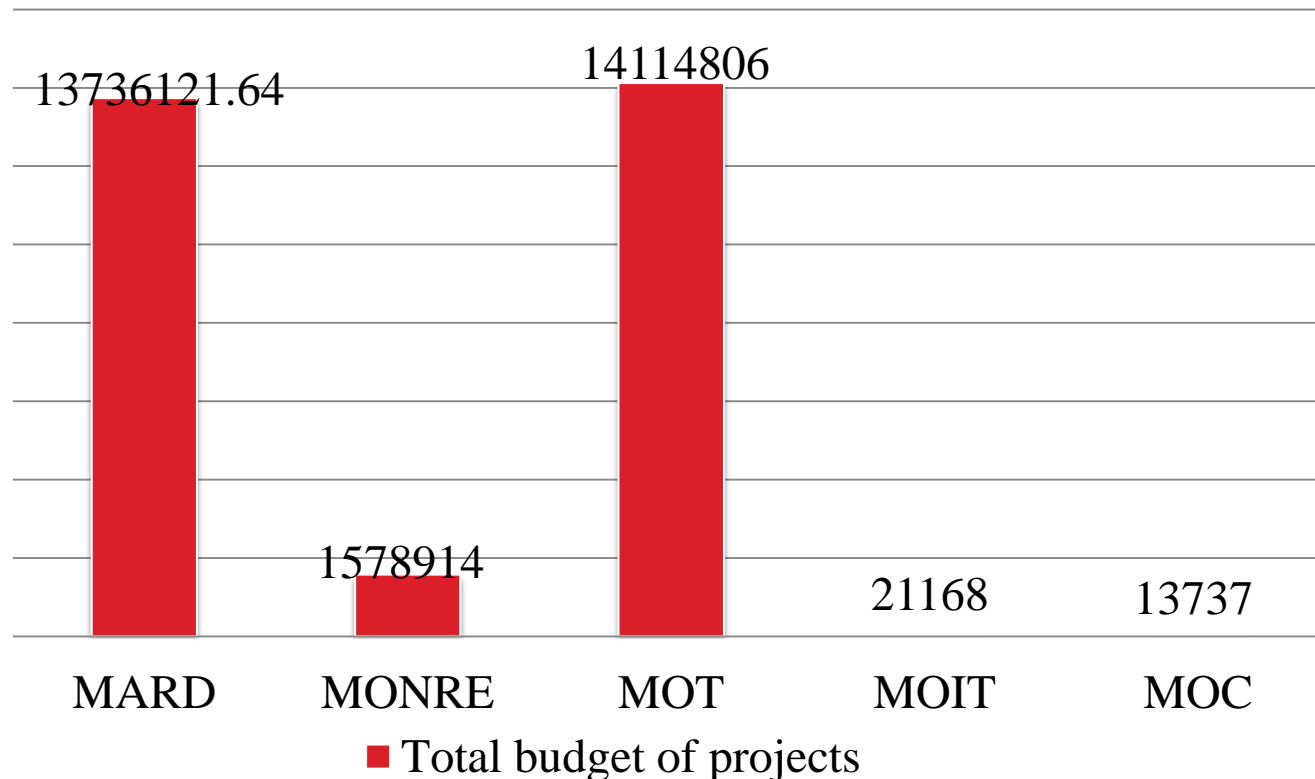


# Who spends most money?



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## Total budget of projects (US\$)



MOT had the highest allocation of budget for DRM/DRR probably because it manages major infrastructure construction projects when the investment budget are high

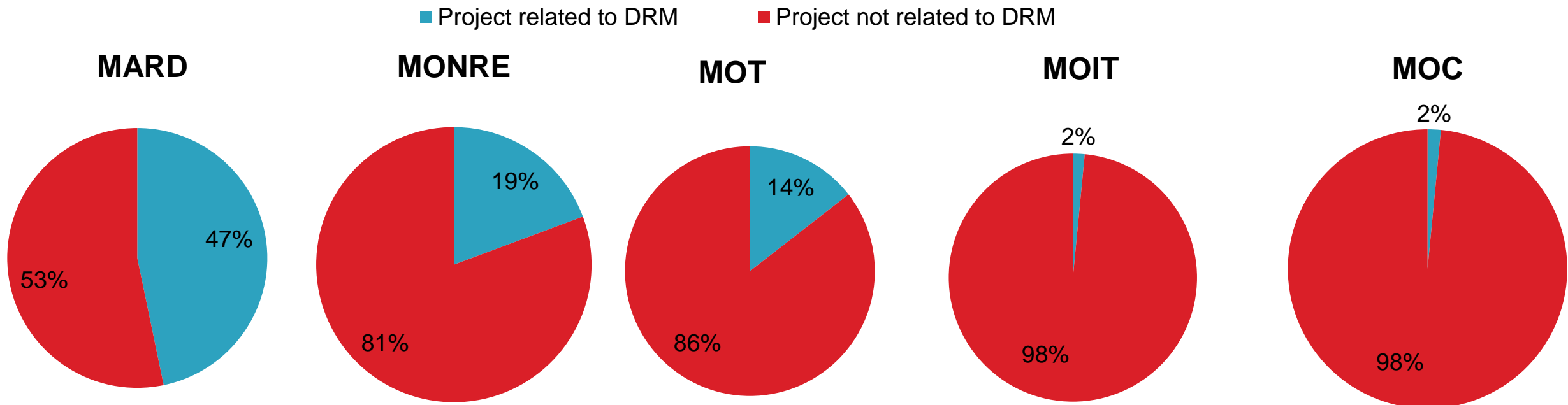
Although, MARD had the highest number of DRM projects; most of the projects related to pre-disaster research and institutional strengthening

# Who allocates most money as percentage of total budget?



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Although the total budget is less than MOT, MARD still has the highest proportion of its budget allocated to DRM (47% of total budget)





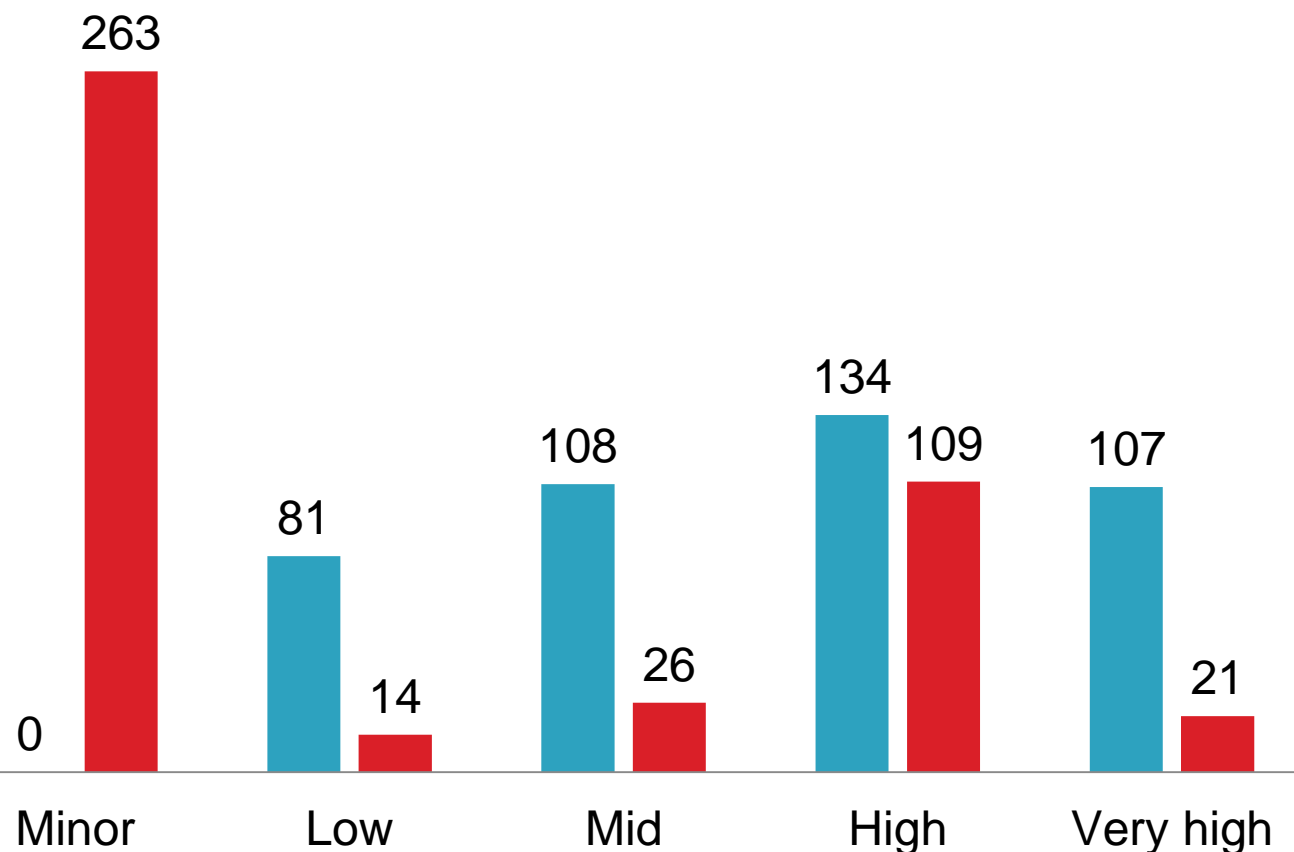
# Looking more closely at MARD data



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## Number of projects by relevance level

■ MARD Investment ■ MARD Recurrent



60% recurrent projects are not related to DRM/DRR (minor level)

100% investment projects are more or less related to DRM (from Low to very high level)

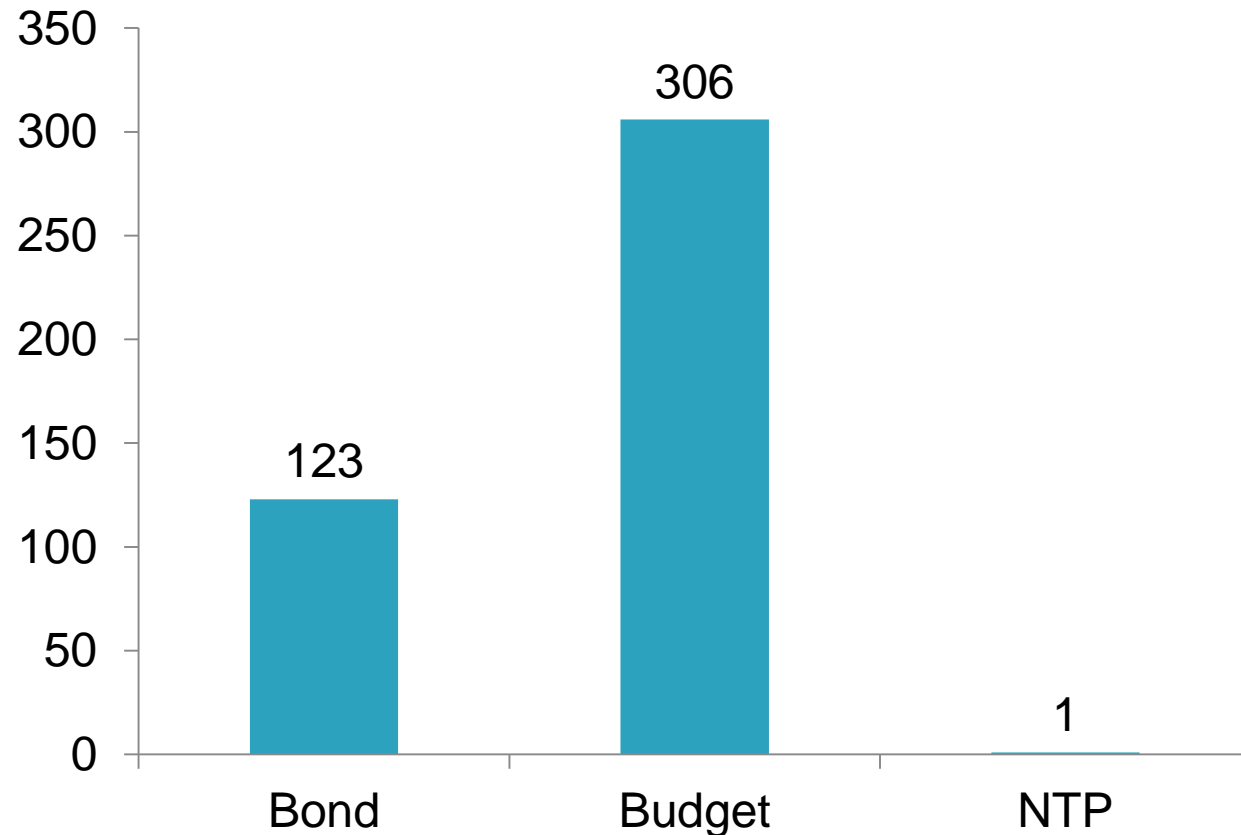
# KEY FINDINGS: MARD

## DRM-PER – Filter 2



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Number of MARD's projects by budget  
(non-ODA)



There are 3 types of financial sources namely bond, budget, and national target program (NTP).

Budget makes up the majority of projects (national budget and ODA) while the NTP had just one project.

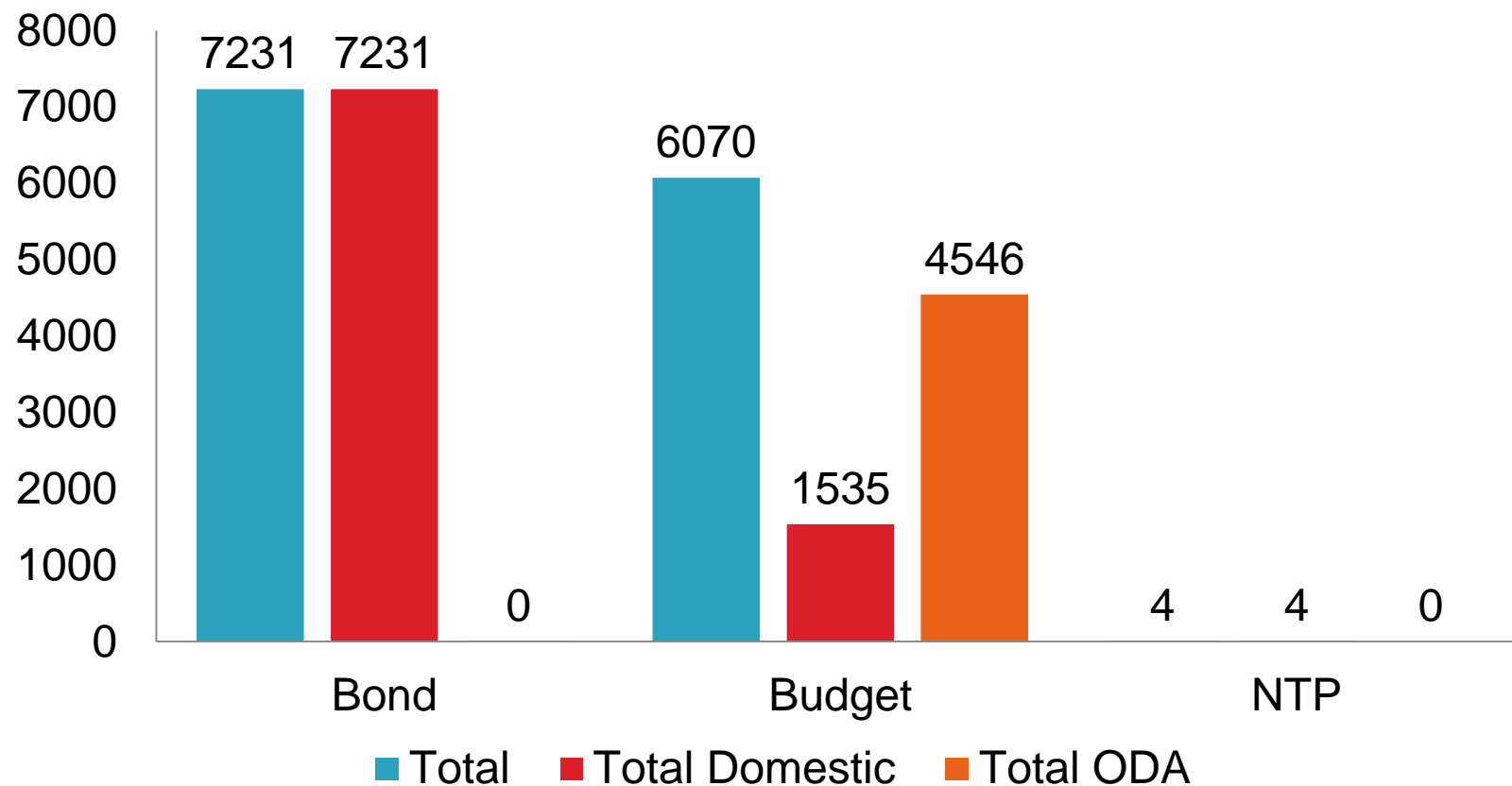
In fact, there is no specific NTP for DRM/DRR

# MARD: ODA and government finance



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**Total budget of investment projects  
(thousand US\$)**



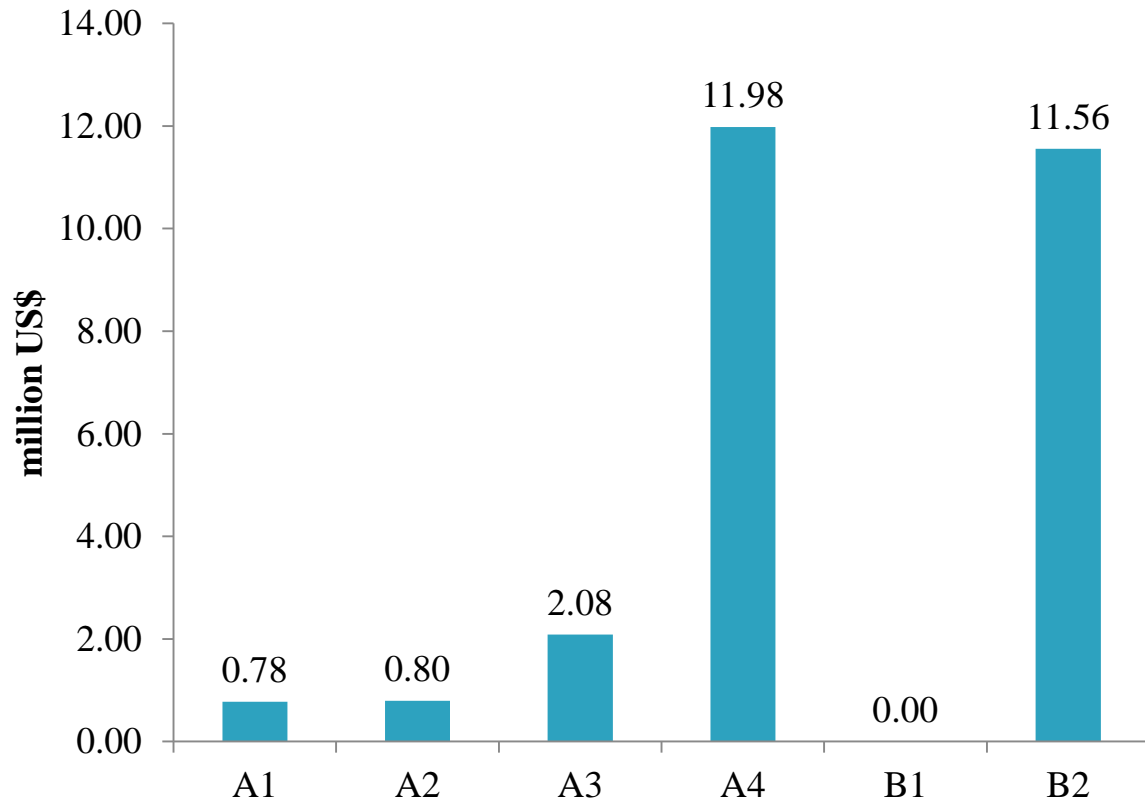
ODA accounted for  $\frac{3}{4}$  of the total funding. While ODA projects are few, their budgets are comparatively high. For example, the disaster risk management project (WB5) has a total budget of US\$18.5 million

# MARD: Investment funds infrastructure, recurrent funds support research, early warning and risk mapping

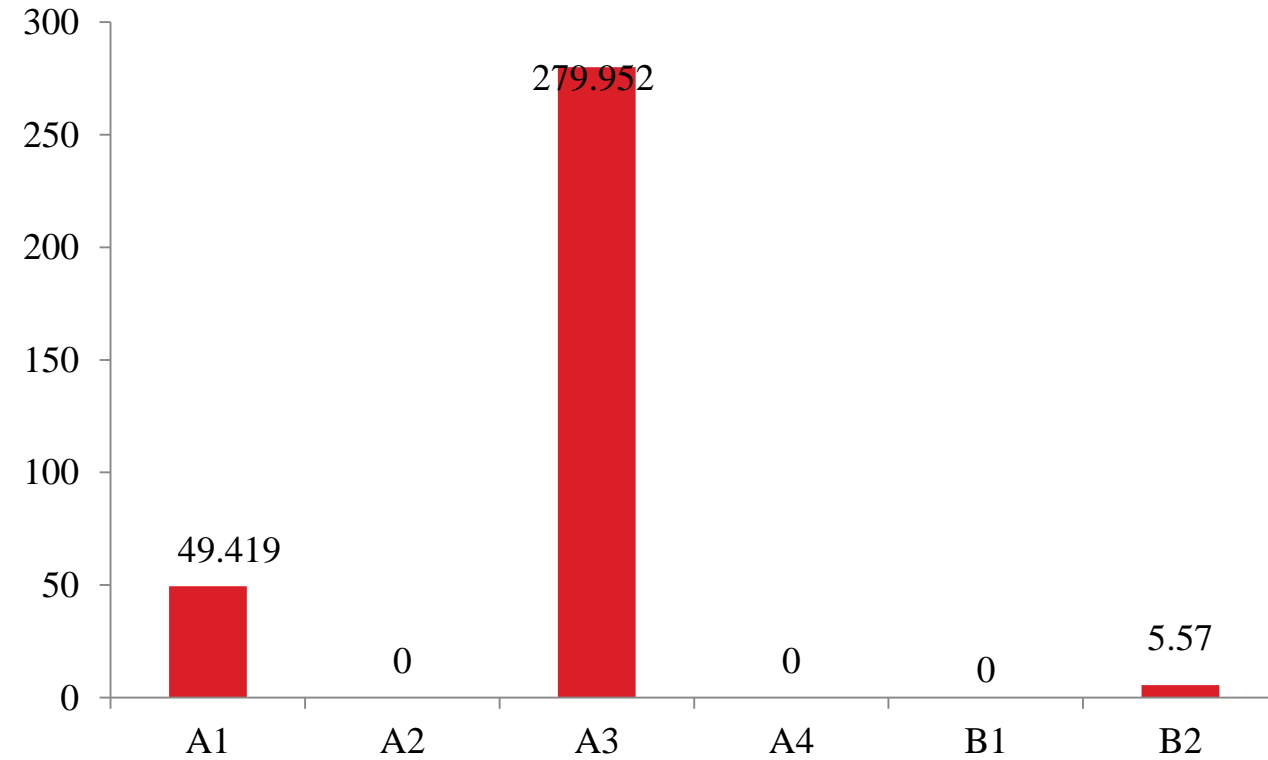


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**Total budget of MARD's investment projects by A-B groups (million US\$)**



**Total budget of MARD's recurrent projects by A-B groups (thousands US\$)**



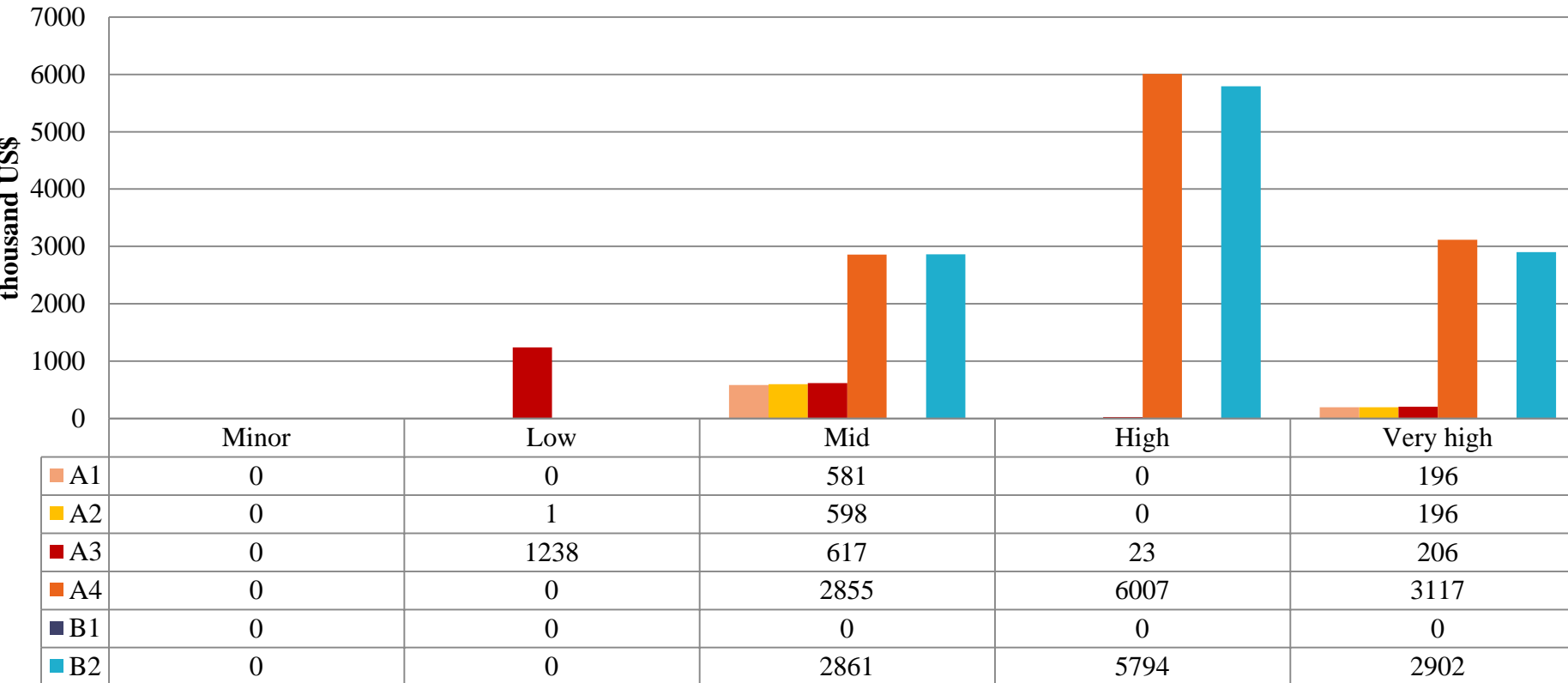
<b><u>A1 Policy &amp; Institutional Development</u></b>	<b><u>A2 Awareness/ Advocacy Programs and Capacity Building (</u></b>	<b><u>A3 Research, Early Warning Systems, Hazard and Risk Mapping Analysis</u></b>	<b><u>A4. Risk-Reduction Measures &amp; Capital Investment</u></b>	<b><u>B1 Relief/ Response</u></b>	<b><u>B2 Recovery/ Reconstruction:</u></b>
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# MARD: Areas of investment



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Total budget of MARD's investment projects with different levels of relevance to DRM/DRR  
(thousand US\$)



Structural projects (post disaster reconstruction) account for the majority of the budget for DRM/DRR.

Policy and institutional development is important but the budget for these projects is very low

Emergency relief is currently totally funded out of non regular budget sources

<b><u>A1 Policy &amp; Institutional Development</u></b>	<b><u>A2 Awareness/ Advocacy Programs and Capacity Building (</u></b>	<b><u>A3 Research, Early Warning Systems, Hazard and Risk Mapping Analysis</u></b>	<b><u>A4. Risk-Reduction Measures &amp; Capital Investment</u></b>	<b><u>B1 Relief/ Response</u></b>	<b><u>B2 Recovery/ Reconstruction:</u></b>
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# Thoughts moving forward



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- Study data already showing interesting trends in DRR/DRM and climate change adaptation finance flows
- Such work can help **measure alignment of policy priorities** and funding flows to promote even more strategic decision making
- It can help **identify under-funded functional or geographic areas** (and in the future even help measure effectiveness and efficiency of investment choices)
- **Maintaining databases of projects** is key (ie: name, decision, location, components, planned budget, actual disbursement.)
- **Need to systematize data collection.** Adjusting systems would be low cost with high benefit, but action is required.



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# Thank You

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