



**NATIONAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCIL
DEPARTMENT OF BUDGET AND MANAGEMENT
and
DEPARTMENT OF THE INTERIOR AND LOCAL GOVERNMENT**

Joint Memorandum Circular No. 2013-1

Date March 25, 2013

TO: PROVINCIAL GOVERNORS, CITY MAYORS, MUNICIPAL MAYORS, PUNONG BARANGAYS, MEMBERS OF THE SANGGUNIAN, LOCAL DISASTER RISK REDUCTION AND MANAGEMENT COUNCILS, LOCAL DEVELOPMENT COUNCILS, LOCAL FINANCE COMMITTEES, AND ALL OTHER NATIONAL AND LOCAL GOVERNMENT OFFICIALS CONCERNED

SUBJECT: ALLOCATION AND UTILIZATION OF THE LOCAL DISASTER RISK REDUCTION AND MANAGEMENT FUND (LDRRMF)

1.0 Background

Republic Act (RA) No. 10121 (Philippine Disaster Risk Reduction and Management Act of 2010) granted local government units (LGUs) greater flexibility towards disaster mitigation, preparation, response, rehabilitation and recovery.

2.0 Purpose

This Joint Memorandum Circular (JMC) is issued to serve as a guide to LGUs in the allocation and use of the LDRRMF and to enhance transparency and accountability in the use of the LDRRMF.

3.0 Declaration of Policy

The recently approved National Disaster Risk Reduction and Management Plan (NDRRMP) 2011-2028 shall become the basis in the preparation of Local Disaster Risk Reduction and Management Plans (LDRRMP) to be validated and accustomed to the local needs for prevention and mitigation, preparedness, response, rehabilitation and recovery.

Section 2 (e) of RA 10121 provides that it is the policy of the State to develop, promote, and implement a comprehensive NDRRMP that aims to strengthen the

capacity of the national government and the LGUs, together with partner stakeholders, to build the disaster resilience of communities, and to institutionalize arrangements and measures for reducing disaster risks, including projected climate risks, and enhancing disaster preparedness and response capabilities at all levels.

The LDRRMP shall be the basis in the allocation of LDRRMF. The LGUs have to "formulate and implement a comprehensive and integrated LDRRMP in accordance with the national, regional and provincial framework, and policies on disaster risk reduction in close coordination with the local development councils" (Section 12 (6) of RA 10121). It should encompass the four (4) thematic areas of disaster risk reduction and management such as disaster prevention and mitigation, disaster preparedness, disaster response, and disaster rehabilitation and recovery.

4.0 Allocation for the LDRRMF

Section 21 of RA No. 10121 provides that the LDRRMF amounting to not less than five percent (5%) of the estimated revenue from regular sources shall be set aside to support disaster risk management activities such as, but not limited to the pre-disaster preparedness programs including training, purchase of disaster response and rescue equipment, supplies and medicines, for post-disaster activities, and payment of premiums on calamity insurance.

The LDRRMF shall cover the thirty percent (30%) lump-sum allocation for Quick Response Fund (QRF) and the seventy percent (70%) allocation for disaster prevention and mitigation, preparedness, response, rehabilitation and recovery.

5.0 Utilization of the LDRRMF

5.1 Disaster Prevention and Mitigation

Disaster Prevention – refers to outright avoidance of adverse impacts of hazards and related disasters. It expresses the concept and intention to completely avoid potential adverse impacts through action taken in advance such as construction of dams or embankments that eliminate flood risks, land-use regulations that do not permit any settlement in high-risk zones and seismic engineering designs that ensure the survival and function of a critical building in any likely earthquake.

Disaster Mitigation – refers to measures that would lessen or limit adverse impacts of hazards and related disasters. Mitigation measures encompass engineering techniques and hazard-resilient construction as well as improved environmental policies and public awareness.

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Projects and Activities:

- 5.1.1 Conduct of risk assessment, vulnerability analysis, and other science-based technology and methodologies to enhance LGU ecological profile, sectoral studies and mainstream disaster risk reduction and management activities / Climate Change Adaptation (CCA) in Comprehensive Land Use Program (CLUP) and Comprehensive Development Program (CDP);
 - 5.1.2 Implement Community-Based Monitoring System (CBMS) with disaster risk reduction and management / CCA indicators;
 - 5.1.3 Capability building (train, equip, organize, provide funding, sustain) on mainstreaming disaster risk reduction and management / CCA in development planning, investment programming/financing, and project evaluation and development;
 - 5.1.4 Conduct of activities to review and integrate disaster risk reduction and management / CCA into various environmental policies, plans, programs, and projects;
 - 5.1.5 Conduct vulnerability analysis and risk assessment for critical facilities and infrastructure;
 - 5.1.6 Development of tools on risk assessment;
 - 5.1.7 Construction of dams or embankments that will reduce/mitigate flood risks; and
 - 5.1.8 Other programs or projects of similar nature and considered necessary.
- 5.2 **Disaster Preparedness** - the knowledge and capacities developed by governments, professional response and recovery organizations, communities and individuals to effectively anticipate, respond to, and recover from the impacts of likely, imminent or current hazard events or conditions. Preparedness action is carried out within the context of disaster risk reduction and management and aims to build the capacities needed to efficiently manage all types of emergencies and achieve orderly transitions from response to sustained recovery.

Projects and Activities:

- 5.2.1 Conduct of trainings on disaster preparedness and response, search, rescue and retrieval operations;
- 5.2.2 Conduct of simulation exercises at various levels to test plans and skills;

- 5.2.3 Development of information, education and communication (IEC) campaign and information sharing between LGUs/communities and the national government;
- 5.2.4 Development of standard operations manual for Disaster Operation Centers;
- 5.2.5 Development and implementation of standard operating procedures (SOPs) for deployment, evacuation and coordination with rapid assessment teams, etc.;
- 5.2.6 Development and institutionalization of early warning system (EWS), information sharing among LGUs/communities and the national government;
- 5.2.7 Conduct of disaster risk reduction and management researches;
- 5.2.8 Conduct of multi-stakeholders dialogue;
- 5.2.9 Development and conduct of regular review of contingency plans;
- 5.2.10 Development of information and database generation;
- 5.2.11 Stockpiling of basic emergency supplies; and
- 5.2.12 Other programs or projects of similar nature and considered necessary.

5.3 **Disaster Response** - the provision of emergency services and public assistance during or immediately after a disaster in order to save lives, reduce negative health impacts, ensure public safety and meet the basic subsistence needs of the people affected. Disaster response is predominantly focused on immediate and short-term needs and is sometimes called "disaster relief."

Projects and Activities:

- 5.3.1 Provision of alternative livelihood relief or assistance to victims of disasters;
- 5.3.2 Provision of tents and other temporary shelter facilities;
- 5.3.3 Provision of food subsistence or relief goods to disaster victims; and
- 5.3.4 Other programs or projects of similar nature and considered necessary.

5.4 **Disaster Rehabilitation and Recovery**

Rehabilitation – are measures that ensure the ability of affected communities and/or areas to restore their normal level of functioning by rebuilding/rehabilitating damaged infrastructures.

Post Disaster Recovery – the restoration and improvement where appropriate, of facilities, livelihood and living conditions of disaster-affected communities, including efforts to reduce disaster risk factors, in accordance with the principle of "build back better".

Projects and Activities:

- 5.4.1 Formulation of designs for the reconstruction of disaster-resilient houses;
- 5.4.2 Construction/Rehabilitation of damaged infrastructure facilities and evacuation centers;
- 5.4.3 Conduct of trainings for social preparation of host communities and those that will be relocated;
- 5.4.4 Implementation of building code and promotion of green technology;
- 5.4.5 Conduct of post conflict analyses; and
- 5.4.6 Other programs or projects of similar nature and considered necessary.

5.5 **Procurement/Acquisition of Disaster Equipment for Disaster Response and Rescue Activities**

- 5.5.1 The seventy percent (70%) of the LDRRMF, which is intended for disaster prevention and mitigation, preparedness, response, rehabilitation and recovery, may also be utilized to procure early warning systems, preparedness equipment and other equipage for floods, earthquake, volcanic eruptions, landslide and other natural and man-made calamities.
- 5.5.2 Equipment purchased or received from donations and used solely for disaster response and rescue and rescue activities shall be classified as "*Disaster Response and Rescue Equipment*".

Ex. Inflatable boats, Megaphones including Sirens and Portable Generator Set.

- 5.5.3 The acquisition of heavy equipment although used in disaster response and rescue activities shall be classified under the account *"Construction and Heavy Equipment"*.

Ex. Dump Trucks, Forklift, Backhoe and Grader.

- 5.5.4 On the other hand, the purchase/acquisition of expendable items such as fire extinguisher, flood light, chainsaw, ax, ropes, ladder, breathing apparatus, flashlight and the like shall be classified as *"Supplies or Inventories"*.

6.0 Policies and Procedures on the Utilization of the LDRRMF

The following procedures shall be observed in the use of the LDRRMF subject to budgeting, accounting and auditing rules and regulations:

- 6.1 The appropriation for the LDRRMF shall be included in the General Fund Annual Budget and/or Supplemental Budget of the LGU concerned.
- 6.2 The projects and activities to be charged against the LDRRMF shall be incorporated in the Local Disaster Risk Reduction and Management Plan (LDRRMP), and integrated in the approved Annual Investment Program (AIP) of the LGU.
- 6.3 The release and use of the 30% QRF shall be supported by a resolution of the local sanggunian declaring the LGU under the state of calamity or a Presidential declaration of state of calamity upon recommendation of the NDRRMC.
- 6.4 The unexpended LDRRMF shall accrue to a special trust fund solely for the purpose of supporting disaster risk reduction and management activities of the Local Disaster Risk Reduction and Management Council (LDRRMC) within the next five (5) years.
- 6.5 The unexpended balances of the LDRRMF may be released and utilized for new expenditure items upon submission of a revised AIP as approved by the local sanggunian and Local Chief Executive (LCE) upon recommendation of the LDRRMC in accordance with the approved LDRRMP.
- 6.6 The acquisition/availment of disaster risk reduction and management equipment, may be done through rental/leasing from service provider of such items.
- 6.7 The procurement of supplies and equipment chargeable against the LDRRMF shall be subject to RA No. 9184 (An Act Providing for the Modernization, Standardization, and Regulation of the Procurement

Activities of the Government and For Other Purposes) and its
Implementing Rules and Regulations.

7.0 Reporting

The LGU shall submit the following report to the Regional Disaster Risk Reduction Management Council (RDRRMC) through the Regional Office of the Civil Defense, copy furnished the Regional Offices of the DILG and DBM:

- 7.1 Monthly and annual report on the utilization of the LDRRMF; and
- 7.2 Approved / Revised AIP indicating the disaster risk reduction management projects and activities to be implemented.

8.0 Repealing Clause

All existing issuances issued either by the NDRRMC, DILG or DBM, which are inconsistent herewith, are hereby repealed. Any future reference with respect to issuances of NDRRMC, DBM and the DILG in relation to the utilization LDRRMF shall be made in reference to this JMC.

9.0 Dissemination

The Regional Directors of the DBM and DILG, the NDRRMC and the ARMM Regional Governor shall disseminate this JMC to all LGUs within their regional jurisdictions.

10.0 Effectivity

This JMC shall take effect immediately.


FLORENCIO B. ABAD
Secretary, DBM


MAR ROXAS
Secretary, DILG


VOLTAIRE T. GAZMIN
Secretary, DND and
Chairperson of NDRRMC