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**Review
of
Local Disaster Risk Reduction Fund in Bangladesh
Findings and Recommendations**

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Comprehensive Disaster Management Programme, Phase-II

A Review of Local Disaster Risk Reduction Fund in Bangladesh: Findings and Recommendations

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LDRRF: An Innovative Funding Mechanism

The Local Disaster Risk Reduction Fund (LDRRF) came into existence as an innovative funding mechanism under the Comprehensive Disaster Management Programme (CDMP), a multi-donor DRM programme implemented by UNDP in Bangladesh during 2004-09. Its key objective has been to support the implementation of risk reduction measures identified by vulnerable communities. The LDRRF provides small grants to the NGOs / local governments which implement risk reduction measures at the community level. Grants are sanctioned on the basis of Risk Reduction Action Plan (RRAP) developed through Community Risk Assessment (CRA), the tools developed under the CDMP to identify and address risks at the community level.

Implementing the RRAP through the LDRRF provides a practical and concrete dimension to community-based disaster risk management. It demonstrates to the local authorities the viability of a comprehensive disaster risk reduction approach. Funding high priority disaster risk reduction interventions gives the local Disaster Management Committees at the Union Council and village level an opportunity to get involved with the implementation of these measures. This encourages local authorities to take ownership of disaster risk reduction initiatives and increases the level of community participation in such programmes.

Multiple structural mitigation measures, largely in the nature of improving certain facilities or infrastructure at the village level, have been implemented through the LDRRF. Till now, LDRRF has provided funds for 562 risk reduction interventions spread across 16 districts. These interventions have been implemented through a network of 44 NGOs and 39 Union Council Disaster Management Committees. The total fund sanctioned through the LDRRF so far is approximately US\$ 5 million.

LDRRF's Appraisal

Though the LDRRF has provided a practical vehicle for supporting community-based risk reduction measures, a number of weaknesses in its functioning have been identified. These weaknesses relate to its implementing partners, and their lack of involvement with the local governments and communities. They have implemented risk reduction measures more as external agencies through hired temporary project staff, with little grass roots connection. There was a delay in the sanction of the project, which hampered timely implementation of interventions, particularly in flood-affected areas.

However, some of these perceived weaknesses could be attributed to the conceptual and schematic shortcomings of LDRRF. The CRA and RRAP have been drivers of the LDRRF projects, which *ipso facto* reflect limitations of the approach. The CRA and RRAP have employed narrow concepts of risks, articulated largely at the community level, predominantly perception-based, and recommending one or two structural mitigation measures in a village or community. The LDRRF follows these

recommendations in a rather mechanical way, implementing those structural measures, which are generally standalone interventions, and do not constitute an intensive effort to reduce risks.

Schemes under the LDRRF have been approved through Request for Proposals (RfPs) advertised in newspapers, which received a large number of responses from different parts of the country.¹ The process made it difficult to assign priority to different risk-prone areas and vulnerable communities in Bangladesh, which need to be supported through the LDRRF. Its diffused and dispersed approach to implementation reduced the overall impact of the programme. Further, the project approval mechanisms as well as the oversight structure of the programme appeared technically lax and deficient. The LDRRF did not pursue knowledge management, despite implementing a large number of projects in the field, and there was little effort to share its experiences across communities and disseminate good practices.

As some of these weaknesses were visible in the functioning of the LDRRF, UNDP, Bangladesh requested the Regional Disaster Reduction Advisor, BCPR, to undertake a critical review of the existing LDRRF guidelines and to support the development of revised LDRRF through clear and actionable recommendations based on the lessons from the first phase of CDMP and international best practice. The review would produce a report with clear and actionable recommendations highlighting ways in which lessons from phase I, stakeholder views and international best practice could be incorporated into revised guidelines to support the LDRRF programme over the next five years. These recommendations would be specific and relevant to the context of Bangladesh and consistent with the established framework under which the LDRRF mechanism operates.

The RDRA's review mission was scheduled from 22 October to 29 October, 2010. During the mission, a field visit was organized to Cox's Bazar, which provided an opportunity to the RDRA to visit at least five villages in which risk reduction projects sanctioned through the LDRRF were implemented. The RDRA also met the CDMP staff, responsible for implementing the project activities and sought their views on the functioning of LDRRF. There was a consultative meeting with the implementing partners, largely NGOs, which also provided a perspective on the issues which arise in course of implementing the LDRRF. The mission debriefed the senior management about its key findings and recommendations.

Risk and Vulnerability in Bangladesh: The Context for LDRRF

Before the report makes specific recommendations related to the development of revised LDRRF, it is important to underscore the conceptual importance of LDRRF as a financial mechanism for reducing risks and building resilience in the overall context of vulnerability in Bangladesh. The LDRRF should emerge as a long-standing entity for building resilience and reducing risks in the country. It should have a clear vision and strategy, a well-devised implementation mechanism, and a monitoring and evaluation system. Also, the LDRRF needs to reflect some of the best practices in financial services and mechanisms for disaster risk reduction. As disaster risk reduction has come to develop significant overlaps with social protection, and climate change, the LDRRF also needs to evolve as a mechanism which effectively intersects these three areas in Bangladesh.

¹ For the first time, project proposals were invited from NGOs, Academic Institutions, Research Organizations and GoB organizations through newspaper advertisement (The Daily Star & Prothom Alo) on 9 September 2005.

As it is well-known, Bangladesh is a disaster-prone country that is affected almost every year by several natural disasters. Located between the Himalayas and the Bay of Bengal and with three mighty rivers (Ganges, Brahmaputra, and Meghna) converging on its territory, Bangladesh is prone to floods, cyclone, river erosion, etc. Over the last 20 years Bangladesh has been hit by 6 major disasters (4 floods and 2 cyclones) affecting millions of people. In recent years, climate change has affected the coastal Bangladesh by ingress of sea water, and large tracts of land being rendered uncultivable due to salinity.

A total of 40% of the population – approximately 60 million people – live in poverty in Bangladesh, and 25% of these are classified by the government as “extreme poor”. More than 50% of the poor in Bangladesh are rural landless households which spend almost one-third of their total budget on rice. Moreover, landlessness is increasing and alternative employment in villages is limited. Economic pressures, also a result of natural phenomena such as river erosion, are driving migration to urban areas. Regional disparities in Bangladesh are significant and have been increasing: whereas the poverty rate at the national level is 40% and the extreme poverty rate is 25%, in the riverine islands in the northwest of the country these rates are estimated at 86% and 78%, respectively.²

The extremely poor or bottom 10-20% are usually the most vulnerable. Amongst them women, children, the elderly and some ethnic and religious minorities are particularly marginalized and excluded. Over the past 10 years for every 3 lifted out of poverty, 2 fell back due to sudden health and other shocks. Owning fewer assets and without access to entitlements – such as effective health care, quality education, a hygienic latrine, safe drinking water, and social protection – these are the people least buffered against shocks.

In Bangladesh, risks which affect the lives of poor largely arise from hazard events and vulnerability of assets-livelihoods to hazards. Risks could be reduced only when the impact of hazard events could be prevented / mitigated or when the people have the necessary ability/capacity to recover from its negative impacts. These objectives could be achieved only through building assets and livelihoods at the household and community levels.

Risk management, which includes risk reduction, mitigation, and coping, can be implemented ex-ante (actions taken before a risky event occurs) or ex-post (actions taken after a risky event occurs). Ex-ante strategies include (i) risk reduction through actions that reduce the household’s susceptibility to risk (cyclone shelters, flood prevention or control measures, etc.) or (ii) risk mitigation through actions that moderate or offset welfare losses following realization of the event (disaster insurance that is purchased ex-ante and payoffs occur ex-post). Ex-post strategies are associated with coping and recovery that follows a disaster event.³ Assistance for relief, recovery, and reconstruction are typical ex-post risk management mechanisms.

LDRRF: A Variant of Social Fund

The LDRRF needs to be conceptualized as an ex-ante mechanism which can support risk reduction and mitigation measures in Bangladesh. It has the potential for developing into a full-fledged social fund with a significant difference that most of social funds such as Pakistan Poverty Alleviation Fund (PPAF) or the Honduran Social Investment Fund (FHIS) were set up for social protection and poverty alleviation,

²The data related to poverty and landlessness are cited in a report “Gendered risks, poverty and vulnerability in Bangladesh”, brought out by ODI (October, 2010).

³Siegel and Alwang, 1999

and were accessed for recovery and reconstruction assistance in the wake of a large-scale disaster. The LDRRF, however, has a specific focus on disaster risk reduction, and it has not been accessed for relief and recovery assistance. It also needs to be distinguished from a catastrophic/emergency reserve such as the Fund for Natural Disasters (FONDEN) in Mexico. The LDRRF functions as an integral part of the CDMP, and it has not yet emerged as an autonomous entity.

Social funds are autonomous agencies or programs that channel grants to communities for small-scale development projects. They are typically used to finance a mixture of socio-economic infrastructure (e.g., building or rehabilitating schools, water supply systems, roads), productive investments (e.g., micro-finance and income-generating projects), social services (e.g., supporting nutrition campaigns, literacy programs, youth training, support to the elderly and disabled), and capacity-building programs (e.g., training for community-based organizations, non-governmental organizations (NGOs), and local governments).⁴

Social funds generally use sub community-driven development approaches to ensure the active participation of local actors. Community-driven development is a development approach that transfers control over resources and decision-making from central agencies to communities. The approach focuses on improving people's livelihoods through improved delivery of public goods and services and more sustainable community assets. Support is usually focused on the poorest and most vulnerable communities.⁵

Social Funds' Support for Disaster Risk Reduction:⁶

A number of social fund/CDD sub-projects have helped communities and local governments undertake structural measures to limit the impact of natural hazards and environmental degradation, such as the construction of flood-resistant public buildings in Vietnam through Program 135 and local irrigation systems in southern Malawi through the Malawi Social Action Fund. Physical works—such as seawalls, land terracing, reforestation, drainage channels, and retaining walls—can make a big difference in the protection of communities. Madagascar Social Fund (FID III), was used to train local small contractors, artisans, skilled laborers, and NGOs on various aspects of infrastructure construction.

A Vision and Strategy for LDRRF

A revamped LDRRF, therefore, needs to expand the scope and ambit of its interventions to include a wider range of interventions such as socio-economic infrastructure, productive investments, social services, and capacity-building programmes. However, these interventions need to be planned and implemented in the context of risk and vulnerability in Bangladesh.

The LDRRF needs to employ a broader concept of risks. It should include not just physical risks, but also social risks associated with livelihoods, health, and education. This broadens the scope of disaster risk reduction, and includes issues relevant to social protection and climate change adaptation.

⁴ The role of social funds in supporting revival and restoration of livelihoods in post-disaster phase has been discussed in a forthcoming publication, "Guide to Livelihoods and Economic Recovery in Crisis and Post Crisis Situations", prepared by the BCPR, UNDP.

⁵ De Silva and Sum, 2008

⁶ Burton, Cynthia, 2010.

The LDRRF needs to develop strong linkages with development and poverty alleviation, so that it can build resilience, and pursue “No-regrets” approach to risk reduction. It should, therefore, pool its resources with other programmes or initiatives led by government and NGOs.

The LDRRF needs to develop benchmarks for pursuing gender equity and social inclusion. A special attention to these issues will help the LDRRF to keep its focus on women’s participation and empowerment as well as include ethnic minorities and tribal groups in its programmes.

At the level of implementation, the LDRRF needs to revise its strategy to include following considerations:

- Pursue interventions which address disaster risk reduction, climate change adaptation, and social protection together, whether or not hazards/risks are realized in future. Follow a “No-regrets” approach to these issues.
- Include household-level measures for risk reduction in its programmes; its support for community-based risk reduction should be pursued along with the household-level vulnerability reduction (support for livelihoods diversification, enhanced support for access to financial services, assistance for strengthening of individual houses, etc.)
- Develop partnerships with NGOs, academic institutions, and government agencies for conceptual, technical, and oversight support; however, the interventions should largely be community-driven and community-owned.
- Improve targeting of these interventions. An emphasis on poverty and vulnerability targeting, as well as social inclusiveness should mean that the LDRRF includes those communities and groups which are most at risk of being affected by a natural disaster.
- Emphasize building of assets and diversification of livelihoods at household level, and support development of social capital / organization at community level. These interventions together have more impact on building resilience of households and communities.
- Plan for an optimal level of investment in risk reduction. It will help support a cluster of interventions, rather than just one intervention, which reduces risks at the level of both households and communities. These interventions could be a combination of structural and non-structural measures.
- Aim for visibility and impact. It is important to identify and support projects in a way that makes a visible and demonstrable impact on local risks. A number of good examples of risk reduction at the community level would generate support for expanding the LDRRF outreach in other regions of Bangladesh as well.

Under the revised scheme, **LDRRF should not:**

1. Just be guided by the CRA and RRAP. These exercises, as they are conducted today, provide a very limited view of risk and vulnerability at the community level.
2. Seek proposals by inserting advertisement in newspapers. It results in receiving a large number of proposals which have no strong risk context. It then becomes essentially an arrangement between the LDRRF and NGOs.
3. Implement just one standalone intervention in a village / community, without analyzing its impact on the overall risk reduction within the village / community or taking into account linkages with other interventions.
4. Just support community-level projects. It should include a few household-level interventions to increase the overall impact of its interventions.
5. Just provide financial support for the projects. It is not just a funding window; it is a mechanism for implementing community-based risk reduction projects.

LDRRF's Areas of Support

At present, the LDRRF is supporting largely small infrastructure projects which reduce risks related to specific hazards. It is generally one intervention preferred by the community or local government, which addresses a perceived risk. The LDRRF should support its interventions in the following areas on an intensive basis:

- Developing the physical infrastructure to reduce asset losses (e.g., minor flood protection structures; drainage systems; access roads; community shelter, etc.);
- Assisting disaster-affected communities to protect their income and assets through household-specific assistance (strengthening houses; securing markets; protecting natural resources, etc.);
- Strengthening the capacity of local institutions to reduce and manage the impact of shocks, including improving community-local government linkages in disaster management planning and implementation (local DM planning; local-level early warning system; search and rescue capacity, etc.); and
- Increasing access to basic social services (e.g., public health, sanitation, education) and micro-finance/micro-insurance services to build livelihood security and resilience to cope with shocks, where investment in these areas would improve the overall impact of community-based risk reduction measures.

Project Identification, Preparation, and Appraisal

The LDRRF projects should be developed on the basis of risk and vulnerability assessment mapping of Bangladesh. An exercise identifying risks and vulnerability of different districts should lead to selection of districts for the LDRRF projects. Generally, those districts which are exposed to two or more hazards (cyclone, floods, river erosion, etc.) should be given priority for project formulation. There are certain districts, particularly in coastal areas, which are more likely to be affected by climate change. Such districts should be assigned high priority for the LDRRF's consideration.

Within these districts, *Upa-zilas* and Union Councils need to be identified. Other criteria such as poverty, inaccessibility of settlements, and composition of population (ethnic minorities, tribal populations, etc.) should also be taken into consideration while identifying *Upa-zilas* and Union Councils. An *Upa-zila* or Union Council should be taken as a geographical unit for planning and implementing LDRRF projects.

The LDRRF management should ascertain how many projects it can approve and implement in a year. These projects would have varying time-frame for implementation, from one year to three years. At present, the maximum time-frame for LDRRF's project is two years. An annual disbursement plan needs to be prepared for new and old projects. The number of projects approved should not be more than what the LDRRF can technically support and monitor with its own resources.

The projects should be developed in these districts on the basis of feasibility and impact of risk reduction interventions. The LDRRF should conduct the CRA and prepare RRAP in partnership with local agencies for formulating the risk reduction project. These exercises need to be taken at the level of the Union Council. The RRAP should include a number of activities identified through CAR, which combine structural and non-structural, and community-based as well as household-specific measures. These activities should be identified on the basis of consultations with stakeholders, which would include communities, the local government, and NGOs.

A project proposal should include baseline information through risk and vulnerability assessment, and establish indicators on the basis of which the project can be monitored. The details of implementing partner, fund flow, and local support / facilitation should also be included in the proposal.

Project Approval

At present, there are two committees, namely, the Technical Review Committee and the LDRRF Approval Committee, for selecting and approving the projects. The Technical Review Committee (TRC) is established for initial review and screening of proposals. It consists of the LDRRF Fund Management Specialist, and working level representatives from the Disaster Management Bureau, Policy, Programme and Partnership Development Unit (PPPDU) of the CDMP, and UNDP. The TRC performs the initial review and screening of proposals following the selection criteria and then shortlist proposals / implementing partners theme-wise. Once endorsed by the TRC, it forwards a letter signed by the Chairperson to the LDRRF Approval Committee with attachment of documents mentioning activities, proposed working area, outputs, and budget for final approval.

The LDRRF Approval Committee is the apex committee to approve proposals for LDRRF funding. Headed by the Chief Technical Advisor of CDMP, the LDRRF Approval Committee comprises representatives from the Ministry of Food and Disaster Management (MoFDM), UNDP, members from the civil society, PPDU, and includes the LDRRF Fund Management Specialist.

The composition of these two committees suggests that the institutions involved with the scrutiny of the proposals are the same; it is just that their levels have changed. Their hierarchical nature makes it difficult for them to bring independent perspectives to the scrutiny of the proposals.

In order that the proposals are rigorously scrutinized, it is recommended that the composition of these two committees be changed. The TRC should actually be a committee of external experts who provide objective opinions on merits of the proposal. Only the LDRRF Fund Management Specialist should participate in the meeting of TRC. The proposed implementing partner should present the proposal,

explaining how it conforms to the guidelines for LDRRF. The minutes of their expert opinions should be presented to the LDRRF Approval Committee for its consideration.

The TRC will scrutinize the proposal to ensure that the following requirements are met:

- The project is consistent with the LDRRF objectives and strategy;
- It is community-driven;
- It has adequate linkages with local government;
- It has been developed on an adequate scale that would reduce risks and vulnerabilities;
- Its components reflect CRA findings;
- It includes components which reduce different kinds of risks and focuses on vulnerable people;
- It provides a baseline and indicators on the basis of which the project can be monitored; and
- It addresses gender equity, social inclusion, and disability issues.

The LDRRF Approval Committee should be headed by the Secretary, Ministry of Food and Disaster Management (MoFDM). Its other members should be the Programme Manager, CDMP-II, Assistant Country Director, UNDP, Director, Disaster Management Bureau, Project Manager, LDRRF, one technical expert, and a civil society representative. The Approval Committee should evaluate the proposal from the point of view of its geographical coverage, selection of implementing partner, total investment, scale of intervention, and appropriateness of suggested activities.

The assignment of leadership role in the LDRRF to the government representative may have its own risks, but its advantages clearly outweigh these risks. First, the LDRRF would become a more nationally owned mechanism for risk reduction. Second, the government will be able to establish a greater convergence of LDRRF with its own programmes for better results. Third, over a period of time, the government could also consider contributing its own resources to the LDRRF and develop it as a long-standing mechanism.

LDRRF-supported Project Components

The existing LDRRF guidelines provide a diverse list of activities that can be supported through the LDRRF. These activities include support for structural and non-structural mitigation such as construction/ renovation of community shelter, raising plinth of houses above flood level, identification of emergency evacuation route from risk areas to emergency shelters, diversification of livelihoods, provision of safe drinking water and sanitation, and promoting risk awareness initiatives at the community level. These guidelines, however, discourage activities which involve revolving funds or any type of credit / savings related activities, emergency relief and response activities, and project initiated and implemented by an individual.

What needs to improve under the revised LDRRF is the scale and combination of activities. Instead of implementing more than 500 independent projects, the LDRRF should consider implementing 50 to 100 projects on a much larger scale. It should combine mitigation, livelihoods diversification, access to financial services, formation of social networks, and public awareness in a way that reinforces and consolidates risk reduction and builds resilience. A number of measures which are generally included in the category of social protection can also be supported through the LDRRF. These interventions should cover several villages and larger communities within the Union Council. A more integrated and connected approach to risk reduction would improve the visibility and impact of LDRRF interventions

and make its impact felt over a larger area. These interventions need a clear correlation with risk reduction and building resilience.

The LDRRF can also assist communities by facilitating linkages to microfinance and micro-insurance programmes, which offer particular opportunities in the context of Bangladesh. Some innovative practices such as health and housing insurance for the poor and weather derivatives could also be introduced through this fund.

One of the ways in which local ownership of the programme can be enhanced is through the contribution of local government or community. In course of approving the interventions, local contribution / facilitation should be a critical consideration. The LDRRF should encourage local government / communities to be active stakeholders, and provide financial or in-kind contribution. Those proposals that include local participation and accountability should be given greater preference.

Though the Impact Assessment Report for LDRRF has acknowledged gender discrimination in marginal and vulnerable regions such as Chars, it does not mention how the LDRRF has addressed the issue. During the mission visit too, it was not clear how gender equity was included in the implementation of LDRRF activities. The revised programme needs to include considerations of gender equity and assign a stronger role to women in implementing the programme. In the scrutiny of the LDRRF proposals, inclusion of gender equity should be one of the key issues for appraisal. Similarly, the participation of ethnic minorities, tribes, and physically disabled people are other important considerations for approving a proposal through the LDRRF.

Adaptation to Climate Change

The impact of climate change is already visible in Bangladesh, particularly in the coastal areas. The ingress of sea has advanced, and large tracts of paddy land are under saline water. The inundation of coastal areas has resulted in displacement of populations and shrunk their livelihood opportunities. These impacts would increase transient and chronic poverty in the region, as households find their traditional asset and income bases further eroded and face new or increased risks that have a negative effect on their coping capacities.

Climate change has brought up the need for implementing adaptation measures at the local level on an urgent basis. It is likely that the people have a clear understanding of adaptation actions and have developed multiple strategies, but are constrained by lack of resources, knowledge/skills, and cultural barriers in access to services, such as agricultural extension. They can also be affected by lack of access to early warning and other preparedness information for weather-related risks.

The LDRRF needs to consider support for climate change adaptation along with disaster risk reduction and social protection. It should support projects in those areas which are most likely to be affected by climate change impacts. Such support would include investment in early warning system, livelihoods, non-conventional energy, water management, etc. It should also sensitize officials to the importance of investing in climate change adaptation, as a key element of disaster risk reduction / development / poverty reduction.

Building Partnerships and Developing Local Capabilities

As per the existing guidelines, a number of state institutions, Disaster Management Committees, NGOs, CBOs, academic bodies, and private sector organizations can apply for funding from the LDRRF. In course of implementing the programme, it is the NGOs which have mostly partnered with the LDRRF, though a few academic institutions too have received financial support for their research-based projects.

A large number of eligible partners provide the LDRRF with sufficient flexibility. But the NGOs which have worked with the LDRRF are not locally based, and have implemented programmes largely as external agencies. After completing the programme, these NGOs have withdrawn. The approach has diminished the local impact of LDRRF interventions.

Under the revised programme, the LDRRF should develop partnerships with local governments and other local community organizations. It will improve the sustainability of LDRRF interventions. If the NGOs participate in the programme, they should facilitate the process, and provide technical assistance.

The LDRRF can carry out significant capacity-building functions. It can support the development of local capacities in the following ways:

- Assisting local governments and communities to design and implement interventions that include prevention, preparedness, mitigation, and climate change adaptation activities;
- Building the capacities of local institutions to coordinate effectively with the national government, including supporting legislation, policies, systems, and procedures to mitigate risks and facilitate coordinated disaster response during times of emergency;
- Developing and implementing public education programs to raise awareness of risks from natural hazards, including climate change–related risks;
- Training communities and governments to develop skills and capacities in disaster preparedness (including early warning systems), emergency responses, and climate change adaptation; and
- Forming partnerships with communities, government, NGOs, and the private sector to guide these efforts.

Convergence with Government Programmes and MDGs

Bangladesh has a range of social protection / safety net programmes, which are implemented through the Ministry of Social Welfare, the Ministry of Food and Disaster Management, and the Ministry of Women and Children Affairs. Many of the programmes are also implemented in collaboration with NGOs and are often co-financed by donors. Existing social protection / safety net programmes are largely cash and food/in-kind transfers.

Cash transfer programming includes conditional cash transfers for girls' education, unconditional cash transfers (pensions) for the elderly and cash for work programmes for the working-age population. The largest safety net interventions, however, remain food-based transfers, especially those related to post-disaster relief. Food/in-kind transfer programmes are often combined with microcredit programmes designed to enable individuals to start up small businesses. Programmes include food for work; the Vulnerable Group Development (VGD) programme, which includes food support to women while they attend training classes; the Vulnerable Group Feeding programme, which provides food to households in

the aftermath of a disaster when agricultural production has been disrupted; and the Test Relief food for work programme.⁷

The LDRRF should work towards establishing linkages with these social protection/safety net programmes. These programmes would bring government resources and support which would reinforce the LDRRF interventions, and provide it greater sustainability. It is important that the LDRRF should gradually promote these government programmes to achieve the LDRRF objectives without committing its own resources on a large scale.

The LDRRF should establish a linkage with UNDP's other programmes, which will make its interventions targeted at asset-building and more development-oriented. It should define some of its indicators in terms of Millennium Development Goals (MDGs) such as access to education, health, and sanitation. A distinct attention to the MDGs will help the LDRRF to provide broad-based support for wide-ranging risk reduction measures.

Augmenting Technical Capacity

At present, the LDRRF is supported by just one technical staff, the LDRRF Fund Management Specialist. In view of a large number of projects for which the LDRRF has provided financial support, the current staff support is clearly inadequate. The LDRRF will need to provide technical assistance to its implementing partners so that they can professionally develop and implement proposals, seek connection with other programmes, and build greater convergence in their approach.

The LDRRF should augment its technical and project management capacity by hiring consultants and its own staff. It can prepare a panel of sector-based consultants, who can help local governments and NGOs in developing their proposals. It also needs to hire at least three key national specialists, who will provide support to the LDRRF for:

- a. development and finalization of proposals;
- b. monitoring and evaluation of projects; and
- c. resource mobilization and partnerships.

These specialists will be able to support the LDRRF for more specialized functions and contribute to its future as a long-term financial mechanism.

Monitoring and Evaluation (M & E) Arrangements

The LDRRF needs to improve the M & E arrangements for its projects. At present, its projects are monitored largely through the LDRRF Fund Management Specialist. Considering the number of more than 500 projects supported by the LDRRF, it is an inadequate arrangement. These arrangements need to be strengthened through involvement of external reviewers in supervising the projects.

At present, each project is required to submit its quarterly progress report. The arrangement needs to continue. However, the quarterly progress report needs to be reviewed and cross-checked through physical visits to project sites. Since it is not possible for the LDRRF staff to visit the project sites so many times, a more feasible arrangement would be to hire external experts for reviewing the programme. A panel of such external experts needs to be approved, and they could be asked to visit the project sites

⁷ Bangladesh Bureau of Statistics (2008) "Survey on Social Safety-Nets Programmes in Bangladesh" Draft. Dhaka: BBS

on a quarterly basis. The LDRRF staff including the M & E Expert working for the CDMP-II should also visit a select number of projects.

For each project, mid-term and completion reports should be prepared and the progress achieved in project implementation should be reviewed in detail by the LDRRF management. The LDRRF should also prepare an annual review report based on its project implementation, disbursements and the achievement of its overall objectives.

An Impact Assessment Report has been prepared for the LDRRF. However, in terms of data collected, methodology adopted, and findings presented, the report is not meticulous and rich in details. It leaves out several important aspects of the project implementation such as the overall impact, implementation strategy, linkages with the local government, and NGOs' support and accountability. It is necessary that the LDRRF is periodically reviewed and evaluated on several parameters. A detailed evaluation of the LDRRF on the basis of a large number of projects implemented is overdue. Similarly, a number of impacts studies needs to be commissioned. These reviews and evaluation studies would help the LDRRF to correct its course of implementation on a continuous basis.

The LDRRF should also consider developing a database of its projects. The database should provide the details of project components, cost, implementation partner, geographical areas, etc. The database will provide valuable inputs for planning future interventions. A management information system which includes the details of all the projects as they are implemented would be an important monitoring tool for the LDRRF.

Knowledge Management and Communication

A large number of projects approved through the LDRRF can create a repository of good and diversified practices. These practices need to be documented and disseminated widely among the practitioners. A sharing of good practices among the implementing partners will enhance the quality of projects being implemented under the LDRRF.

The LDRRF should actively support some action research and documentation in partnership with academic institutions. It should also bring out publications, based on its research and project-related activities.

The LDRRF should organize workshops on its projects and other activities bi-annually. These workshops would allow the implementing partners to come together and exchange information upon the implementation of their projects. Reviews and evaluation reports should be presented in these workshops and discussed for improving its implementation practices. The LDRRF should also issue newsletters providing update on various important projects. It should post the details of projects on its web site.

The LDRRF's innovative practices could also be an important area for South-South Cooperation. Other countries in Asia-Pacific region could set up a similar financial mechanism for disaster risk reduction, and link it to social protection and climate change. In order to promote the LDRRF as a viable mechanism, its visibility needs to improve. It can be achieved only through strong knowledge management and communication efforts.

A Long-term Vision for LDRRF

The LDRRF should develop and pursue the vision of working as a long-standing autonomous entity. Since a financial mechanism such as the LDRRF will be needed even after the CDMP-II comes to a close, it should gradually move beyond the framework of CDMP-II and seek a larger national ownership. It would imply that the government of Bangladesh should have a larger participation in its functioning and institute a new governance structure for the fund. The new governance would replace its TRC and approval committee with a governing board and executive committee.

Such a long-term vision will require that the LDRRF acquires a scale which justifies its continuation as a national entity. The scale of its operations will increase through a continuous replenishment of its funds as well as the augmentation of its internal capacity as an organization. The LDRRF should have a resource mobilization strategy which will enable it to raise resources through donors and government. It should expand its core staff, and develop its approval, disbursement, and monitoring systems.

A number of social funds have been set up in different countries which continue to function as autonomous entities with their own funds and staff. The LDRRF can also expand and function along similar lines. However, translating such a vision would require that the LDRRF starts organizing itself on these lines and work towards securing the government's support for such a long-term role.

A Summary of Key Recommendations

Some of the key recommendations from the discussion above can be summarized as follows:

- The LDRRF should identify high-risk districts, and within these districts *Upa-zilas* and Union Councils. It should conduct risk and vulnerability assessment at the Union Council level, and prepare RRAPs at the Union Council and *Upa-zila* levels.
- The LDRRF should assist its partners in developing risk reduction projects at the Union Council and *Upa-zila* levels. The project proposal should cover the entire Union Council / *Upa-zila* and develop programmes which can be implemented over a period of one to three years.
- A risk reduction proposal should be developed in a more integrated way. Based on risk and vulnerability assessment, it should cover a range of interventions related to disaster risk reduction, social protection, and climate change adaptation. A mix of community-level and household-specific interventions need to be included in the project.
- All the projects should be linked to a baseline of data, and should have measurable indicators of risk reduction.
- The governance structure of LDRRF should be reformed, with greater participation of external experts and government officials. The LDRRF management should gradually be taken over by the government. It will ensure more professional inputs and greater accountability of the LDRRF.
- Projects funded by the LDRRF should be implemented directly by community or local government. NGOs and other partners should play the role of facilitators. An enhanced local stake in the project implementation ensures greater impact and accountability.

- The LDRRF should strive to establish linkages with the government's social protection and poverty alleviation programmes. These linkages would improve the sustainability of LDRRF's support for risk reduction interventions.
- The Monitoring and Evaluation arrangements for LDRRF projects should be strengthened through constituting an external panel of reviewers, hiring an M & E expert with the LDRRF, and regular progress reports.
- The LDRRF should develop a database of projects it has supported. Such a database will be a repository of good practices and provide valuable inputs on future risk reduction efforts.
- The LDRRF should document its projects, organize workshops for sharing its experiences, bring out publication on its learning, provide information on the project through its web site, and publish periodical newsletters. It should actively pursue knowledge management.
- The LDRRF should have a vision of emerging as an autonomous entity even after the CDMP-II comes to a close. The LDRRF can meet a long-term need for flexible funding mechanism for disaster risk reduction.

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