



NATIONAL DISASTER RISK MANAGEMENT FUND



NDRMF

MAKING PAKISTAN RESILIENT

UNITING RESOURCES, PEOPLE AND ACTIONS FOR
RESILIENCE





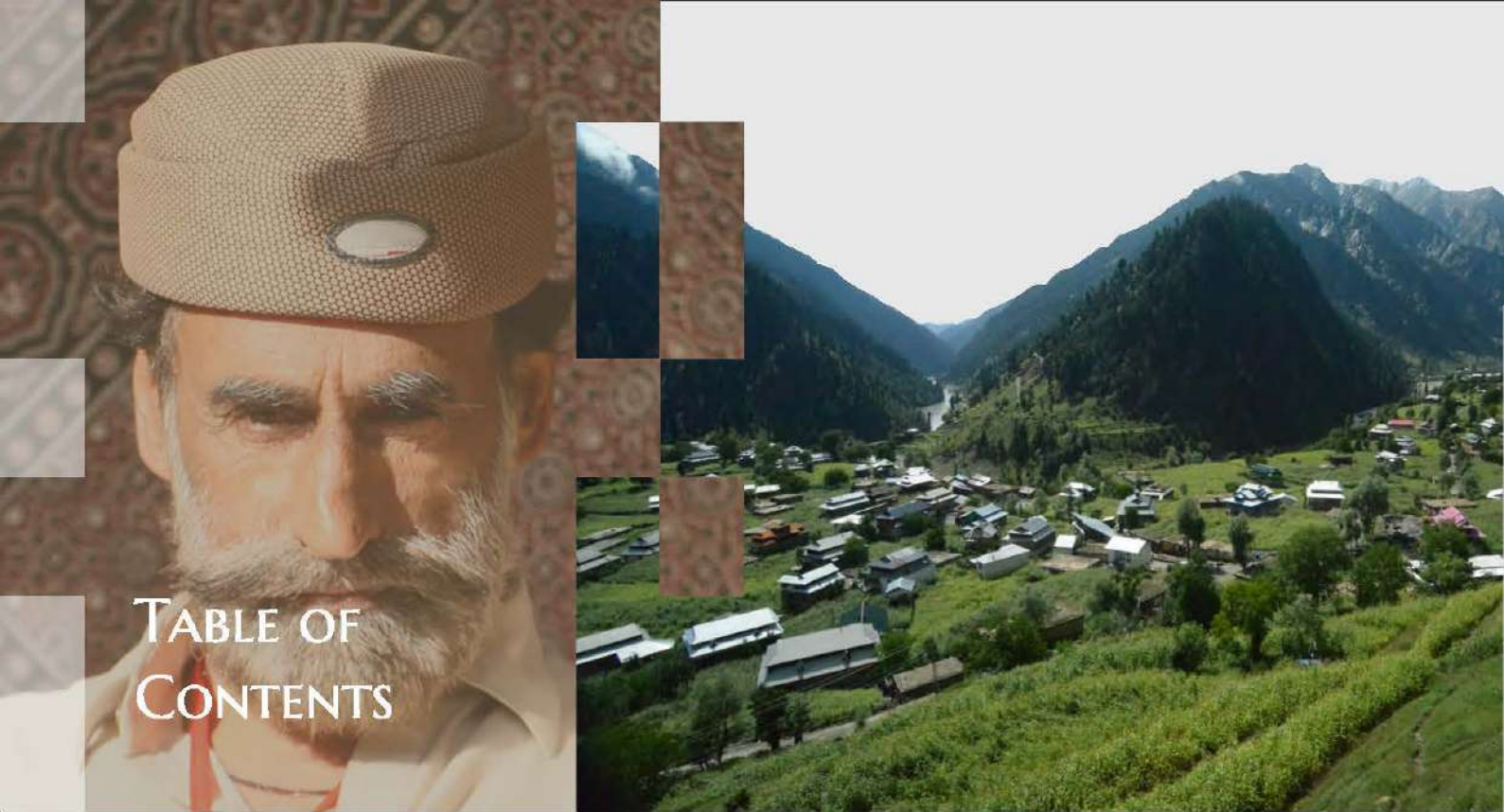


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COMPANY PROFILE AND LEGAL STATUS

The National Disaster Risk Management Fund (NDRMF) is a Public Sector/not-for-profit Company, incorporated under Section 42 of the Companies Act, 2017 (previously Companies Ordinance, 1984). NDRMF is governed by its own Board of Directors, duly nominated by the Government of Pakistan and includes members from the non-public sector. It is a non-banking financial intermediary with a corporate structure aiming to provide grants to public and non-public sector entities with highest level of integrity and transparency.

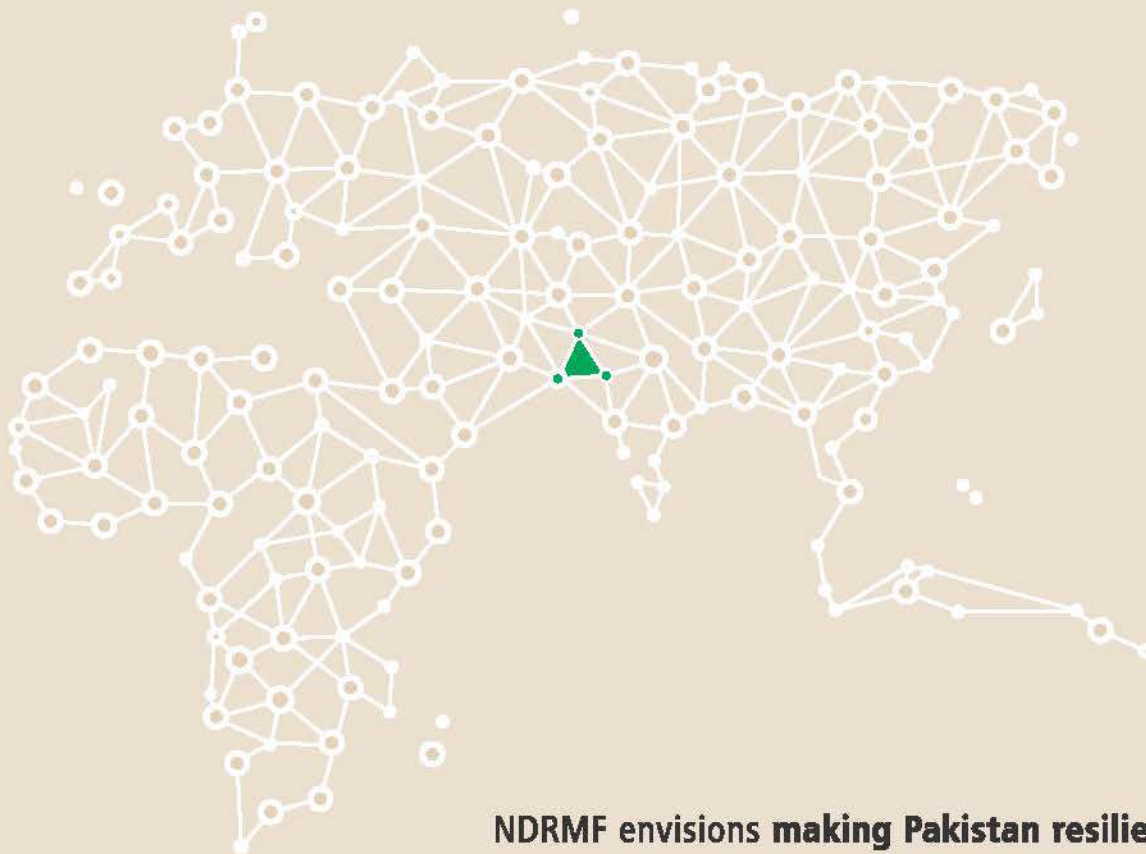
NDRMF aims to decrease the socio-economic and fiscal vulnerability of Pakistan's population to natural hazards by prioritizing and financing investments in disaster risk reduction that have high economic benefits.

The Fund's purpose is to strive in strengthening the technical knowledge base on environmental disasters, climate change risks and develop market for transfer of residual risks of unmitigated natural hazards. This will contribute to enhancing Pakistan's resilience to climatic shocks and other natural threats.

The Fund was initially setup through an ADB loan to Government of Pakistan (GoP) with additional contributions from Government of Australia, Switzerland, Norway and GoP as shown in the table:

	The Government of Pakistan (GoP)	USD 25 Million
	Asian Development Bank (ADB)	USD 200 Million
	The Norwegian Ministry of Foreign Affairs (MFA)	USD 4.99 Million & PKR 44.42 Million
	The Government of Australia	USD 3.4 Million
	The Swiss Agency for Development and Cooperation (SDC)	USD 1.5 Million

The Government of Pakistan has conferred the contributions to NDRMF as a grant, for further financing by NDRMF to eligible Fund Implementing Partners (FIPs). NDRMF is working on 70-30% co-financing ratio whereby up to 70% financing is granted by NDRMF and at least 30% comes from the FIP. This approach is helping the Fund to raise an additional amount of at least USD 28.2 million through contributions by FIPs.



NDRMF envisions **making Pakistan resilient to natural disasters.**

VISION

MISSION

To reduce the socio-economic and fiscal vulnerability of the country and its population to natural hazards by prioritizing and financing investments in Disaster Risk Reduction (DRR), preparedness (early warning, contingency planning), early recovery and Disaster Risk Financing (DRF) that have high economic benefits, taking into account climate change.



OUR COMMITMENTS

Geographical Coverage

All provinces, AJ&K, GB and FATA

Budget Utilization

USD 110 Million

Thematic Coverage

As per NDMP & NFPP-IV

Accreditation

All types of implementation partners including PSEs, non-PSEs and UN/INGOs

DRF Strategy

Formulation of DRF Strategy, NatCat model and developing two instruments

Endowment Fund

Establishing USD 123 Million

Approval of all policies

Gender, Environment & Social Safeguards etc.

Coordination Mechanism

Fully established & functional at Federal & Provincial Level

System & Procedures

I - Submission, Evaluation & Approval of Proposals
II- Disbursement
III- Monitoring

Total Beneficiary Population

3 million, all across Pakistan

CORPORATE CULTURE AND OUR CORE VALUES



Integrity

We believe that it is essential to operate at highest levels of conviction, honesty and responsibility to consciously consider ethical issues and the implications of decisions or actions taken.



Accountability

By adopting a results-focused approach we take responsibility for delivering our commitments and hold ourselves accountable. We also provide an independent forum and process whereby people affected by our projects can voice their concerns to be addressed.



Transparency

We are open and impartial in our processes, partnerships and associations with our stakeholders, including government, donors, beneficiaries, and Fund Implementing Partners (FIPs). We also strongly condemn bribery, corruption and other financial irregularities in our work.



Diversity & Inclusiveness

We treat people with dignity and respect regardless of their backgrounds, gender, race, age, disability, values and interests. We recognize differences and diversity as opportunities for learning and outreach.



Participation

We believe in including all stakeholders (public and private sector organizations, marginalized groups, and academia), analyzing needs and decision making to improve the appropriateness, effectiveness and accountability of our interventions.



Communication

We are committed to positive and transparent communication with all stakeholders about our work, utilization of our resources and seeking constructive feedback.



Teamwork

We have a conviction to create a collaborative, supportive and innovative work environment where people can energize efforts to yield greater results.



Innovation

We are committed to foster excellence in our work through creative and innovative solutions to do things differently.



Adaptability

We stay agile and are ready to change our approach when challenges arise.



CORPORATE COMPLIANCE

NDRMF has devised several policies and guidelines for ensuring the seamless functionality of the Fund's operations. These compliances are applicable to the internal staff and FIPs to make them cognizant of the responsibilities consistent with corporate requirements.

Anti-Corruption Policy

The Anti-Corruption Policy specifies responsibilities of all employees, and any party associated with NDRMF to observe and uphold zero tolerance position on bribery and corruption. The policy sets out what is and what is not acceptable with regards to gifts and hospitality, facilitation payments, political and charitable contributions.

Anti-Harassment Policy

The Anti-Harassment Policy focuses on harassment and bullying experienced at the workplace and facilitates the creation of organizational culture that is free of harassment, bullying, intimidation and abuse based on sex, age, caste, ethnic background, religious beliefs, sect, disability, medical condition, job responsibilities and marital status.

Whistle Blower Policy

The Whistle Blower Policy encourages employees to report any wrong doing/ improper conduct or any breach of law or regulation that may adversely impact NDRMF. The Fund does not tolerate any harassment or victimization and will take

appropriate action to protect employees when they raise concern in good faith.

Conflict of Interest and Disclosure Policy

The Conflict of Interest and Disclosure Policy engages with situations in which employees may have an actual, perceived or potential conflict between their official role and personal interests. The employees are obligated to avoid and disclose ethical, legal, financial and other conflicts of interest and remove themselves from a position of decision-making authority with respect to any conflict situation.

Grievance Redressal and Disciplinary Matters Policy for NDRMF Staff

NDRMF as a company aspires to create a conducive environment that not only develops efficiency for meetings, its operational and administrative targets/objectives, but also strengthens mutual goodwill, understanding and comradeship/friendship. This will hence lead to fulfillment of individual as well as group social needs. Notwithstanding this, there can be grievances (either personal or work related). NDRMF's Grievance Redressal and Disciplinary

Matters Policy outlines steps and procedures that will be taken to attend to these on merit and without loss of time.

Diversity, Equal Opportunity and Affirmative Action Policy

The Diversity, Equal Opportunity and Affirmative Action Policy establishes that all employees will be treated fairly, respectfully and valued to accomplish their best for the Fund. Any discrimination on grounds of gender, ethnicity, origin, physical and mental ability, age, economic class, language, religious belief, sect, family background and marital status, caring responsibilities, values, attitudes, ways of thinking, behaving, communicating and working is unacceptable.

Gender and Development Policy (GAD)

The objective of Gender and Development (GAD) policy is to support the achievement of equality between women and men within the organization. Furthermore, the policy ensures all financed projects contribute to gender and Persons with Disabilities (PWDs) for inclusive Disaster Risk Reduction. The policy is also integral in making concerns and experiences of women and men an essential dimension of design, implementation, monitoring and evaluation of NDRMF initiatives.

Environmental and Social Management System (ESMS)

NDRMF is firmly resolved to promote sustainability in all its business operations, by effectively managing environmental and social risks, and enhancing beneficial impacts through implementation. The Environmental and Social Management System (ESMS) defines policies, principles, procedures, institutional arrangements and its financing operations for managing adverse environmental and social risks and impacts caused by projects.

Grievance Redress Mechanism (GRM) for Stakeholders

NDRMF has formed an independent forum for the Fund Implementing Partners (FIPs), individuals and/or communities to voice their grievances against any adverse effect caused by the Fund's projects and undertaken by FIPs. Through this process, a resolution to a grievance is sought and provided after a comprehensive scrutiny of the complaint registered by any FIP and public (affected by the project directly or indirectly).

Media Policy

The Fund's Media Policy provides guidance on media liaison activities and specifies procedures and protocols for media management. The purpose is to communicate accurate, timely and consistent information to all stakeholders through most qualified and appropriate spokespersons and/or sources of information.

Human Resource Policy (HR Policy)

The Fund's HR Policy is a central reference in all matters related to NDRMF employees. The policy outlines basic rules, regulations and procedures that

bind the employee as part of his/her contract of employment; it is part of new employees' induction process, and serves as an operating guide to manage employees' affairs fairly and consistently. It also acts as a reference document for the management and staff in handling human resource and administration issues.

Performance Appraisal Policy

The Fund's Performance Appraisal Policy aims to determine efficiency and effectiveness of employees in order to facilitate management decisions regarding promotion, retaining and acknowledgment of performance. Furthermore, the policy defines processes and steps to evaluate an employee's performance, documentation and future career planning.

Procurement Policy

The Fund's Procurement Policy provides procurement guidelines for both institutional procurement, engagement of consulting services and hiring of the individual consultants under the loan. The Procurement Policy not only specifies the packages, but also the nature and mode of Procurement under the Fund.

Internal Audit Manual

The Fund's Internal Audit Manual delivers the internal audit process of NDRMF. It encompasses the various aspects of audit charter, audit organization structure, objectives of internal audit, code of ethics for Internal Auditors and audit approach. Additionally, it includes the period to be covered, the scope and extent of inspection, documentation, issuance of reports, the follow-up of reports, and the system for confirming compliance of internal audit observations.

Financial Management Manual

The Fund's Financial Management Manual functions as a fundamental basis in ensuring consistent accounting, effective internal controls over accounting and financial reporting policies and procedures across NDRMF. The Manual also outlines implementing system of internal control to assist NDRMF to perform in an efficient and orderly manner. Furthermore, the manual ascertains the adherence to management policies, safeguarding the NDRMF assets, and securing the accuracy and reliability of its records, and preparation and presentation of NDRMF's financial statements (fixed capital expenditure, intangible assets, revenue, and employee benefits).

Monitoring & Evaluation Manual

The Fund's Monitoring & Evaluation Manual delivers a holistic and structured overview of NDRMF's M&E system, processes, data requirements and multiple levels monitoring and reporting functions. The Manual explains how NDRMF monitors and evaluates its program components / activities as well as how the Fund fulfills its monitoring and reporting requirements to the donors. The manual also includes NDRMF's finalized results framework where indicators against each of the expected results of the program are mentioned.



Additional Institutional Initiatives

Limit of Authority Manual

The Fund's Limit of Authority Manual explains the powers conferred by the Board of Directors (BOD), and further sub-delegated by the Chief Executive Officer (CEO) to the relevant officers with regards to finance, budgeting, strategic planning, management and governance.

Operations Manual

The Operations Manual establishes the essential administrative and management requirements to implement any project on time, within budget, and in accordance with the policies and procedures of the government and donors.

Glossary of Terms

NDRMF has compiled a standard glossary of terms, using several international and national standards and guideline documents, affiliated with Disaster Risk Reduction, Disaster Risk Financing and other core functions including environmental and social safeguards, gender and development, procurement etc. The glossary functions as a reference for inter and intra departmental exchange of information to arrive at a consistent interpretation and understanding of specific terminology.

Communication Strategy

The Fund's Communication Strategy seeks to ensure appropriate, factual and precise information to the public about hazards and actions to be taken. The strategy operates at the Federal and Provincial Government level on one side and the corporate community and household level on the other, to reduce disaster risk. This will assist stakeholders to take informed decisions, and furthermore, share experiences and lessons drawn from managing disaster risk and coordinated action.

Media toolkit

The purpose of the Fund's media toolkit is to apprise the media in detail about the functioning of the organization, with respect to disaster mitigation and improving resilience of the country. The toolkit serves as a one stop solution in providing basic facts of NDRMF internal functioning, project appraisals and project implementation from start to end.

BOARD OF DIRECTORS



Dr. Syed Pervaiz Abbas
Secretary, Economic Affairs Division
joined NDRMF Board in December 2019.

Mr. Abbas holds an MD Degree from Lviv National Medical University, Ukraine and a Master's Degree from University of Punjab, Lahore. He is a career civil servant having 30 years of experience in the range of public services, project management, social development, public policy formulation and execution.

Previously, he has served as Chairman Gwadar Port Authority, Additional Chief Secretary (Energy) Punjab, Chairman of Punjab Power Development Board, and Board Member of various Energy Sector Companies of Punjab.



Mr. Navaed Kamran Baloch
Secretary Finance Division
joined as chair to NDRMF Board in May 2019.

Mr. Baloch attained his M.Sc. in Social Policy and Planning in Developing Countries from London School of Economics, UK and joined the Civil Services of Pakistan in 1985. Furthermore, he is a certified Board Director of Pakistan Institute of Corporation Governance.

Prior to his present posting, he served as Secretary Cabinet Division, Chief Secretary Khyber Pakhtunkhwa, and Federal Secretary Ministry of National Health Services Regulation & Coordination. He also served as Chairman of CCM Pakistan, Chairman State Life Insurance Corporation, Principal Secretary to Chief Minister (Sindh), Director General of National Institute of Management Karachi, Secretary Finance, Secretary Food and Secretary Information, Government of Sindh, Pakistan.



Mr. Amir Ashraf Khawaja
Secretary, Climate Change Division
joined NDRMF Board in December 2019.

Mr. Khawaja holds a Degree in Civil Engineering from University of Engineering and Technology, Lahore and a Degree in Sociology & Journalism from University of Punjab, Lahore. He has around 30 years of experience in civil service, including more than four years in international diplomacy.

Previously, he has served as Director General Federal Directorate of Education, Federal Secretary Information Technology Division, Federal Secretary National Security Division and Federal Secretary Ministry of Maritime Affairs. He has also served as Pakistan's permanent representative to UN Agencies at Rome.



Lt. Gen Nadeem Ahmed (Retd)
Chief Executive Officer - NDRMF
joined NDRMF in April 2018.

Mr. Ahmed has four decades of a diverse professional career and has held prestigious command and staff positions in the Pakistan Army. He has also presided over several national agencies in development sector especially Disaster Risk Management and Oil & Gas industry.

He holds a Master's Degree in War Studies from National Defence University, Islamabad and in Strategic Studies from US Army War College, Carlisle Barracks Pennsylvania.

Previously, Mr. Ahmed served as Managing Director/CEO of Mari Petroleum Company Limited, Chairman of National Disaster Management Authority (NDMA) and Deputy Chairman of Earthquake Reconstruction and Rehabilitation Authority (ERRA).

In addition to other multiple strategic positions, he held the position as Special Advisor to United Nation World Food Programme and Chief Military Coordinator at the Federal Relief Commission Pakistan following the 2005 Earthquake.



Mr. Syed Rashid Ali
Chief Financial Officer - NDRMF
joined NDRMF in December 2017.

Mr. Ali is an Accountant and has received his professional qualification as Chartered Accountant from PricewaterhouseCoopers (PWC) A. F. Ferguson and Co.

He has 24 years of experience in corporate and development sector organizations. He has held senior positions in Pfizer Laboratories USA, French Telecom Alcatel Pakistan, Punjab Population Innovation Fund and National Logistics Cell.

He also served at USAID and World Bank funded organizations as Director Finance and Compliance and General Manager Finance and Administration respectively.

His areas of expertise include financial management, policy development, strategic planning, treasury management, and managing financial software.



Ms. Xiahong Yang
Country Director - Pakistan, Asian Development Bank
joined NDRMF Board in April 2018.

Ms. Yang holds a Master's Degree in Economics from Beijing University, in People's Republic of China (PRC), a Bachelor's degree in Finance from the Shanghai University of Finance and Economics, PRC, and is a Certified Public Accountant.

For five years, Ms. Yang worked with the World Bank Resident Mission PRC as a Financial Specialist. She has also worked in Civil Service in Ministry of Water and Power and in Ministry of Finance.

In December 1998, she joined Asian Development Bank (ADB) and held significant positions including Financial Specialist, Senior Financial Analysis Specialist, Senior Transport Economist, and Principal Transport Economist in the former Economic Research and Regional Cooperation Department's Transport and Communications Division (ECTC) and Transport and Communications Division East Asia Department (EATC).

Currently, Ms. Yang serves as Chair of the ADB Transport Sector Group and promotes bank wide work in sustainable transport.



Muhammad Mehran Afzal
Company Secretary - NDRMF
joined NDRMF in July 2018.

Mr. Afzal completed his education in law from Quaid-e-Azam Law College Lahore with a distinction. He is a Certified Director by the Institute of Chartered Accountants of Pakistan and is a life member of Lahore High Court Bar Association and Lahore Bar Association.

Before joining NDRMF, he worked as Company Secretary/ Head of Legal Department in different Public Sector Companies owned by the Government of Punjab.

He holds a diverse experience with private and public sector companies, and has a conceptual understanding of legal principles and legal documentation.

BOARD COMMITTEES



Finance Committee

The Finance Committee was constituted on 20th July 2018 with subsequent membership:

- a) Secretary EAD (Convener)
- b) Country Director ADB (Member)
- c) CEO NDRMF (Member)
- d) Company Secretary NDRMF (Secretary).

The objective of this committee is to:

- (i) review and recommend budget for approval of Board
- (ii) review and recommend accounting and financial policies for approval of Board.



Nomination Committee

The Nomination Committee was constituted on 20th July 2018 with subsequent membership:

- a) Secretary Climate Change (Convener)
- b) Secretary, EAD (Member)
- c) Country Director, ADB (Member)
- d) Company Secretary, NDRMF (Secretary)

This committee is created for identifying, evaluating and recommending candidates for vacant positions, including casual vacancies on the Board. This also includes the candidates recommended by the Government, for consideration of shareholders, or in case of casual vacancy, to the Board of Directors after examining their skills and attributes required for such candidates.



Audit Committee

The Audit Committee was constituted on 11th September 2018 with subsequent membership:

- a) Secretary EAD (Convener)
- b) Secretary Ministry of Climate Change (Member)
- c) Country Director - ADB (Member)
- d) Company Secretary - NDRMF (Secretary)

The committee purposes for an efficient and effective internal and external financial reporting mechanism.



Human Resource Committee

The Human Resource Committee was constituted on 22nd September 2017 with subsequent membership:

- a) Secretary Climate Change (Convener)
- b) Secretary Planning, Development & Reforms (Member)
- c) CEO, NDRMF (Member)
- d) Committee may Co-opt any non-voting member for secretarial support.

The committee is created to solicit the views on all employee-related matters, including recruitment, training, remuneration, performance evaluation, succession planning, and measures for effective utilization of the employees of the Public Sector Company.



Procurement Committee

The Procurement Committee was established on 2nd March 2018 with subsequent membership:

- a) Secretary Climate Change (Convener)
- b) Secretary Planning, Development & Reforms (Member)
- c) CEO, NDRMF (Member)
- d) Committee may Co-opt any non-voting member for secretarial support.

The objective of constituting this committee is to seek guidance in ensuring transparency of procurement transactions and in dealing with the suppliers.



Risk Management Committee

The Risk Management Committee was constituted on 23rd May 2018 with subsequent membership:

- a) Secretary Ministry of Climate Change (Convener)
- b) Country Director - ADB (Member)
- c) CEO - NDRMF (Member)
- d) Company Secretary NDRMF (Secretary)

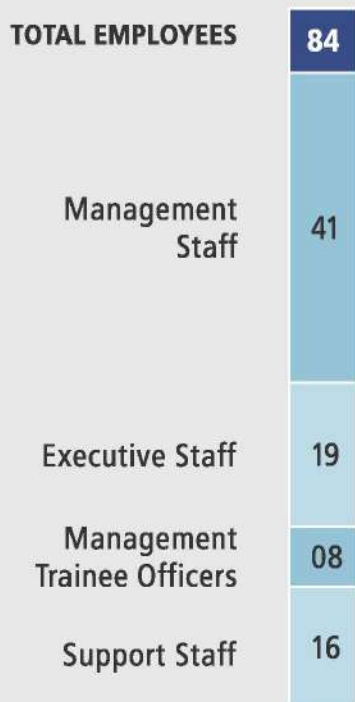
The purpose of constituting this committee is to seek guidance on reviewing the risk function, effectively.

OUR TEAM





ORGANIZATION CHART



Functional Relationship -----

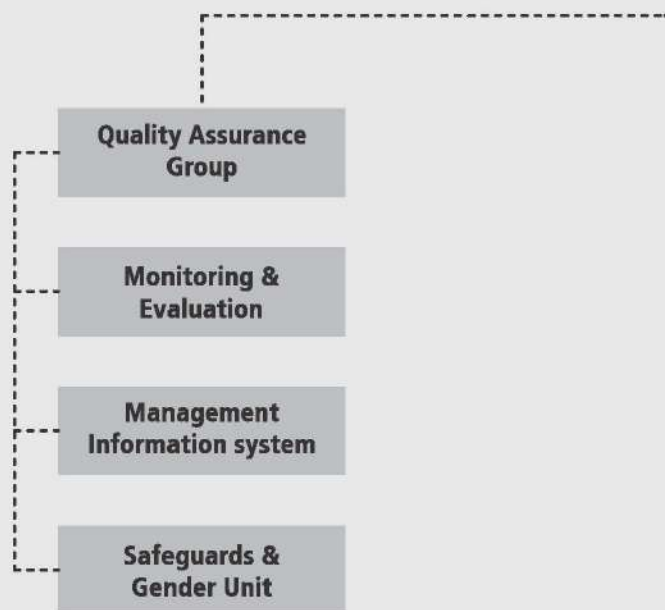
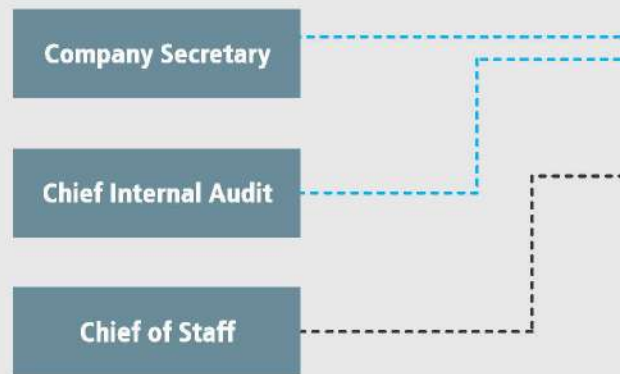
Administrative Relationship -----

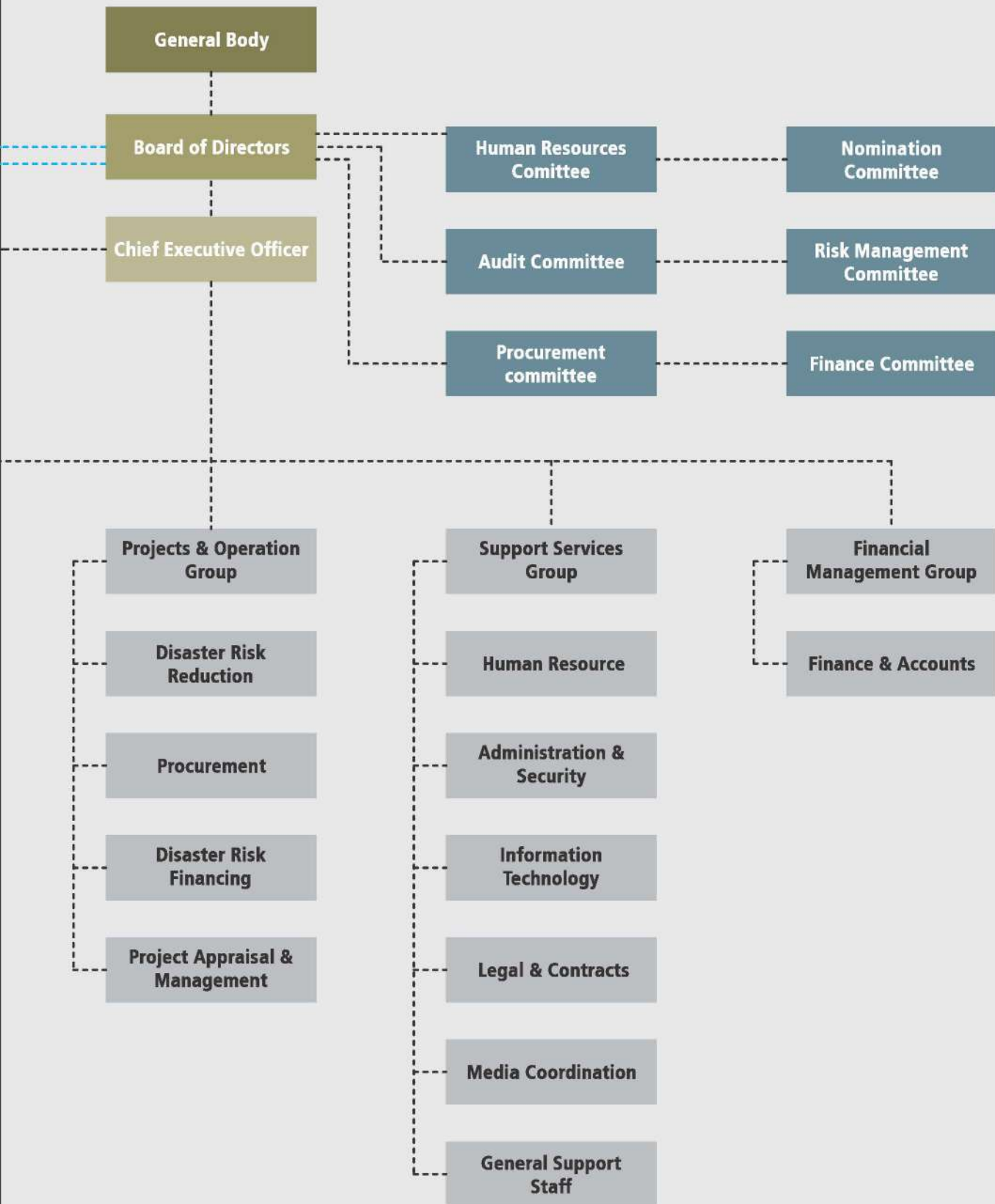


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MESSAGE FROM THE CEO

I am pleased to share with you NDRMF's first Annual Report (2018-2019) reflecting the progress, challenges and experiences gained by the organization in its first one and a half year of operations. The creation of NDRMF was envisioned by the Government of Pakistan due to the increasing frequency and magnitude of disasters in Pakistan, which positioned Pakistan as a high-risk disaster-prone country globally. The Fund was established to focus and invest in Disaster Risk Management and Financing through generating and investing resources for risk reduction and mitigation, while also carrying out strategies for risk-financing in case a disaster struck the country. Today, NDRMF is Pakistan's national (and only) Investment Fund that looks at Disaster Risk Reduction (DRR) and Disaster Risk Financing (DRF) in an integrated and inclusive manner with a long-term perspective. The Fund is aiming to finance project portfolio included in the National Disaster Management Plan (2012-2022) and the National Flood Protection Plan (2015-2025). It is

also linked to international development targets such as the Sustainable Development Goals (SDGs), UN Sendai Framework (2015-2030) and the Paris Agreement on Climate Change.

I am content to convey that in a short span of time, several key milestones have been achieved around the Fund's three outputs that include: establishing the Fund; providing funding for investments in DRR; and carrying out essential ground work for improving fiscal management through DRF. The most significant achievement of last one and a half year was the full operationalization of NDRMF-addressing every challenge while developing the institution from scratch. An integral part of NDRMF's institutional building was defining and promoting organizational characteristics and values.

To accomplish this, the Fund set up requisite institutional governance, monitoring, fiduciary, procurement, safeguards and gender policies, which were endorsed by the Fund's Board of Directors (BOD). All necessary corporate compliances, statutory returns and other related documents were filed with the Securities and Exchange Commission of Pakistan (SECP). A number of manuals, policies, procedures and systems were developed and finalized for the Fund, including a comprehensive Environmental and Social Management System (ESMS), Operational Manual and a Gender and Development (GAD) policy. The hiring of vital Management and Executive staff has been completed, with at least 20% female staff representation. Moreover, a USD 123 million Endowment Fund has also been created that will ensure Fund's long-term financial sustainability through interest-bearing investments. Similarly, Tax Exemption certificate stands approved by the National Assembly through the Money Bill with the assistance of Federal Board of Revenue (FBR).

We understand that we cannot prevent disasters. However, we can limit their impact by increasing risk awareness and empowering the communities and institutions to take informed decisions that will reduce vulnerability and exposure to hazards. In this regard, NDRMF has made good progress in its work for grant financing to Fund Implementing Partners (FIPs) for DRR projects. Upon issuing a call for accreditation for non-public sector organizations in August 2018, 23 entities have been accredited, including International and National NGOs and UN Agencies. Provincial Disaster Risk Management Coordination Committees have also been notified, and NDRMF has received several proposals from public sector entities from all provinces through these committees (including Gilgit Baltistan and Azad Jammu and Kashmir). For the first batch of projects approved by

the Board of Directors (BOD) in March 2019, Grant Implementation Agreements for the NDRMF contribution of up to USD 15.96 million to the total projects cost have been signed with the National Disaster Management Authority (NDMA), Punjab Irrigation Department (PID), Pakistan Red Crescent Society (PRCS), Islamic Relief Pakistan (IRP) and a joint venture of Aga Khan Foundation (AKF) & Aga Khan Planning & Building Services (AKPBS). The second batch of projects worth a total value of USD 35 million were approved by the BOD in September 2019, with NDRMF providing financing of up to USD 25.5 million to the total projects cost. So far, Grant Implementation Agreements for second batch projects have been signed with Muslim Aid Pakistan (MAP), Pakistan Poverty Alleviation Fund (PPAF), Azad Jammu & Kashmir Communication and Works Department, Gilgit Baltistan Home & Prisons Department and Gilgit Baltistan Public Works Department, whereas remaining projects are in the pipeline for signing. Hopefully, NDRMF will also get the third (and final) batch of projects for the current phase approved by the BOD by first quarter of 2020.

The multi-sectoral project schemes being funded by NDRMF include flood protection works, retrofitting of public buildings, water conservation structures, construction of evacuation sites, Multi Hazard Vulnerability Risk Assessments (MHVRAs), Community Based Disaster Risk Management (CBDRM) training, landslide management, drought mitigation, strengthening of emergency response capacities, school safety training and installation of early warning systems. All projects have been selected through a merit-based and transparent process in accordance with pre-set criteria, promoting gender equality, inclusiveness and environmental and social safeguards. The Fund has also set in place a strong monitoring framework to ensure that all funded projects are implemented in an effective and transparent manner, thus reducing disaster risks and protecting the local population from adversities.

The Fund has also made worthy progress in improving fiscal management through DRF. The Fund is mandated to develop a national level Natural Catastrophe Risk Assessment Model (NatCat), a gender sensitive DRF strategy and two DRF instruments. The NatCat will be carried out through the Space and Upper Atmosphere Research Commission (SUPARCO) focusing on important natural vulnerabilities of Pakistan, i.e. earthquakes, floods (riverine), drought and tropical cyclones. Concurrently, the Fund has engaged in consultation in regard to the DRF strategy and product development with several relevant stakeholders including the Insurance Development Forum (iDF) team, KfW Development Bank, World Bank as well as vital public sector stakeholders, including National Disaster Management Authority (NDMA), Provincial Disaster Management Authorities (PDMAs), SECP, Ministry of Commerce, Ministry of Finance and others. The Fund's DRF unit has also launched a DRF - Synergy Group (DRF-SG) to help achieve improved coordination amongst the significant stakeholders as well as guide the strategy development and product development processes.

Another notable achievement this year has been the Government of Pakistan's decision to host the Ecosystem Restoration Fund (ESRF) at NDRMF. ESRF is essentially a nature based adaptation initiative starting with an initial support from World Bank amounting to USD 120 million, and includes initiatives such as afforestation, biodiversity conservation, marine conservation, promotion of ecotourism and electric vehicles. NDRMF will be responsible for implementing ESRF on behalf of the Ministry of Climate Change through its existing structures and mechanisms. A successful launch of the ESRF was held at the United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP25) in Madrid, Spain on 11th and 12th December, 2019 under the leadership of Federal Minister and Advisor to the Prime Minister for Climate Change. Over the coming year, NDRMF will work towards developing a management framework for the ESRF operations, as well as build capacities of both public and non-public sector entities on the implementation of projects.

The Government of Pakistan's disaster risk management and financing agenda requires ardent support from the International community, Government agencies, Civil Society and other sponsors to decrease nationwide calamities and make Pakistan a disaster resilient country. For such support, I would like to thank the Government of Pakistan, particularly the EAD & Ministry of Climate Change, and our Board members and General Body for their timely and effective decision-making and critical counsel for the Fund. Furthermore, I would like to put on record my appreciation for the ADB and their continuous support and strong commitment in developing NDRMF, and for providing the necessary funding and technical support throughout the year. I am glad to inform that ADB has granted extension to the project till November 2021 and has promised additional funds up to USD 1 billion depending on successful completion of the current phase. I wish to express sincere gratitude to other NDRMF bilateral donors, which include the Government of Australia, Swiss Agency for Development and Cooperation (SDC) and Norwegian Ministry of Foreign Affairs (MFA) for their generous financial contributions and commitment to enhancing the disaster resilience of Pakistan. Finally, yet importantly, I want to acknowledge the commitment and dedication of the entire staff of the Fund - their persistent efforts have enabled the organization to grow quickly in a short span of time.

This past one and a half year has been a remarkable learning process for the Fund. I am confident that the Fund will continue its journey on a progressive path and become a stronger, more innovative and a more powerful channel for financing DRR, DRF and ecosystem restoration activities in Pakistan. Through the collaborative efforts of all the non-public and public sector partners, donors and the Board, we are committed to making Pakistan resilient from natural hazards and protecting it from adverse impacts of Climate Change.

Lt. Gen Nadeem Ahmed (Retd)
Chief Executive Officer

RISKS, MITIGATION & OPPORTUNITIES



Risk

Weak or non-compliance with Securities and Exchange Commission of Pakistan (SECP) rules and corporate policies causing audit observations.

Internal Risks



Risk assessment

Strong oversight of compliance shall be ensured by the CEO and Company Secretary. Relevant staff is given orientation to SECP rules and regular reporting on any compliance issue or policy breach is notified to the CEO.

Financial loss (particularly related to procurement and disbursements) and/or reputational harm to organizational integrity resulting from breach of contracts with FIPs/vendors/service providers including non-transparent contractual relationships.



The risk shall be mitigated through clearly defined terms and conditions within the contractual agreements. The Fund will also continue to monitor changes in law applicable to NDRMF and take corrective action as required. Where breach of any conditions pertaining to critical clauses is observed, the contract shall be terminated.

Frequent staff turn-over may affect project delivery causing brain-drain and loss of organizational knowledge, cost of rehiring and training staff to remain competent in the market.



The staff shall be retained by offering competitive market salaries and other benefits, congenial working conditions, career development, growth and implementation of succession plans.

Risk

Government commitment to NDRMF changes over time due to political considerations and competing priorities.

External Risks









Risk assessment

Since this is a Government owned Fund, such risks shall be mitigated by gaining more confidence through continuous engagement and coordination.

Safety and security concerns in project areas may cause harm to people and/ or hinder timely achievement of targets.



The Fund shall engage with implementing agencies having satisfactory arrangements for security of personnel and assets in project area and could ensure implementation of project without disruption till the achievements of results as planned and agreed upon in the Grant Implementation Agreement (GIA).

Risk	External Risks	Risk assessment
Frequent natural disasters such as seasonal floods/flash floods in the project areas will impact the delivery of intended outcomes and sustainability of physical infrastructure.	 <p>Medium</p>	Business continuity plans shall be developed for every project to mitigate such unforeseen risks including ensuring good engineering design and construction techniques and maintenance practices. Moreover, FIPs shall be advised to mitigate any risks and losses through insurance of project assets.
Grievances against FIPs registered by stakeholders related to projects financed by NDRMF may impact the creditability and reputation of the Fund and/or halt the progress in case of litigation due to conflicts between an FIP or local community / entity or individual.	 <p>Low-Medium</p>	This risk shall be mitigated through the effective implementation of the Fund's Grievance Redress Mechanism as well as using legal and administrative support available internally or externally.
Stringent compliance requirements on part of all donors may create delays in delivering time bound targets.	 <p>Medium</p>	This risk shall be mitigated by setting out justifiable deadlines in mutual consultation with the donors.
Limited capacities of FIPs to comply with NDRMF policies and requirements relating to finance, procurement, and safeguards.	 <p>Low</p>	The NDRMF staff shall regularly hold capacity building workshops and assist relevant departments in improving understanding of systems and policies.
Delays in project approval and implementation on part of public sector entities may be experienced due to cumbersome procedures, including in seeking project approval from Provincial Development Working Party (PDWP) and opening of project assignment accounts for funds grant management.	 <p>Medium</p>	NDRMF shall maintain regular liaison with relevant public sector departments to expedite the processes and to seek relevant approvals in a timely manner.
Time and financial overruns may be encountered during the project lifecycle.	 <p>Low-Medium</p>	This risk shall be mitigated through contingency cost allocation to absorb any cost overruns experienced during project lifecycle.

Opportunities

Expand the scope of DRM activities to areas not already covered such as public health and preparedness to address epidemics that might occur during disasters, such as water borne diseases during monsoon flooding.

Develop strategy for including projects outside NDMP and NFPP-IV which are critical for reducing risk to vulnerable communities across Pakistan.

Improve coordination among all the DRM related Federal and Provincial departments and establish national networks for an exchange of experiences and knowledge for building sustainable virtual support system for national institutions.

Establish goodwill among general public with credible performance and sustainable interventions.

Seek additional funding from diversified donors, including embedding an Ecosystem Restoration initiative with NDRMF.

Reallocate relevant inactive funds available within Government of Pakistan which have not yet started implementation or not delivering.

MILESTONES ACHIEVED

The first Call for Proposals was initiated.

NDRMF established a Disaster Risk Financing Synergy Group (DRF-SG).

The first batch of projects was approved by the Board of Directors of NDRMF.

NDRMF got Tax Exemption Status under the second schedule in Finance Supplementary Amendment Act 2019.

Disaster Risk Financing Synergy Group (DRF-SG) held its first meeting in Islamabad.

Grant Implementation Agreements for the first batch of projects were signed with three Non-Public Sector entities, one with National Disaster Management Authority (NDMA) and four Tripartite Agreements with Government of Punjab.

Employee health insurance policy established and secured.

**Dec
2016**

The National Disaster Risk Management Fund (NDRMF) was raised on 16 December, 2016, with the purpose of generating and consolidating resources, and investing in a risk reduction and mitigation strategy to reduce the impact of disasters in a proactive manner.

NDRMF signed a tripartite agreement with the Government of Australia worth USD 3.4 million.

The first Board Meeting of the Fund was held.

**May
2018**

The hiring process of the Human Resources Department was initiated.

**May
2018**

The first Annual General Meeting (AGM) was held.

**July
2018**

The launch ceremony of NDRMF was held.

**Aug
2018**

The process for the first round of Accreditation of non-public sector entities was completed.

**Sept
2018**

The Endowment Fund amounting to USD 123 million was invested in National Bank of Pakistan (NBP).

**Nov
2018**

**Feb
2019**

The Fund's office was established on the fifth floor of Employees' Old-Age Benefits Institution (EOBI) building, Islamabad.

**Mar
2019**

The hiring process of the Human Resources Department was concluded.

NDRMF signed a tripartite agreement with the Government of Switzerland worth USD 1.5 million.

**Aug
2019**

The first tranche was released to NDMA (public sector) and Pakistan Red Crescent Society (PRCS, non-public sector).

**Sept
2019**

The second batch of projects was approved by the Board of Directors of NDRMF.

The Endowment Fund reinvested in treasury bills.

**Nov
2019**

**Dec
2019**

Launch of Ecosystem Restoration Fund (ESRF) at CoP 25



PART ONE

CONTEXT

CHAPTER ONE

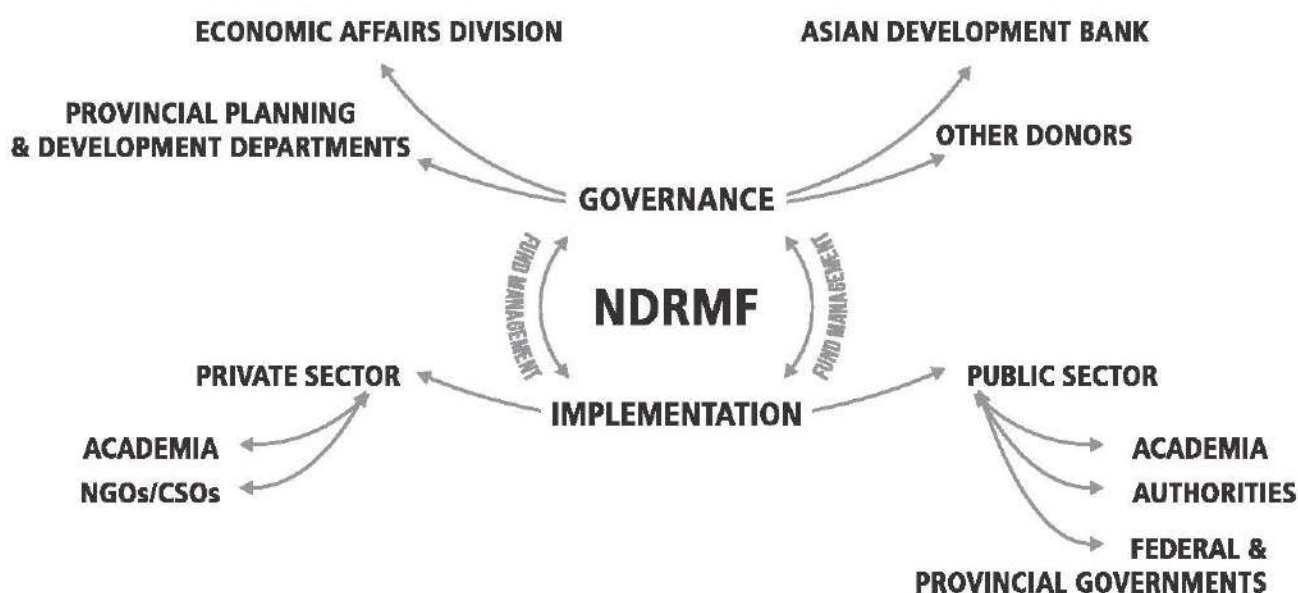
NDRMF's EVOLUTION VOYAGE



NDRMF

The story of NDRMF's logo

The NDRMF logo reflects organizational commitment to building country's resilience against natural disasters. The diamond logo shows integrated efforts for disaster risk reduction and risk management across the country. The sun symbolizes hope, whereas the window shows a safe shelter. Blue represents the sky as a background to the rising sun, whereas Green represents safety of houses and people living in risk prone areas.



Background

Pakistan faces substantial disaster risks that require a strong focus on extensive planning and assured technical and financial resource management to address risks posed by a diverse range of frequently occurring disasters. These calamities affect the social, political and economic fabric of the country by increasing exposure of the population and assets to disasters against their limited capacities.

All major development agencies and donors have had a separate funding block for disaster relief and

developmental work in Pakistan, whereas financing for interventions focused on Disaster Risk Reduction (DRR), preparedness and improving fiscal resilience has been inadequate. It was, hence, recognized that there is a need for a sustained ex-ante Disaster Risk Management (DRM) approach in Pakistan, requiring investment by multi-level partnerships between non-public and public sector including development partners. In this regard, a global advocacy campaign helped donors and practitioners invoke a sense of purpose and a holistic approach towards DRM in Pakistan, instead of just spending money for relief in a response-centric manner.

An inclusive, integrated and long-term approach to DRR had been missing. To address these gaps, the Asian Development Bank (ADB) decreed an evolutionary concept of creating the

National Disaster Risk Management Fund (NDRMF). The primary aim of the Fund is to reduce the socio-economic and fiscal vulnerability of the country and its population to natural hazards by adopting a cohesive and long-term approach to DRR in Pakistan.

Once the idea of creating NDRMF was conceived, it was taken into account that no amount of money put into risk reduction will guarantee that all disaster losses are minimized. Considering the principles of the law of diminishing returns, it is conclusive that when more money is put into disaster risk reduction, the lesser is the impact over time. This initiated the concept of devising additional mechanisms to mitigate the negative impact of disasters through risk transfer, or Disaster Risk Financing (DRF), broadly. By incorporating DRF with NDRMF, market-based disaster risk financing instruments will be in place (such as insurance, contingent financing, risk pooling etc.). This may provide a contingent emergency financing option for disaster response and a targeted safety-net scheme to deliver timely support to affected low-income households. This will ensure that development funds meant for social/infrastructural development of the country will not be diverted towards response to disasters.

With this, NDRMF was transformed into a comprehensive Fund that holistically covers ex-ante DRR approaches, as well as residual risk transfer through DRF. As of now, NDRMF is a pilot project for both ADB and Pakistan, as no such similar fund covering the entire spectrum of DRR as well as improved fiscal management of risks to natural disasters exists in the world.

The Uniqueness of NDRMF

Government Ownership. NDRMF is Government owned, rather than a donor-driven body, comprising of an independent Board of Directors (BOD) for prompt decision making. Government of Pakistan will make a financial contribution of USD 25 million in the first phase, whereas the Fund's mandate is to align overall strategic priorities to National Disaster Management Plan (2012-2022) and National Flood Protection Plan IV (2015-2025). The Economic Affairs Division (EAD) is the executing agency of the Fund, though major activities fall under the mandate of the National/Regional Disaster Management Authorities, the Federal

Flood Commission, the Provincial Irrigation Departments (PIDs) and other relevant agencies.

Financial Sustainability. An endowment fund has been created, through which certain amount of money is invested in multiple financial instruments that generate enough interest earnings to warrant the Fund's long-term financial sustainability. To date, the Fund has invested an amount of around USD 123 million, with USD 100.0 million contribution from ADB and USD 23.0 million counterpart contribution by the Government of Pakistan. It is anticipated that interest earnings generated through the endowment fund will cover NDRMF's operating costs, as well as be used for further investments in interest-bearing securities and/or financing of disaster risk.

Risk Informed Investments. The Fund has a dedicated budget of around USD 6 million for conducting Multi Hazard Vulnerability Risk Assessments (MHVRAs) in 20 most vulnerable districts and urban centers of Pakistan in the first phase. With a dedicated amount set aside for risk assessment, the Fund certifies that it accepts informed DRR planning and investments targeting only the most vulnerable populations of Pakistan.

Co-Financing. Co-financing at least 30% funds from FIPs makes NDRMF distinctive amongst other entities. This not only enhances the overall Fund's basket, but also allows multiple implementing partners to do more on DRR in Pakistan.

Multifaceted Partnerships. It is for the first time that a Government owned entity is providing funding to multiple organizations, including the Government, UN agencies, I/NGO sector as well as joint ventures/consortiums. The principal advantage offered by the public and non-public sector is that collectively they will have a wider and deeper outreach to the areas and communities prone to disasters.

Space for Other Donors to Contribute. There is space available for other donors to contribute allowing the Fund to meet the entire spectrum of commitments and multitude of DRR interventions set forth in NDMP and NFPP-IV. In the event of funding from multiple sources (donors), individually or as co-financing to the NDRMF, a mechanism ensuring highest institutional level of diligence, transparency, quality control, and financial, social, environmental, gender safeguards are already in place.

Challenges Faced During Institutional Development

As with any new organization, numerous organizational and operational challenges were encountered from the onset. The Fund grappled with several issues around development of processes and systems, division of roles and responsibilities among the key stakeholders, formulation of the Board of Directors (BOD), hiring of project staff and several procedural blockages that delayed a number of operations. Establishing a new Government owned company whilst interfacing with federal/provincial authorities during a period of 'political transition' had its own set of challenges. Certain key challenges are summarized in the following section;

Institutional Challenges

i. Procedural bottlenecks

For any new organization working against strict timelines, it is

desirable to have minimum restrictions to hit the ground running. In the case of NDRMF, any such freedom was limited by cumbersome procedures. These included achieving several targets in short span of time such as setting up of requisite governance, operational and fiduciary procedures, policies, systems as well as hiring of staff members during the election phase. It also included accreditation, proposal screening and selection of partners on a competitive basis, changing the Fund's account signatories and selection and renovation of office building.

ii. Political Transition

By the time the CEO was officially hired, and the Fund started laying its foundations, it was faced with three successive government shifts i.e. PML (N) Government, an interim Government and later the PTI Government. Gaining support and interest from the Government, especially at a time of political transition, proved to be a challenge for the Fund. Such hurdles created delays in tasks requiring Government's consent and approval such as creation of Disaster Risk Management Committees (DRMC) at the provincial levels and seeking tax exemption for the Fund etc.

iii. External Influence/ Micro-management

The Fund also had to face external influence in internal organizational matters at multiple levels. This included recruitment of staff, procurement matters, and ambiguity with regards to the approval authorities, the external authority and the delegated authority to the CEO. It took numerous efforts to convince and reassure the concerned parties to clarify on roles and responsibilities aligned to the Public Sector Companies (Corporate Governance) Rules, 2013.

iv. NDRMF's Identity and Recognition

During the initial days, efforts were put in to ensure NDRMF's recognition and identity with its clear objectives in comparison to other similar Funds operating in the country. For that purpose, the Fund had to invest a lot of time and energy in positioning and promoting itself as an independent entity working in a niche area through use of multiple information platforms and tools.

v. Delayed Recruitment of Staff

Delayed recruitment of key personnel resulted in non-compliance to Public Sector Companies (Corporate Governance) Rules,

2013 for over more than a year. The Company Secretary, who is responsible for ensuring that compliance are met, officially came on board 18 months after the company was incorporated. Having the requisite staff from commencement would have confirmed that the Fund accomplished the obligatory provisions right from inception. The Fund also faced difficulty in the hiring of senior management having the required experience and qualifications, especially in DRR. Although, it was initially perceived that a large talent pool, with sufficient experience in disaster management and humanitarian response, would be available within the UN, I/NGO and Government sector, it proved to be a challenge and took considerable time and effort. The gap was ultimately met through internal distribution and management of workload.

vi. Working Environment

Another challenge that the Fund faced was the lack of an appropriate working space. The Fund started its operations from a small room within the ADB premises and later relocated to a temporary working area in ERRA. The gradual expansion in the workforce resulted in a limited physical space with lesser facilities and equipment for the staff to use and work with. Ultimately, the Fund moved to its new building in early 2019, enabling the Fund's staff to work with a dedicated focus, determination and improved motivation.

vii. Division of Roles- Consultants vs. NDRMF staff

Prior to hiring permanent staff, ADB facilitated the Fund by providing technical assistance for designing of the core policies and procedures. However, after the Fund's own staff came onboard, there was an initial lack of clarity about the division of roles and responsibilities between the consultants and the Fund's staff. These concerns were addressed to synergize the knowledge, efforts and productivity of both the Fund's staff and the consultants.

Governance Challenges

i. Formulation of Board of Directors (BOD)

A consistent challenge which the Fund faced was the requisite membership of BOD, which remained thin and lacked the obligatory percentage of non-executive independent directors as per the SECP rules. The initial formulation also raised conflict of interest issues pertaining to blood relations, which was in violation of the Public Sector Companies (Corporate Governance) Rules, 2013. The Fund had to spend time in rectifying these concerns which proved to be a challenging process.

ii. Frequent turn-over and non-availability of Board members

Having a high-powered Board with representation of senior Government officials from various key ministries as ex-officio members also brought forth a few challenges. Frequent turn-over of senior Government officials created a lot of uncertainty, and often resulted in prolonged delays in decision making. Whereas, it is mandatory for the Fund to conduct at least one Board meeting in a quarter, high level commitments on part of these officials resulted in delayed meetings, thus delayed decisions.

iii. NDRMF's Reporting Lines

The primary reason for making NDRMF a Section 42 company was that all decisions concerning the Fund will be taken by an independent Board. However, a general lack of clarity around the Fund's reporting lines was observed. Whereas, as per 2013 rules, the Fund is accountable and reports directly to the Board on all relevant issues and concerns. A Limit of Authority Manual was later developed to



remove any ambiguities regarding powers of the CEO and delegation of authority within the Fund.

Lessons Learned

Whereas the institutional development process posed a number of challenges for NDRMF, it also brought forth valuable lessons for raising a new organization from scratch. Some of these major lessons are:

Institutional Development

- It is crucial that the first batch of employees hired for a newly established corporate entity should include the Company Secretary, Chief Internal Audit (CIA), Chief Financial Officer (CFO) and General Managers (GMs). This would help ensure that requisite compliances are met and allow the appropriate delegation required to build a strong foundation.
- Organization should never compromise on the professional capabilities of its human capital, as one wrong done at the foundation level can transcend into inefficiencies in the future. If the requisite talent is not available in the market, organization should wait to hire the right person instead of making stop gap arrangements.
- Special emergency procurement and compensations in staff recruitment

procedures should be permitted to assist a new organization in completing essential requirements such as the hiring of equipment, building etc. in a minimal amount of time. Securing a workspace much earlier allows staff to be adjusted accordingly resulting in high staff productivity right from the beginning.

- The name, logo and acronym of a new institution have to be chosen carefully so as to prevent an identity crisis with other organizations engaging and collaborating within the disaster risk reduction landscape, thus compromising its brand value in future.
- Procedures requiring external support should be simplified and made less complex to streamline the institutional development process. A successful partnership, particularly with the Government, also requires more ownership and sustained support.
- There should be a clear handover of tasks and division of responsibilities between the Fund's core staff and technical consultants. It is ideal if the technical consultants work in close collaboration and consultation with core staff on multiple assignments, including formulation of key policies.

Governance

- Formulation of the Board should be as per Public Sector Companies (Corporate Governance) Rules, 2013 to avoid any lapses in meetings and decisions due to frequent turn-overs within BOD membership and structure.
- The Board should be fully authorized to take decisions when the quorum is complete to avoid delays.
- The reporting lines should be made clear from the beginning to all stakeholders.
- Delegation of authority should be practiced in its true essence to give a free hand to the senior management in running its affairs, as per the corporate rules.

CHAPTER TWO

INTERNATIONAL OBLIGATIONS

Disaster risk continues to increase globally, with more people and assets located in areas of high risk. Over the past 30 years, the world's population has grown by 87 per cent. The proportion of the population living in flood prone river basins increased by 114 per cent and on cyclone exposed coastlines by 192 per cent¹. More than half of the world's large cities, with populations ranging from 2 to 15 million, are currently located in areas of high risk of seismic activity.

All International frameworks ranging from Yokohama Strategy and Plan of Action for a Safer World (1994) to the 2030 Agenda for Sustainable Development recognize the connection between disaster risk reduction and sustainable development. The relevance of DRR to these frameworks create opportunities to build international coherence and foster risk-informed policy and decision-making; promote multi-hazard and cross-sectoral approaches to assessing risk; and encourage a deeper understanding of socioeconomic and environmental vulnerability².

¹UNDP. April 2011: "Super cities face high quake risk". Newsroom UNDP.

²https://gar.unisdr.org/sites/default/files/reports/2019-05/full_gar_report.pdf

International Strategies & Frameworks linked with DRR

1992		Kyoto Protocol	2015		Sendai Framework
1999		International Strategy for Disaster Reduction (ISDR)	2015		The 2030 Agenda for Sustainable Development
2002		Johannesburg Plan of Implementation	2015		Paris Agreement
2005		Hyogo Framework for Action	2016		Agenda for Humanity
2012		Future We Want (Rio+20)			

Source: https://gar.unisdr.org/sites/default/files/reports/2019-05/full_gar_report.pdf

NDRMF Contribution to SDGs

The 2030 Agenda for Sustainable Development and Sendai Framework for DRR (2015-2030) recognizes and reaffirms the urgent need to reduce the risk of disasters. Disaster risk reduction cuts across 10 of the 17 Sustainable Development Goals with more than 25 targets, firmly establishing the role of disaster risk reduction as a core development strategy. NDRMF's contribution towards the relevant 08 SDG Goals and 06 out of 07 Global Targets of Sendai Framework are highlighted.

Sendai Framework

SF

- A: Substantially reduce global disaster mortality by 2030
- B: Substantially reduce number of affected people globally by 2030
- C: Reduce direct disaster economic loss in relation to global GDP
- D: Substantially reduce disaster damage to critical infrastructure and disruption of basic services
- E: Substantially increase the number of countries with national and local DRR strategies by 2020
- G: Substantially increase the availability of and access to multi hazard early warning systems and Disaster Risk Information and assessment to the people by 2030

SDG

SF

TARGET

NDRMF's CONTRIBUTION



B

No Poverty 1.5: By 2030, build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters.

At least **3 million people** who were highly vulnerable to the negative impacts of multiple natural hazards are now safe and have become more resilient against the direct and indirect impacts of multiple natural hazards.

SDG	SF	TARGET	NDRMF's CONTRIBUTION
	D	4.a: Build and upgrade education facilities that are child, disability and gender sensitive and provide safe, non-violent, inclusive and effective learning environments for all.	500 public buildings (including schools) financed by the NDRMF are made safe and resistant to multiple natural hazards.
	A/B	5.1: End all forms of discrimination against all women and girls everywhere. 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. 5.c: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.	Out of the total beneficiaries who are highly-vulnerable to negative impacts of multiple natural hazards, at least 40-50% of them are women and girls and through NDRMF efforts are safe and more resilient against direct and indirect impacts of natural catastrophes. A gender-sensitive national DRF strategy and two (02) gender inclusive DRF instruments developed.
	D	6.6: By 2020, protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers and lakes.	NDRMF is financing water conservation structures, drought mitigation schemes, small dams and reservoirs.
	D/C	9.1: Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.	NDRMF financed construction of 300 kilometers of new or retrofitted flood protection infrastructure for sustainable economic development in agricultural sector. Furthermore, the Fund is financing structures developed for land stabilization.
	A/C D/E	11.5: By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by disasters, including water-related disasters, with a focus on protecting the poor and people in vulnerable situations. 11.b: By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the Sendai Framework for Disaster Risk Reduction 2015-2030, holistic disaster risk management at all levels. 11.c: Support least developed countries, including through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials	At least 3 million people who are highly vulnerable to the negative impacts of multiple natural hazards are safe and have become more resilient against the direct and indirect impacts of multiple natural hazards. 500 public buildings financed by the NDRMF (in the social sector) are made safe and resistant to multiple hazards. 300 kilometers of new or retrofitted flood protection infrastructure financed by NDRMF are constructed. Strengthening and establishing organizations for disaster risk reduction and management / emergency response at the national, provincial, district and community level. Development of Disaster Risk Management Plans (including urban disaster management plans) for mainstreaming DRR at the national, provincial, district and community level, and DRR Policies for National Development Plan and National Poverty Reduction Strategy, and Sectoral Guidelines.
	G/E	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. 13.2: Integrate climate change measures into national policies, strategies and planning. 13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning. 13.b: Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries, including focusing on women, youth and local and marginalized communities.	CBDRM plans are completed in fifty (50) vulnerable union councils or urban centers. MHVRA including (climate and gender related vulnerabilities) is completed in twenty (20) vulnerable cities or districts. Installation of early warning systems to expand geographic coverage by 10%. Initiatives undertaken to strengthen capacities of NDMA and PDMA's in developing disaster response plans (mainstreaming gender, and climate). DRR policies at the national and provincial level (mainstreaming DRR and climate change).
	D	15.3: By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.	NDRMF is financing water conservation structures, drought mitigation schemes, small dams and reservoirs.

CHAPTER THREE

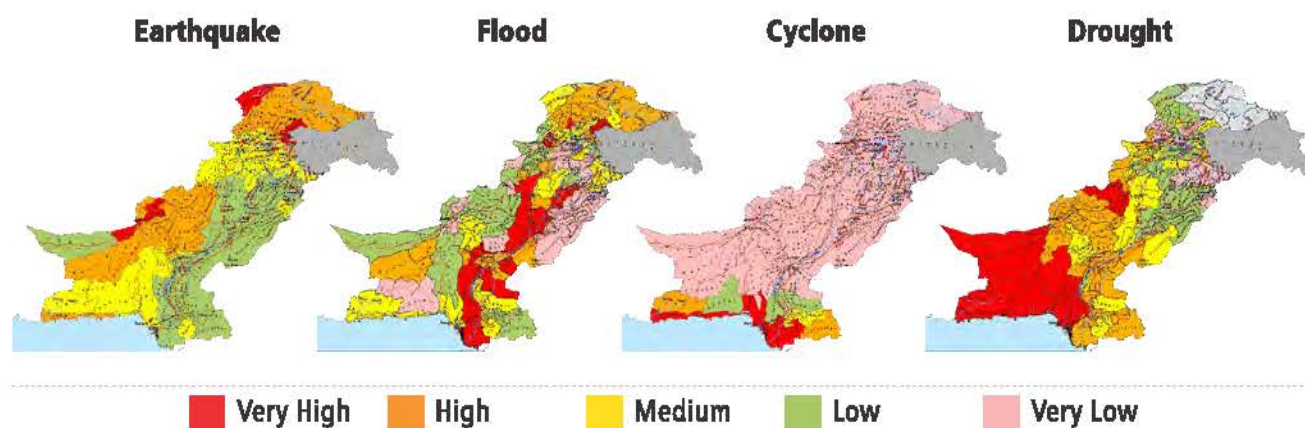
NATIONAL MILIEU



Over a decade, Pakistan has experienced several major natural calamities such as floods, earthquakes, cyclones and landslides. A high exposure to hazards and low levels of risk awareness amongst the population and relevant institutions has caused significant human, economic and social losses to the country. With climate change projected to increase in frequency and severity of natural disasters, the overall vulnerability of the population is also likely to be aggravated in an uncertain way.

Natural disasters pose a major financing challenge for the fragile economy of Pakistan. The losses from natural disasters accumulated to approximately USD 24 billion in a short span of time from 2005 till 2015. Flooding alone costs USD 1.2-1.8 billion annually to Pakistan, which accounts for 0.5-0.8% of GDP and 4-5% of public expenditure¹.

Vulnerability to Natural Disasters



Source: National Disaster Management Authority (NDMA), Pakistan

This continuous drain on the economy has generated a renewed interest in integrating disaster resilience in the development policies, which has now become imperative for achieving sustainable economic development in the country. However, recurring disasters since 2005 have resulted in a paradigm shift from reactive to a proactive approach towards disaster risk management.

History of Major Disasters in Last 15 Years

Earthquakes



- 2005: 7.6 magnitude earthquake in Azad Jammu & Kashmir (AJ&K) and Khyber Pakhtunkhwa (KP) affecting approximately 3.5 million people, either directly or indirectly.
- 2008: 6.4 magnitude earthquake in Ziarat, Balochistan
- 2013: 7.7 magnitude earthquake in Balochistan causing extensive damage in Awaran district
- 2015: 7.5 magnitude earthquake in the Hindu Kush mountains causing widespread damages in Federally Administered Tribal Areas (FATA), Gilgit Baltistan (GB) and KP

Floods



- 2010: The flooding of Indus River in late July and August 2010 is considered one of the country's worst humanitarian disaster, affecting approximately 20 million people with KP Province facing the brunt of damages.
- 2011: The floods resulted from excessive monsoon rain in Sindh between August and September 2011 affecting around 5.3 million people (estimated).
- 2012: Floods resulting from heavy monsoon in KP, upper Sindh and Southern Punjab.
- 2014: Torrential rains resulted in flooding across AJ&K and Punjab.
- 2015: Heavy monsoon rain and outbursts from glacial lakes led to flooding across various locations of KP, GB, Punjab and Sindh.

Landslides and Avalanches



- 2010: A landslide at Attabad village in Hunza valley resulted in flooding of Hunza River causing displacement of around 6,000 people in the upstream villages.
- 2012: An avalanche hit a Pakistani military base in Gayari Sector near the Siachen glacier causing the death of around 129 soldiers and 11 civilians.

Cyclones



- 2007: Cyclone Yemyin hit Balochistan and Sindh. It affected the lives of around 2 million people making it the third deadliest cyclone in the history of the country.
- 2010: Cyclone Phet struck Balochistan coast significantly affecting the lives of 200,000 people and causing substantial physical and infrastructural losses.

To fulfill the global obligations and to cope with the challenges emerging as a result of multiple manmade and natural catastrophes, the Government of Pakistan formulated and enforced the following Acts, Policies and Plans:

2010 - National Disaster Management Act

The National Disaster Management Act was passed in the Parliament in 2010 to create the National Disaster Commission responsible for laying down policies and guidelines for disaster management.

2012 - National Disaster Management Plan (2012-2022)

NDMP aims at enhancing the capacity of the country to prepare for and respond to disasters (floods, earthquakes, tsunamis, droughts, sediment disasters, avalanches, GLOFs, cyclones with storm surges, etc.) by defining the measures to be considered necessary for disaster management.

2013 - National Disaster Risk Reduction Policy

The National DRR Policy aims at building up resilience to shocks from natural and manmade hazards with a sense of urgency, creating a solid base to address disaster risk reduction in vulnerable areas, while involving an increasingly wider range of stakeholders from government, civil society and private sector.

2014 - National Policy Guidelines on Vulnerable Groups

This policy provides guidance on: 1) Meeting the needs and priorities of the population in a more targeted manner; 2) Ensuring all interventions are designed with needs of specific groups; 3) Safeguarding equitable access and 4) To ascertain and encourage balanced and active participation of vulnerable groups in decision making processes.

2015 - National Flood Protection Plan IV (2015-2025)

NFPP-IV has been developed with the objective of laying out an innovative and integrated approach incorporating structural and non-structural measures for reducing floods, reducing susceptibility to flood damages and mitigating the flood impacts; along with Floodplain Mapping & Zoning and developing a comprehensive inventory of flood protection infrastructure of all regions of Pakistan.

2019 - National Disaster Response Plan

The purpose of this Plan is to enhance the country's ability to manage disasters using a comprehensive approach. It outlines mechanisms to facilitate a coordinated response by national and/or provincial or local departments.

The background image shows a modern office space. A long wooden desk is positioned against a light blue wall. On the desk, there is a brass lamp, a vase with white flowers, a telephone, and some papers. Two black mesh office chairs with chrome frames are in the foreground. On the wall, there are two framed pictures. To the right, there is a wooden cabinet and a shelf with books. The floor is made of dark wood, and a patterned rug is partially visible in the bottom right corner.

PART TWO

FINANCIAL HIGHLIGHTS

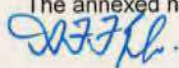
CHAPTER ONE

FINANCIAL HIGHLIGHTS FOR THE FINANCIAL YEAR 2018-19

NATIONAL DISASTER RISK MANAGEMENT FUND
(A Company under section 42 of Companies Act, 2017)
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

		June 30, 2019	June 30, 2018	July 1, 2017
	Note	Rupees in '000		
			(Restated)	(Restated)
ASSETS				
NON- CURRENT ASSETS				
Property and equipment	6	118,228	-	-
Intangible assets	7	5,409	-	-
Long term security deposits	8	6,073	5,308	-
		<u>129,710</u>	<u>5,308</u>	<u>-</u>
CURRENT ASSETS				
Advances and prepayments	9	1,366	-	-
Accrued interest	10	1,058,581	314,950	14,620
Income tax refundable		24,632	-	-
Short-term investment	11	13,121,634	-	-
Cash and bank balances	12	3,536,613	13,971,147	10,135,231
		<u>17,742,826</u>	<u>14,286,097</u>	<u>10,149,851</u>
TOTAL ASSETS		<u>17,872,536</u>	<u>14,291,405</u>	<u>10,149,851</u>
LIABILITIES				
NON-CURRENT LIABILITIES				
Deferred grant	13	123,637	-	-
CURRENT LIABILITIES				
Accrued and other liabilities	14	9,625	72	65
TOTAL LIABILITIES		<u>133,262</u>	<u>72</u>	<u>65</u>
NET ASSETS		<u>17,739,274</u>	<u>14,291,333</u>	<u>10,149,786</u>
REPRESENTED BY:				
Endowment fund	15	14,416,239	13,219,220	10,149,851
Restricted fund	16	3,323,035	1,072,113	-
Accumulated surplus / (deficit)		-	-	(65)
		<u>17,739,274</u>	<u>14,291,333</u>	<u>10,149,786</u>
CONTINGENCIES AND COMMITMENTS	17			

The annexed notes 1 - 25 form an integral part of these financial statements.



CHIEF EXECUTIVE OFFICER



DIRECTOR

NATIONAL DISASTER RISK MANAGEMENT FUND
(A Company under section 42 of Companies Act, 2017)
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2019

		2019	2018
	Note	----- Rupees in '000 -----	
INCOME			
Amortization of deferred grant	13.2	15,128	-
Grant income recognized	15	219,334	12,443
		234,462	12,443
EXPENDITURE			
General and administrative expenses	18	(219,334)	(12,378)
Depreciation and amortization	13	(15,128)	-
		(234,462)	(12,378)
Surplus for the year - before tax		-	65
Taxation		-	-
Surplus for the year - after tax		-	65
Other comprehensive income		-	-
Total Comprehensive Income for the year		-	65

The annexed notes 1 - 25 form an integral part of these financial statements.

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CHIEF EXECUTIVE OFFICER

Signature
DIRECTOR

NATIONAL DISASTER RISK MANAGEMENT FUND
(A Company under section 42 of Companies Act, 2017)
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2019

		Accumulated surplus / (deficit)	Endowment fund	Restricted Fund	Total
Note		Rupees in '000			
Balance as at July 1, 2017 - as previously reported		(65)	-	10,149,851	10,149,786
Restatement	24	-	10,149,851	(10,149,851)	-
Balance as at July 1, 2017 - restated		(65)	10,149,851	-	10,149,786
Receipts		-	2,455,513	1,084,556	3,540,069
Income earned during the year		-	613,856	-	613,856
Transferred to deferred grant		-	-	-	-
General and administrative expenses		-	-	(12,443)	(12,443)
Surplus/(deficit) during the year		65	-	-	65
Other comprehensive income for the year		-	-	-	-
		65	3,069,369	1,072,113	4,141,547
Balance as at June 30, 2018		-	13,219,220	1,072,113	14,291,333
Receipts		-	-	2,597,380	2,597,380
Income earned during the year		-	1,197,019	11,641	1,208,660
Transferred to deferred grant		-	-	(138,765)	(138,765)
General and administrative expenses		-	-	(219,334)	(219,334)
Surplus/(deficit) during the year		-	-	-	-
Other comprehensive income for the year		-	-	-	-
		-	1,197,019	2,250,922	3,447,941
Balance at June 30, 2019		-	14,416,239	3,323,035	17,739,274

The annexed notes 1 - 25 form an integral part of these financial statements.

Signature

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CHIEF EXECUTIVE OFFICER

Signature

DIRECTOR

NATIONAL DISASTER RISK MANAGEMENT FUND
(A Company under section 42 of Companies Act, 2017)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2019

	2019	2018
Note	----- Rupees in '000 -----	(Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Grant received during the year (net of transfers to deferred grant)	2,458,615	3,540,069
Payment against general and administrative expenses	(211,912)	(17,679)
Income taxes paid	(24,632)	-
Net cash generated from operation	<u>2,222,071</u>	<u>3,522,390</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property and equipment	(132,022)	-
Purchase of intangible assets	(6,743)	-
Short-term investment	(13,121,634)	-
Interest received	465,029	313,526
Net cash used in investing activities	<u>(12,795,370)</u>	<u>313,526</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Grants received for property and equipment	138,765	-
Net cash used in financing activities	<u>138,765</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(10,434,534)</u>	<u>3,835,916</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>13,971,147</u>	<u>10,135,231</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<u>12</u> <u>3,536,613</u>	<u>13,971,147</u>

The annexed notes 1 - 25 form an integral part of these financial statements.

SATISH K.

[Signature]

CHIEF EXECUTIVE OFFICER

[Signature]

DIRECTOR

NATIONAL DISASTER RISK MANAGEMENT FUND
(A Company under section 42 of Companies Act, 2017)
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2019

1 LEGAL STATUS AND OPERATIONS

National Disaster Risk Management Fund (the Company) was incorporated on December 22, 2016 under Section 42 of the Companies Ordinance, 1984 (repealed by the Companies Act 2017) as a public limited company not having a share capital. The Company was issued license under Section 42 of the Companies Ordinance, 1984, by the Securities and Exchange Commission of Pakistan (SECP) on December 19, 2016 initially for a period of five years and is renewable for further terms per procedure. The registered office of the Company is located at Room No. 332, Block - C, Pak Secretariat, Islamabad. The objective of the Company is to enhance Pakistan's resilience, strengthen the technical and financial capacity of the Government of Pakistan (GoP) and to reduce socio-economic and fiscal vulnerability of the Islamic Republic of Pakistan to climate and other natural hazards and disasters. The main sources of receipts of the Company are grants from Government of Pakistan disbursed out of loan from Asian Development Bank (ADB) and grant of Australian Government routed through ADB to GoP.

2 BASIS OF PREPARATION

(i) Statement of compliance

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Accounting standards for Not for Profit Organisations (Accounting Standards for NPOs) issued by the Institute of Chartered Accountants of Pakistan as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under Companies Act, 2017 differ from the IFRS Standards or the Accounting Standard for NPOs, the provisions of and directives issued under the Companies Act 2017 have been followed.

(ii) Critical accounting estimates and judgements

The preparation of financial statements in conformity with approved accounting standards requires the use of certain accounting estimates. It also requires management to exercise judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience, including expectation of future events that are believed to be reasonable under the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are as follows:

- | | | |
|-----|--|----------|
| (a) | Property and equipment - estimated useful life of property and equipment | (Note 6) |
| (b) | Intangible assets - estimated useful life | (Note 7) |

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3 ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

3.1 Standards, interpretations and amendments to published approved accounting standards that became effective during the year and are relevant

IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" became applicable to the Company from July 1, 2018. For related changes in accounting policies and impact on Company's financial statements refer note 4 to these financial statements.

SECP through its SRO 888(1)/2019 dated July 29, 2019 notified certain amendments in disclosure requirements of fifth schedule of the Companies Act, 2017. The aforesaid SRO has been notified to be applicable on companies preparing financial statements as on June 30, 2019 and onwards by SECP through SRO 961(1)/2019 dated August 23, 2019. Accordingly, the financial statements have been prepared to reflect the amendments of the said SRO.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

		Effective date (annual reporting periods beginning on or after)
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2020
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors (Amendments)	January 1, 2020
IAS 12	Income Taxes (Amendments)	January 1, 2019
IAS 19	Employee Benefits (Amendments)	January 1, 2019
IAS 23	Borrowing Costs (Amendments)	January 1, 2019
IAS 28	Investment in Associates and Joint Ventures (Amendments)	January 1, 2019
IFRS 3	Business Combinations (Amendments)	January 1, 2020
IFRS 9	Financial Instruments (Amendments)	January 1, 2019
IFRS 11	Joint Arrangements (Amendments)	January 1, 2019
IFRS 16	Leases	January 1, 2019
IFRIC 23	Uncertainty over Income Tax Treatments	January 1, 2019

The management anticipates, except as stated below, that the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

IFRS 16 'Leases' - IFRS 16 replaces the previous lease standard: IAS 17 Leases. It will result in almost all leases being recognised on the statement of financial position by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases. The management is in the process of assessing the impact of changes laid down by the IFRS 16 on its financial statements.

Further, the following new standards and interpretations have been issued by the International Accounting Standards Board (IASB), which are yet to be notified by the Securities and Exchange Commission of Pakistan, for the purpose of their applicability in Pakistan:

IFRS 1	First-time Adoption of International Financial Reporting Standards
IFRS 14	Regulatory Deferral Accounts
IFRS 17	Insurance Contracts

The following interpretations issued by the IASB have been waived of by SECP

IFRIC 4	Determining whether an arrangement contains lease
IFRIC 12	Service concession arrangements

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4 CHANGES IN ACCOUNTING POLICIES

This note explains the impact of the adoption of IFRS 9 "Financial Instruments" and IFRS 15 "Revenue from Contracts with Customers" on the Company's financial statements that have been applied with effect from July 1, 2018.

4.1 IFRS 9 - Financial Instruments

IFRS 9 "Financial instruments" (IFRS 9) replaces IAS 39 "Financial Instruments: Recognition and Measurement" that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting, and effective for reporting period / year ending on June 30, 2019. IFRS 9 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the modified retrospective approach for classification, measurement and impairment. This means that the cumulative impact, if any, of the adoption has been recognised in the net assets as of July 1, 2018 and that comparatives are not restated. Details of these new requirements as well as their impact on the Company's financial statements are described below:

(i) Classification and measurement of financial assets and financial liabilities

The Company continues to initially measure financial assets at its fair value plus transaction cost upon initial recognition, except for financial assets measured at fair value through profit and loss, consistent with current practices. The classification for the financial assets has not been impacted by the transition to IFRS 9 on July 1, 2018.

On the date of initial application, July 1, 2018, the financial instruments of the Company were as follows, with any reclassifications noted:

	Classification		Carrying amount		
	Original	New	Original	New	Difference
			----- Rupees in '000 -----		
Current financial assets					
Accrued interest	Loans and receivables	Amortised Cost	314,950	314,950	-
Cash and bank balances	Loans and receivables	Amortised Cost	13,971,147	13,971,147	-
Current financial liabilities					
Accrued and other liabilities	Amortised Cost	Amortised Cost	72	72	-

(ii) Impairment of financial assets

IFRS 9 introduces the Expected Credit Loss (ECL) model, which replaces the incurred loss model of IAS 39 whereby an allowance for doubtful debt was required only in circumstances where a loss event has occurred. By contrast, the ECL model requires the Company to recognize an allowance for doubtful debt on all financial assets carried at amortized cost, since initial recognition, irrespective whether a loss event has occurred.

4.2 IFRS 15 - Revenue from Contracts with Customers

IFRS 15 "Revenue from Contracts with Customers" (IFRS 15) replaces IAS 18 "Revenue" and IAS 11 "Construction Contracts" and related interpretations. IFRS 15 is applicable on the Company with effect from July 1, 2018. IFRS 15 addresses revenue recognition for contracts with customers as well as treatment of incremental costs incurred in acquiring a contract with a customer.

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IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer.

IFRS 15 permits either a full retrospective or a modified retrospective approach for adoption. The Company has adopted the standard using the modified retrospective approach, which means that the cumulative impact of the adoption, if any, is to be recognised in the net assets as of July 1, 2018 and comparatives are not restated. The changes laid down by this standard do not have any impact on the financial statements of the Company.

5 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5.1 Property and equipment

These are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on property and equipments is calculated, using the straight line method, to allocate their cost over their estimated useful lives, at the rates mentioned in note 6. The Company charges depreciation on all additions to the items of property and equipment from the date asset is available for use till the date of its disposal. Where an impairment loss is recognized, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value, over its estimated useful life.

Subsequent costs, if reliably measurable, are included in the asset's carrying amount, or recognized as a separate asset as appropriate, only when it is probable that future economic benefits associated with the cost will flow to the Company. The carrying amount of any replaced parts as well as other repair and maintenance costs, are charged to income during the period in which they are incurred.

The gain or loss on disposal of an asset, calculated as the difference between the sale proceeds and the carrying amount of the asset, is recognized in the income for the year.

5.2 Intangible assets

These are carried at cost less accumulated amortisation and impairment losses, if any. Amortisation is calculated using the straight line method, to allocate the cost of the intangibles over its estimated useful life, at the rates mentioned in note 7. Costs associated with maintaining intangible assets, are recognised as an expense as and when incurred.

The Company charges amortization on additions from the date the asset becomes available for the intended use up to the date when it is derecognized.

5.3 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at cost. For the purpose of cash flows, cash and cash equivalents comprise cash in hand, bank balances and other short-term highly liquid investments (if any) with original maturities of three months or less.

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5.4 Deferred capital grant

Grants related to property and equipment and intangible assets are accounted for by setting up the grants as deferred grant. These grants are recognized as income on a systematic basis over the useful life of the related property and equipment and intangible assets.

5.5 Accrued and other liabilities

Accrued and other liabilities are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Company.

5.6 Restricted fund

Restricted fund received for specific purpose are deferred when received and charged to income to the extent of actual expenditure incurred. Expenditure incurred against grant committed but not received is accrued and recognised in income and is reflected as grant receivable. Unspent portion of such grants are reflected as restricted grants in the statement of financial position. Endowment fund reports contribution subject to restriction specifying that resources contributed be maintained permanently.

5.7 Income recognition

Income is recognised on accrual basis. Profit/markup on loans and bank accounts are recognised using the effective yield method.

Donation is recognized when there is reasonable assurance that the Company will comply with the conditions precedent to the grant and it will be received. Grant is recognized as income over such period as is necessary to match it with the related expenditure, on a systematic basis.

5.8 Expenditure

Expenses that are incurred in the normal operations of the Company are classified as general and administrative expenditure. All expenses that relate to a project are charged to project expenditure.

5.9 Employee's benefits

Compensated absences

The Company accounts for compensated absences on the basis of the unavailed earned leave balances of each employee, at the end of the year, based on the last drawn salary.

5.10 Taxation

In accordance with the provisions of clause 66 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, any income derived by the Company is exempt from tax. Further, the Company is also exempt from minimum tax under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Accordingly, no provision for taxation has been made in the financial statements. Income tax suffered at source is recognised as income tax refundable.

5.11 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). These financial statements are presented in Pakistan Rupees (Rs), which is the Company's functional and presentation currency.

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5.12 Financial instruments - Initial recognition and subsequent measurement

Initial recognition

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. These are subsequently measured at fair value or amortised cost as the case may be.

Classification of financial assets

The Company classifies its financial instruments in the following categories:

- at fair value through profit or loss ("FVTPL"),
- at fair value through other comprehensive income ("FVTOCI"), or
- at amortised cost.

The Company determines the classification of financial assets at initial recognition. The classification of instruments (other than equity instruments) is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at FVTPL.

The Company classifies its financial liabilities in the following categories:

- at fair value through profit and loss ("FVTPL"), or
- at amortised cost.

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Subsequent measurement

(i) Financial assets at FVTOCI

Investments elected to be as equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains or losses arising from changes in fair value recognised in other comprehensive income / (loss).

(ii) Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value, and subsequently carried at amortised cost, and in the case of financial assets, less any impairment.

(iii) Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of income and expenditure and other comprehensive income. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statement of income and expenditure and other comprehensive income in the period in which they arise.

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Where management has opted to recognise a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income/(loss). Currently, there are no financial liabilities designated at FVTPL.

Impairment of financial assets

IFRS 9 introduces the Expected Credit Loss (ECL) model, which requires the Company to recognize an allowance for doubtful debt on all financial assets carried at amortized cost, since initial recognition, irrespective whether a loss event has occurred. The Company has not created any loss allowance for doubtful debts.

Derecognition of financial assets and liabilities

(i) Financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying value and the sum of the consideration received and receivable is recognised in statement of income and expenditure. In addition, on derecognition of an investment in a debt instrument classified as FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to statement of income and expenditure. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to statement of income and expenditure, but is transferred to statement of changes in equity. -----

(ii) Financial Liabilities

The Company derecognises financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in the statement of income and expenditure and other comprehensive income.

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6 PROPERTY AND EQUIPMENT

	Vehicles	Office Equipment	IT Equipment	Electric Equipment	Leasehold building / Improvements	Furniture and fixtures	Total
	(Rupees in '000)						
<u>As at June 30, 2018</u>							
Cost	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
Net book value	-	-	-	-	-	-	-
<u>Year ended June 30, 2019</u>							
Opening net book value	-	-	-	-	-	-	-
Additions	34,962	9,925	13,582	13,126	45,602	14,825	132,022
Depreciation charge for the year	(3,075)	(456)	(2,517)	(2,670)	(3,651)	(1,425)	(13,794)
Closing net book value	31,887	9,469	11,065	10,456	41,951	13,400	118,228
<u>As at June 30, 2019</u>							
Cost	34,962	9,925	13,582	13,126	45,602	14,825	132,022
Accumulated depreciation	(3,075)	(456)	(2,517)	(2,670)	(3,651)	(1,425)	(13,794)
Net book value	31,887	9,469	11,065	10,456	41,951	13,400	118,228
Annual rate of depreciation in %	20%	20%	33.33%	20%	20%	20%	

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7	INTANGIBLE ASSETS	Note	2019	2018
			----- Rupees in 000 -----	
	Computer software			
	Cost			
	Opening balance		-	-
	Additions during the year		6,743	-
			6,743	-
	Accumulated amortisation			
	Opening balance		-	-
	Charge for the year		(1,334)	-
			(1,334)	-
	Net book value		5,409	-
	Rate of amortization in %		33.33%	-

8 LONG TERM SECURITY DEPOSITS

These mainly represent security deposits for office premise rented by the Company in Islamabad and for official vehicles against fleet card.

9	ADVANCES AND PREPAYMENTS	2019	2018
		----- Rupees in 000 -----	
	Advances to employees	1,000	-
	Prepayments	366	-
		1,366	-
10	ACCRUED INTEREST		
	Markup accrued on Term Deposit Receipt (TDR)	1,042,649	-
	Markup accrued on saving accounts	15,932	314,950
		1,058,581	314,950

11 SHORT-TERM INVESTMENT

This represents TDR placed with National Bank of Pakistan, carrying mark-up ranging from 8.15% to 10.10% per annum, having a maturity period of one year from the date of investment.

12	CASH AND BANK BALANCES	Note	2019	2018
			----- Rupees in 000 -----	
				(Restated)
	Cash in hand		-	33
	Cash at bank - local currency			
	Saving accounts	12.1	372,646	13,084,880
	Revolving Fund accounts	12.2	3,163,967	886,234
			3,536,613	13,971,114
			3,536,613	13,971,147

12.1 These carry interest at the rates ranging from 5.85% to 10.25% (2018: 5.85%) per annum.

12.2 This represents revolving fund accounts with National Bank of Pakistan to finance the Company's operations and includes foreign grants received from ADB. These accounts are managed under memorandum issued by the Finance Division.

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13 DEFERRED GRANT	Note	2019	2018
		----- Rupees in 000 -----	(Restated)
Opening balance		-	-
Transferred from restricted fund	13.1	138,765	-
Amortization charge for the year representing depreciation and amortisation on items of property and equipment and intangible assets	13.2	(15,128)	-
Net book amount		<u>123,637</u>	<u>-</u>
As at June 30			
Cost		138,765	-
Accumulated Amortization		<u>(15,128)</u>	<u>-</u>
Net book amount		<u>123,637</u>	<u>-</u>

13.1 Transfer from restricted grants have been made on the basis of capital expenditure incurred during the year as follows:

	Note	2019	2018
		----- Rupees in 000 -----	
Property and equipment			
Vehicles	6	34,962	-
Office equipment	6	9,925	-
IT equipment	6	13,582	-
Electric equipment	6	13,126	-
Leasehold buildings/improvements	6	45,602	-
Furniture and fixtures	6	14,825	-
Intangibles assets			
Computer software	7	<u>6,743</u>	<u>-</u>
		<u>138,765</u>	<u>-</u>

13.2 Amortization charge for the year representing depreciation and amortization on related items of property and equipment, intangible assets has been allocated as follows:

	Note	2019	2018
		----- Rupees in 000 -----	
Property and equipment			
Vehicles	6	3,075	-
Office equipment	6	456	-
IT equipment	6	2,517	-
Electric equipment	6	2,670	-
Leasehold buildings/improvements	6	3,651	-
Furniture and fixtures	6	1,425	-
Intangibles assets			
Computer software	7	<u>1,334</u>	<u>-</u>
		<u>15,128</u>	<u>-</u>

14 ACCRUED AND OTHER LIABILITIES

Retention money payable	3,854	-
Accrued liabilities	1,132	72
Income tax deducted at source	4,581	-
Others	58	-
	<u>9,625</u>	<u>72</u>

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15	ENDOWMENT FUND	Note	2019	2018
			----- Rupees in 000 -----	(Restated)
	Opening balance		13,219,220	10,149,851
	Funds received during the year		-	2,455,513
	Markup earned on endowment fund	15.2	1,197,019	613,856
			1,197,019	3,069,369
	Closing balance		14,416,239	13,219,220

15.1 This represents amount paid in prior year by Asian Development Bank (ADB) through Government of Pakistan (GoP) and contribution made by Government of Pakistan for amount of US\$ 96.685 million and US\$ 2.455 million respectively in order to ensure Company's long term financial viability and sustainability.

15.2 This represents interest earned on endowment fund. Earning generated from the endowment fund shall be used for Company's recurrent costs, additional investments in interest/profit bearing securities and financing of disaster risk reduction activities from the fourth year of its operations.

16	RESTRICTED FUND	Note	2019	2018
			----- Rupees in 000 -----	(Restated)
	Opening balance		1,072,113	-
	Funds received during the year		2,597,380	1,084,556
	Markup earned on operational account		11,641	-
			2,609,021	1,084,556
	Transferred to deferred capital grant	13.1	(138,765)	-
	Grant income recognised		(219,334)	(12,443)
			(358,099)	(12,443)
	Closing balance		3,323,035	1,072,113

16.1 The Government of Pakistan (GoP), borrower and the Asian Development Bank (ADB) have entered into following financing agreements:

- (i) The Loan Agreement (Ordinary Operations) Number 3473-Pak, dated December 2, 2016 for US \$ 75 million. The proceeds of the loan are to be utilized towards: (a) the establishment and operationalization of the Company through the establishment of an endowment fund and development of its operational procedures and rules, including due diligence and fiduciary arrangements; (b) financing by the Company to Qualified Subprojects through On grants to national disaster risk financing strategy. The loan carries the interest in accordance with the terms defined in Section 2.0 of the Agreement and is repayable in 40 semi-annual installments commencing from April 1, 2022 and ending October 1, 2041. The Loan close date is May 17, 2020.
- (ii) The Loan Agreement (Special Operations) Number 3474-Pak, dated December 2, 2016 for SDR 90.180 million. The proceeds of the loan are to be utilized towards the establishment of an endowment fund (SDR 72.144 million) and financing of expenditures on the project including project consultants. The loan carries the interest in accordance with the terms defined in Section 2.0 of the Agreement and is repayable in 40 semi-annual installments commencing from April 1, 2022 and ending October 1, 2041. The Loan close date is May 17, 2020.

Signature

- (iii) The Grant Agreement, Number 0519-Pak (EF) dated December 2, 2016 for A\$ 4.500 million. The proceeds of the grant are to be utilized for financing of expenditure on the project and other areas as defined under Section 3 of the Grant Agreement. The Grant closing date is May 17, 2020.

In pursuant to the above financing agreements, the GoP has entered into a Subsidiary Grant Agreement dated December 23, 2016 with the Company. The GoP has agreed to make available to Company, grant in an equivalent of US\$ 75 million from Loan 3473-Pak, SDR 90.180 million from Loan 3474-Pak(SF) and \$ 3,361,500 from Grant 0519-Pak (EF) for the purpose set out in Section III of the Subsidiary Grant Agreement. All foreign funds received under the agreements are disbursed to the Company in Pak Rupees.

17 CONTINGENCIES AND COMMITMENTS

There are no known material contingencies / commitments as at reporting period end (2018: Rs Nil).

18 GENERAL AND ADMINISTRATIVE EXPENSES	2019		2018	
	----- Rupees in 000 -----			
Salaries and benefits	168,445		11,826	
Travelling expenses	7,655		-	
Printing and stationary	5,308		-	
Professional and legal charges	74		15	
Utilities and supplies	6,808		3	
Repairs and maintenance	412		-	
Office rent	21,231		-	
Bank charges	3		-	
Awareness and outreach	8,250		462	
Insurance	361		-	
Auditor remuneration	18.1	787	72	
		<u>219,334</u>	<u>12,378</u>	
18.1 Auditors' Remuneration				
Annual audit		425	40	
Reporting on compliance of Public Sector Companies (Corporate Governance) Rules, 2013		100	15	
Out of pocket expenses		<u>262</u>	<u>17</u>	
		<u>787</u>	<u>72</u>	

19 TRANSACTION WITH RELATED PARTIES

The Company is registered with the Securities and Exchange Commission of Pakistan as a Company limited by guarantee under section 42 of Companies Act, 2017. Company is incorporated by GoP through its functionaries and the Company's board of directors include officials nominated by the GoP. Therefore all entities and body corporate owned or having interest directly or indirectly in it by the GoP / nominee directors of GoP are related parties of the Company. Other related parties comprise of directors, key management personnel, entities over which the directors are able to exercise influence. Amounts due from / (to) related parties, are shown under receivables and payables. Remuneration of key management personnel is disclosed in note 21.

Transactions with Government of Pakistan and Government owned entities are not disclosed as the management is of the opinion that it is impracticable to disclose such transactions due to the nature of the activities of GoP and Company's operations.

Signature

20 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

20.1 Financial instruments by category

The Company's financial assets and liabilities consist of the following:

	2019	2018
	----- Rupees in 000 -----	
Financial assets		
Maturity up to one year		
Amortized cost		
Accrued interest	1,058,581	314,950
Short-term investment	13,121,634	-
Cash and bank balances	3,536,613	13,971,147
	<u>17,716,828</u>	<u>14,286,097</u>
Financial liabilities		
Maturity up to one year		
Financial liabilities held at amortized cost		
Accrued and other liabilities	4,987	72

The Company doesn't have any financial assets classified under fair value through other comprehensive income or fair value through profit or loss. Also the Company doesn't have any financial liabilities classified under fair value through profit or loss.

20.2 Credit quality of financial assets

	Long term rating	Short term rating	Rating Agency	2019	2018
	----- Rupees in 000 -----				
Accrued interest					
Counterparties with external credit ratings	AAA	A1+	PACRA	1,058,581	314,950
Bank balances					
National Bank of Pakistan	AAA	A1+	PACRA	3,536,613	13,971,147
Short term investments					
National Bank of Pakistan	AAA	A1+	PACRA	13,121,634	-

20.3 Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk (including currency risk and interest rate risk)

The Company's overall risk management policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter-party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its balances at bank and short term investment. The maximum exposure to credit risk at the reporting date is as follows:

	2019	2018
	----- Rupees in 000 -----	
Accrued interest	1,058,581	314,950
Short-term investment	13,121,634	-
Cash and bank balances	3,536,613	13,971,147
	<u>17,716,828</u>	<u>14,286,097</u>

Signature

The credit risk related to balances with banks, in term deposits and savings accounts, is managed in accordance with the Company's policy of placing funds with approved financial institutions and within the limits assigned in accordance with the counter party risk policy. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through potential counter party failure. Bank balances are subject to impairment requirements of IFRS 9, the identified impairment loss was immaterial because the counterparty is a bank with reasonably high credit rating. The credit quality of bank balances, that are neither past due nor impaired, can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate. Credit ratings and exposure of bank balances with the counterparty are appearing in note 20.2.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date. The amounts disclosed in the table are the contractual undiscounted cash flows:

		Contractual cash flows		
	Carrying value	Within 1 year	1 to 5 years	More than 5 years
		Rupees in 000		
June 30, 2019				
Accrued and other liabilities	4,987	4,987	-	-
June 30, 2018				
Accrued and other liabilities	72	72	-	-

Market risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or the market price due to change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market. The Company is not exposed to currency and interest rate risk.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies. The Company is not exposed to currency risk arising from various currency exposures.

Interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any significant interest rate risk.

Financial assets include balances of Rs 13,494,279 million (2018: Rs 13,084,880 million) and financial liabilities include Rs nil balance (2018: Rs nil) which are subject to interest rate risk. Applicable interest rates have been indicated in respective notes.

If the interest rate had been 1% higher / lower with all other variables held constant, surplus / loss for the year would have been Rs 134,943 (2018: Rs 130,849)

Fair value of financial assets and liabilities

Fair value of all financial assets and liabilities, reflected in the financial statements, approximate their fair values.

Capital risk management

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern so that it can achieve its primary objectives, provide benefits for other stakeholders and to maintain a strong capital base to support the sustained development of its businesses in line with the objects of the Company.

Off-setting of financial assets and liabilities

The Company does not off-set any of its financial assets and liabilities.

S. J. K.

21 REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES

The aggregate amount charged in the financial statements for remuneration, including all benefits, to Directors, Chief Executive and Executives of the Company is as follows:

	Directors		Chief Executive		Executives	
	2019	2018	2019	2018	2019	2018
	----- Rupees in 000 -----					
Managerial remuneration	-	-	19,616	4,160	117,437	7,354
Directors Meeting Fee	375	313	-	-	-	-
Honorarium	-	-	-	-	8,150	-
Mobile allowance	-	-	180	-	1,078	-
Leave encashment	-	-	880	-	5,510	-
Medical	-	-	-	-	1,220	-
	375	313	20,676	4,160	133,395	7,354
Number of persons	4	4	1	1	35	3

Remuneration to the Directors represent amount paid to the Directors during the year for attending Board of Directors meetings. The Company is in process of obtaining exemption from SECP for payment of directors fee.

22 NUMBER OF EMPLOYEES

	2019	2018
Total number of employees at the end of the year	64	4
Average employees for the year	43	2

23 GENERAL

Figures have been rounded off to the nearest Pak rupee.

24 RESTATEMENT

In accordance with the requirements of International Financial Reporting Standards and accounting standards for Not for Profit Organisations (NPOs) issued by ICAP, the endowment fund is now presented separately from restricted fund. This change in accounting presentation has resulted in reclassification of endowment fund and restricted fund in the statement of financial position by restating the corresponding figures which resulted in decrease in restricted fund by Rs 10,149,851 as at July 1, 2017. This has been adjusted retrospectively and prior period financial statements have been restated. The effect of restatement for year ended June 30, 2017 and June 30, 2018 is summarized below:

	2018	2017
	----- Rupees in 000 -----	
Assets and liabilities		
Increase / (decrease) in:		
Endowment fund	(13,219,220)	(10,149,851)
Cash and bank balances	12,904,270	10,135,231
Accrued interest	314,950	14,620
Decrease / (increase) in:		
Deferred grant	1,072,113	-
Restricted fund	12,147,107	10,149,851
Endowment fund	(13,219,220)	(10,149,851)
Effect for the year ended June 30, 2018		
Cash flow from operating activities		(2,455,513)
Cash flow from investing activities		(2,755,843)
Cash flow from financing activities		3,069,369

25 DATE OF AUTHORIZATION FOR ISSUE

These financial statements have been authorised for issue by the Board of Directors of the Company on Dec 16, 2019.



CHIEF EXECUTIVE OFFICER




DIRECTOR



PART THREE

PROJECT HIGHLIGHTS

CHAPTER ONE

NDRMF AT A GLANCE

NDRMF's Major Outputs

Outcome: Increased and sustainable institutional capacity to reduce the socio-economic and fiscal impacts of natural hazards and climate change.

Output 1

NDRMF established and made operational

Output 2

Investments to reduce vulnerability to natural hazards

Output 3

Analytical work and products to improve fiscal management of disaster risk

Thematic Areas

Community Based Disaster Risk Management

Activities to be completed in 50 most vulnerable union councils or urban centres

Plans

National and sub-national emergency response plans are developed

Early Warning

Enhance the geographic coverage area of early warning systems

PROJECT FOCUS

Multi Hazard & Vulnerability

Risk assessment to be completed in 20 vulnerable cities and/or district

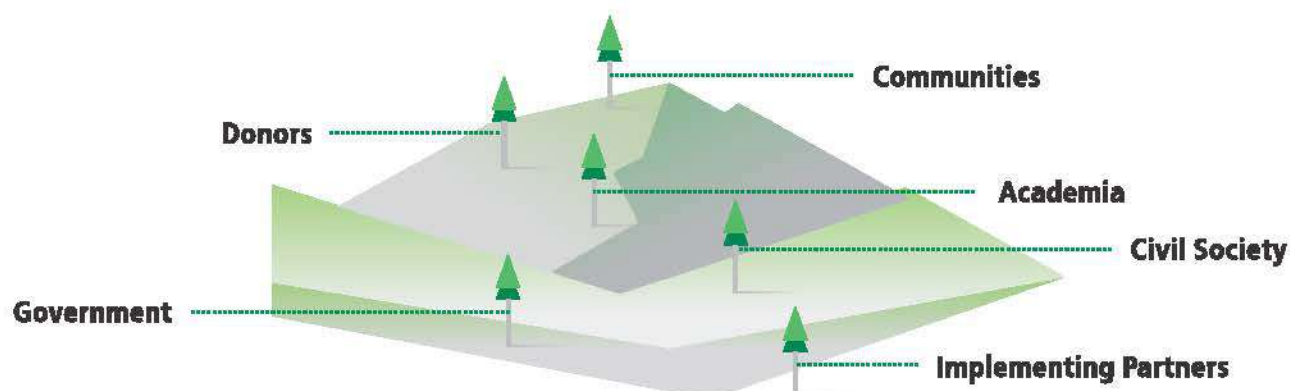
Retrofitting

At least 300km of new or retrofitted flood protection infrastructure to be constructed

Resistance to Multiple Hazards

An additional 500 social sector public buildings be made safe and resistant to multiple hazards

Our Partners



CHAPTER TWO

ACCREDITATION

Accreditation Review Criteria

1. Eligibility Criteria

- a) Registration
- b) Financial Management

2. Institutional Capacity

- a) Organizational Structure and Past Experience
- b) Regulatory and Legal Regimes
- c) Financial Management & Internal Controls
- d) Procurement Management
- e) Environment & Social Safeguards
- f) Gender Mainstreaming

Review Process

All the applications are reviewed and evaluated by the Internal Review Committee against the criteria mentioned above. The committee comprises of:

- Chair Accreditation Internal Review Committee - Deputy GM Project and Operations Group (POG)
- Accreditation Focal Person from Procurement Team
- Members from Finance Team
- Members from Legal team
- Members from POG
- Members from Quality Assurance Group (QAG)

Any organization (non-public sector entity) interested to partner with the Fund in order to contribute to the resilience agenda must undergo the accreditation process and has to qualify the accreditation criteria. The accreditation criteria for evaluating the eligibility and institutional capacity of non-public entities was approved by NDRMF's Board of Directors on 23rd of May 2018 in their 7th Meeting.

Public Sector entities at federal and provincial levels and other public entities are not required to undergo any accreditation process with the Fund. However, a simpler checklist has been prepared to focus on fiduciary related compliances and their competence for project execution.

An organization already possessing an external accreditation(s) such as GEF, GCF, etc., will be considered accredited by NDRMF upon provision of the documentation submitted for securing external accreditation(s) along with the accreditation certificate.

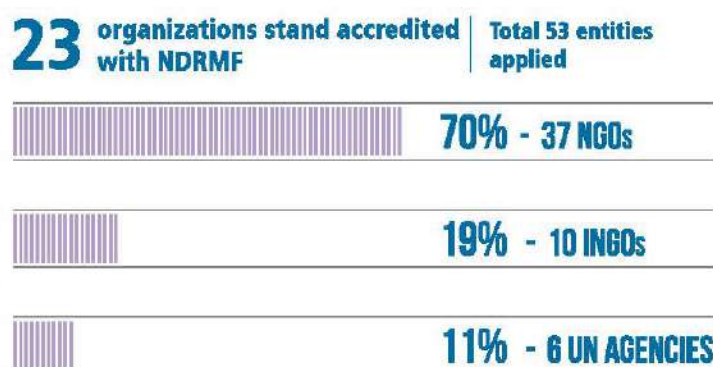
The accreditation process is aimed at assessing eligibility and capacity of the organization to implement grants. An organization bearing minimum capacity requirements in light of the accreditation criteria is accredited to become a Fund Implementing Partner (FIP), subsequent to successful risk mitigation.



Scoring Criteria

To calculate the overall risk assessment score of applying organizations, the Fund has developed an Accreditation Index (AI). Whereas, the value of the Index ranges from 0 to 3; a higher value on the index implies lower risk and vice versa. The Index is classified into four categories such as, 'high risk', 'substantial risk', 'moderate risk' and 'low risk'. The minimum threshold to qualify for accreditation with the Fund is set at 2.01.

Achievements

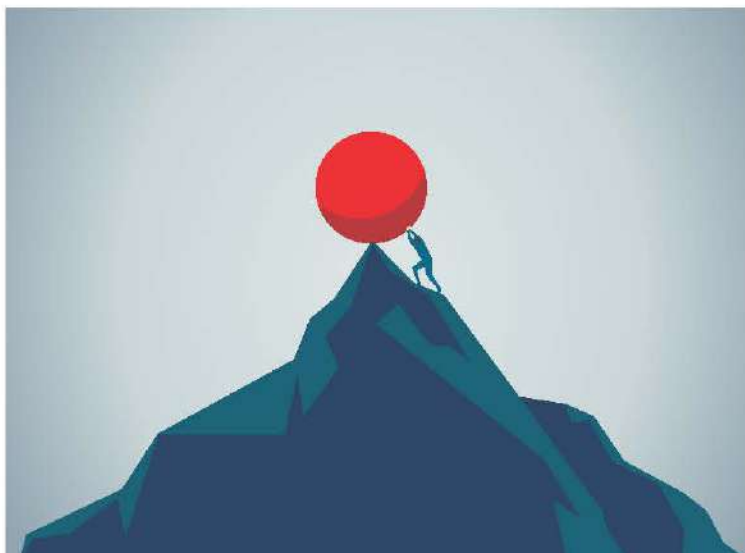


List of Accredited Non-public Sector Entities

Low Risk Entities			
1	Agha Khan Foundation	INGO	Low
2	AZAT Foundation	INGO	Low
3	Federation Handicap International, Pakistan	INGO	Low
4	Institute of Rural Management	NGO	Low
5	Islamic Relief Pakistan	NGO	Low
6	National Rural Support Programme	NGO	Low
7	Pakistan Poverty Alleviation Fund	NGO	Low
8	Pakistan Red Crescent Society	NGO	Low
9	Muslim Aid	NGO	Low
10	Balochistan Rural Support Programme	NGO	Low
11	Help Age International	INGO	Low
12	Aga Khan Planning & Building Services	INGO	Low
13	Sarhad Rural Support Programme	NGO	Low
Moderate Entities			
14	CESVI Pakistan	NGO	Moderate
15	Health and Nutrition Development Society	NGO	Moderate
16	Strengthening Participatory Organization	NGO	Moderate
17	SUNGI	NGO	Moderate
UN/GEF/GCF Entities			
18	UNDP	UN Agency	UN/GCF Accredited
19	UNICEF	UN Agency	UN
20	FAO	UN Agency	GCF Accredited
21	IOM	UN Agency	UN
22	IUCN	INGO	UN/GCF Accredited
23	WWF	INGO	GCF Accredited

Challenges and Learnings

Prior to the establishment of NDRMF, the accreditation process in the field of natural hazards and climate change had not been done in Pakistan. It, hence, faced many challenges but also provided the Fund the opportunity to identify gaps in its processes and improve on them to ensure maximum quality output. Below is an overview of the challenges and lessons learned, since the Fund is determined on strengthening its operations and knowledge base.



Challenges

After completing the evaluation of first batch of applications for accreditation, the Fund realized that the accreditation process required few improvements in evaluation criteria. Certain key criterion was not given a weightage during the review process e.g. assurance of 30% co-financing.

A considerable number of entities were not able to furnish the requested reference documents and in a sequential manner as required. Due to this, the accreditation process consumed more than the allocated time.

Uncertainty regarding the status of NOC/security clearance for few NGOs/INGOs from the Government created further delays in accreditation process.

As a pre-requisite, it was mandatory for all entities who opt to engage in a joint venture to apply for accreditation with the Fund as a standalone entity. Whereas, in some instances only the lead partner applied for accreditation; hence some entities missed out the first round of accreditation cycle.

Learnings

Evaluation criterion should be reassessed and revised considering the lessons learned from the first batch of applications reviewed.

The Fund held orientation workshops and mock exercises to orient potential partners on the Fund's accreditation process. However, more workshops should be held in future when undertaking second batch of accreditation. It is also important to note that even though not all partners have similar organizational capacity to implement medium to large scale donor projects, it is still important to consider and assess all kinds of implementing partners during the accreditation and project evaluation process. Where necessary, the Fund should make efforts to enhance the capacities of organizations (particularly local NGOs) to help address areas of weaknesses and improve their capacity to become a future implementing partner.

As a future strategy, the Fund shall clearly indicate in Call for Applications that any organization which does not possess MOU/NOC from the Government of Pakistan will not be considered for accreditation; however, where the status is unclear, the Fund shall approach relevant departments to seek clarity on the matter.

For the future accreditation cycle, the Fund will clearly communicate the accreditation requirements to entities through different communication tools i.e. website, discussions,

A photograph of three children, two girls and one boy, smiling and huddled together. They are wearing dark winter jackets. The background is a warm, golden-yellow color.

CHAPTER THREE

PROJECTS APPRAISAL & AWARD

As a financial intermediary, NDRMF extends grants to public and non-public sector entities to implement projects that reduce socio-economic and fiscal vulnerability of the country to natural hazards. The Fund provides a maximum grant of up to 70% of the total project cost, whereas at least 30% is to be contributed by the potential partner as co-financing.

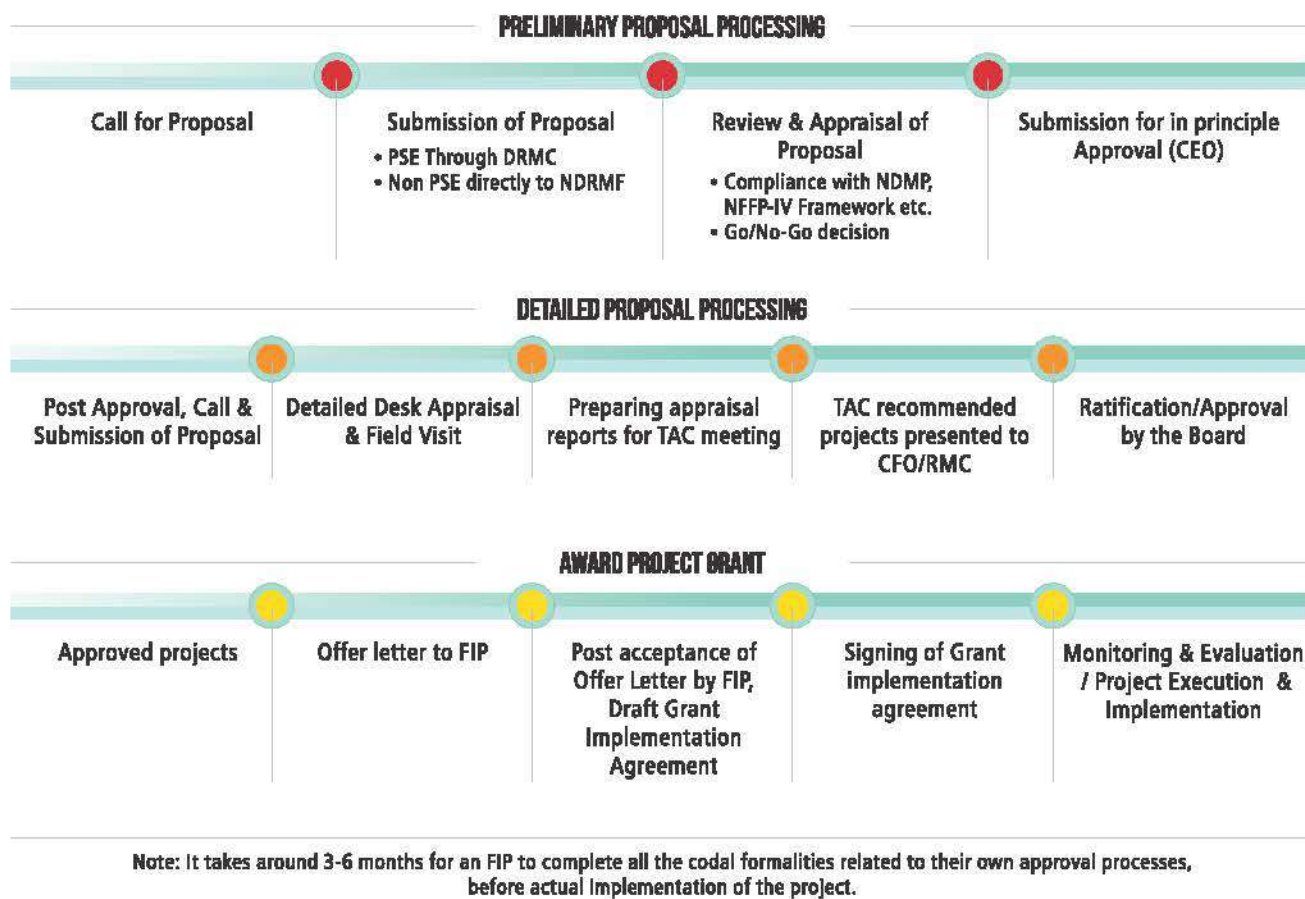
Projects Appraisal Process

NDRMF follows two different processes for appraising proposals submitted by public and non-public sector entities. Non-public sector entities should first be accredited in order to be eligible to receive support from the Fund. Public sector entities and other organizations already accredited by international and national funds are provided special exemptions to fast track the accreditation process.

Accredited entities submit an application for financing to the Fund in the form of project proposal, with scope of activities in line with the NDMP and NFPP-IV and details such as project justification, design of schemes proposed, implementation plan, safeguards assessments and plans, project beneficiaries, DRR aspects and other requirements. For public sector entities, the project proposal is submitted after approval by the Provincial Disaster Risk Management Committees (PDRMCs). The Fund's Project Appraisal Unit reviews the project proposal and seeks in principle approval from the CEO.

Post approval, the Fund's technical teams conduct desk appraisals and field visits as part of the project appraisal process. An appraisal report is prepared and presented to the Technical Advisory Committee (TAC). Based on the feedback and observations of the TAC, additional data and revisions are requested from the entities (if needed), otherwise project is recommended to the Risk Management Committee (RMC) for review. Final recommendation of the projects is submitted by RMC to the BOD for approval or disapproval.

Once the project is approved by the BOD, an offer letter is sent to the FIP. Upon acceptance of the offer, NDRMF signs a Grant Implementation Agreement with the FIP for the project. During project implementation, the FIP is required to submit periodic reports to be reviewed by the Fund and the project is monitored as per the Fund's Monitoring & Evaluation (M&E) processes and contractual requirements with FIPs.



The project proposal is evaluated according to the following guidelines:

A	Proposed Area of Intervention and its link with NDMP/NFPP-IV
B	Link with Priority Districts NDMP/NFPP-IV
C	Link with NDRMF Result Framework / Interventions
D	Organizational Experience (Relevance to the Proposed Project)
E	Proposed Work Plan
F	Proposed Team for Project Implementation
G	Economic Analysis
H	Environment and Social Safeguards
I	Gender Action Plan
J	Monitoring and Evaluation

QAG
P&OG



Achievements

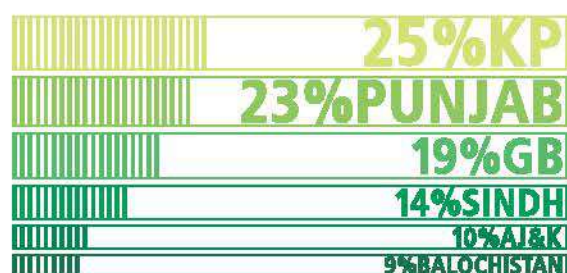
The Fund received 98 project proposals from various public and non-public sector entities. Out of these, 45 proposals were presented for desk appraisal as they fulfilled Fund's preliminary review requirements and went through a thorough proposal review process in batches.

In the first batch (Batch-I), a total of eight projects worth PKR 2.79 billion (USD 23 million)¹ were approved by the BOD on 19 March 2019. NDRMF is providing financing of up to PKR 1.94 billion (USD 15.96 million), which makes a total of 69% of the projects cost. The projects being financed in the first batch will reduce risks against perils like, earthquakes, floods (fluvial and flash), landslides, and droughts. The focus of interventions is on MHVRAs, early warning systems, retrofitting of public buildings, flood protection structures, drought mitigation, slope stabilization, Community Based Disaster Risk Management (CBDRM) and School Based Disaster Risk Management (SBDRM). Grant Implementation Agreements for these projects have been signed with the National Disaster Management Authority (NDMA), Punjab Irrigation Department (PID), Pakistan Red Crescent Society (PRCS), Islamic Relief Pakistan (IRP) and a joint venture of Aga Khan Foundation (AKF) & Aga Khan Planning & Building Services (AKPBS).

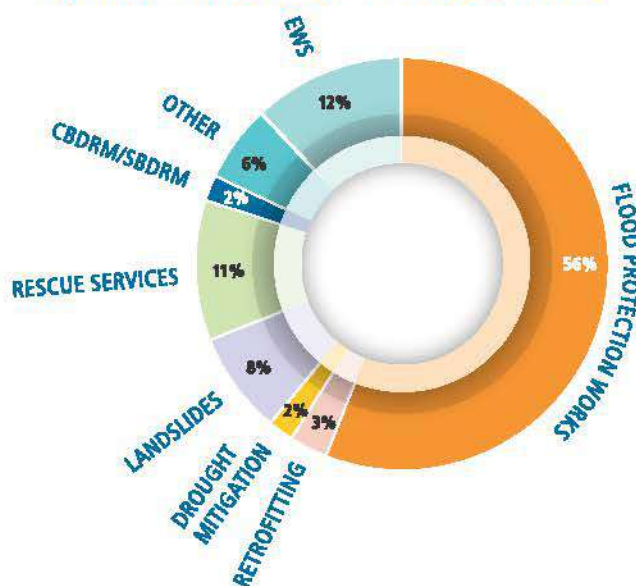
In the second batch (Batch-II), eleven projects worth PKR 5.54 billion (USD 35 million)² were approved by the BOD on 20 September 2019. NDRMF is providing financing of up to PKR 4 billion (USD 25.5 million), which makes 73% of the projects cost. The projects being financed in the second batch include activities related to Flood Protection Works, Tsunami & Earthquake Early Warning System (EWS), Landslide Control Management, Emergency Response Services, Weather Radar System, Drought Mitigation, CBDRM and SBDRM.

PROJECTS STATISTICS

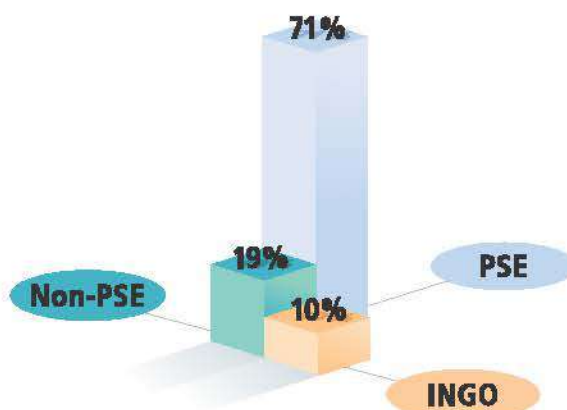
GRANT PORTFOLIO - REGION WISE



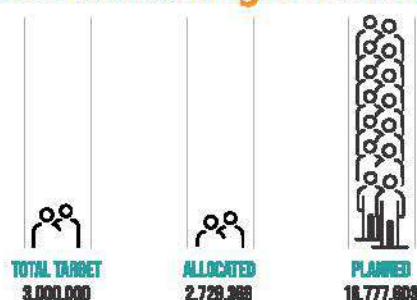
GRANT APPROVALS - PROJECT TYPE



GRANT APPROVALS - FIP TYPE



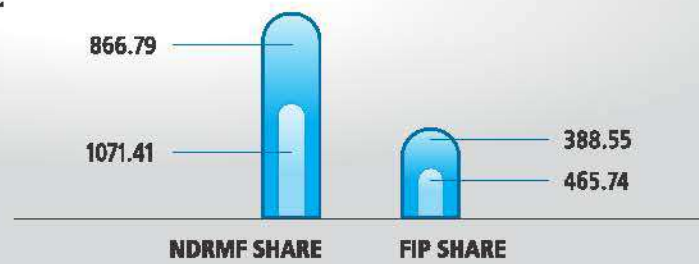
Total Beneficiaries Target Vs. Allocation



BATCH-I PROJECTS APPROVED

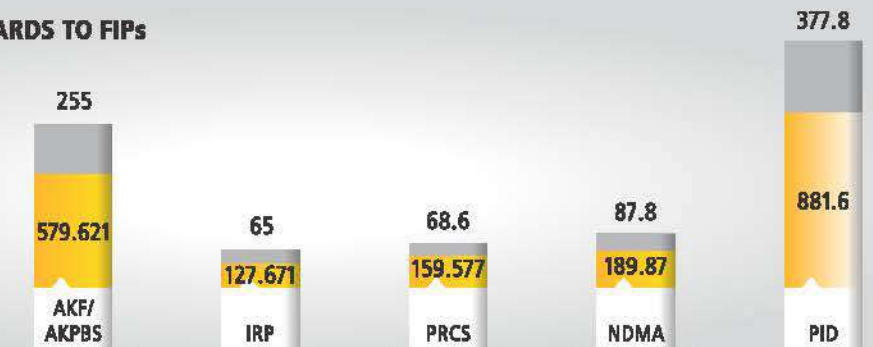
BATCH - I GRANTS ALLOCATION TO PUBLIC AND NON-PUBLIC SECTOR
FIP (IN PKR Millions)
Total 08 Projects

- Public Sector 55%
- Non-Public Sector 45%



BREAKDOWN OF GRANT AWARDS TO FIPs
(IN PKR Millions)
Total 08 Projects

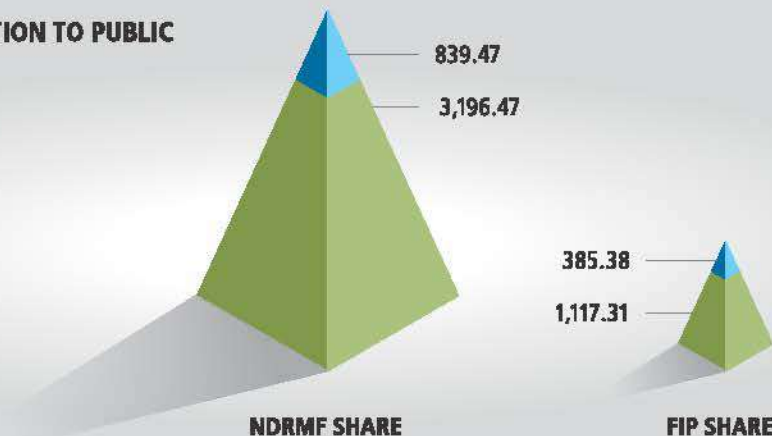
- FIP SHARE 31%
- NDRMF SHARE 69%



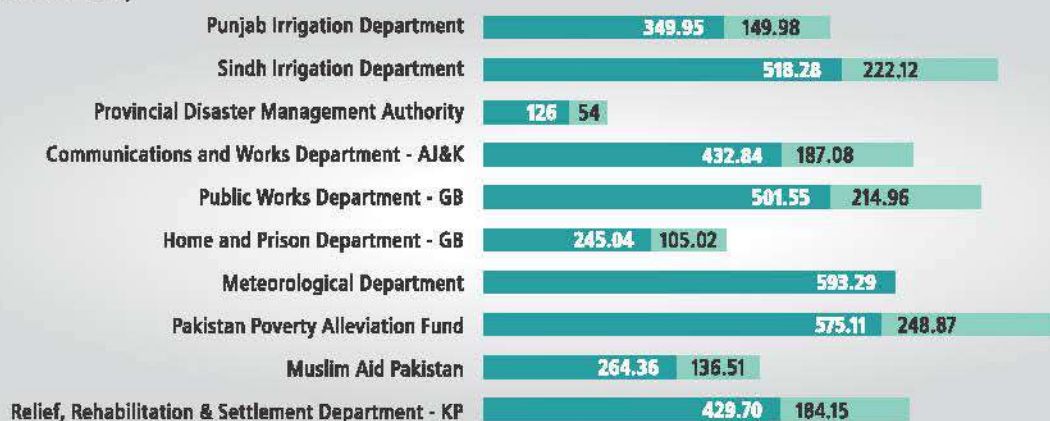
BATCH-II PROJECTS APPROVED

BATCH - II GRANTS ALLOCATION TO PUBLIC AND NON-PUBLIC SECTOR
(IN PKR Millions)

- Public Sector 75%
- Non-Public Sector 25%



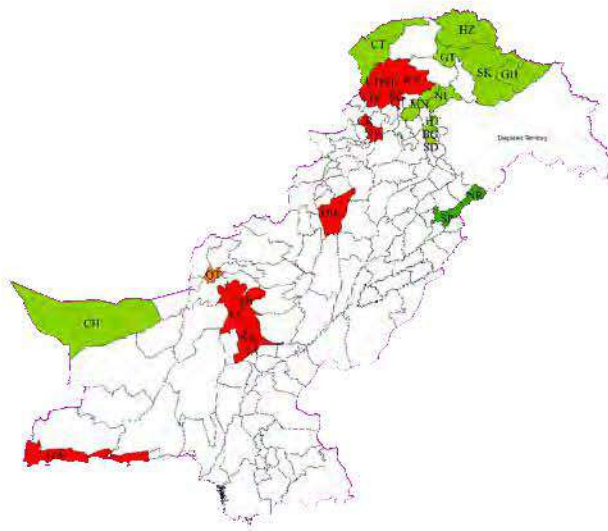
BATCH - II BREAKDOWN OF FIP PROJECTS APPROVED
(IN PKR Millions)



- NDRMF SHARE 73%
- FIP SHARE 27%

GEOGRAPHICAL COVERAGE

Geographical Coverage Batch-I

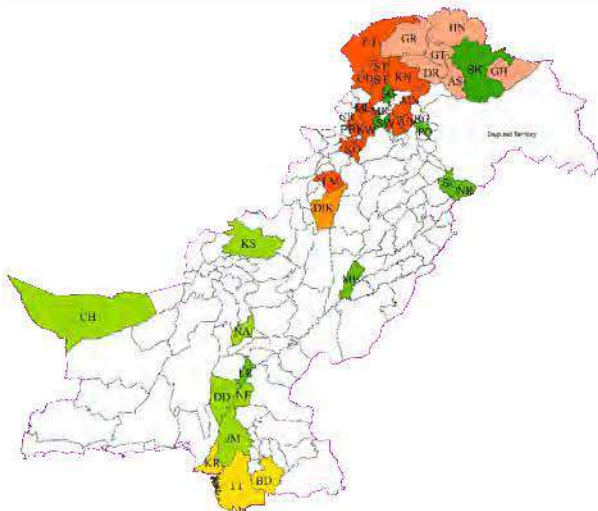


BG-Bagh
CH-Chaghal
GH-Ghanche
GT-Gilgit
GW-Gwader
HT-Hattian
HZ-Hunza
JA-Jafferabad
KC-Kachhi
NL-Neelum
QT-Quetta
SP-Sheldupura
SB-Sibbi
SD-Sudhnot
NR-Narowal
CR-Charsadda
CT-Chitral
DIK-DI Kahn
KN-Kohistan
MN-Mansehra
SG-Shangla
NW-Nowshera
ST-Swat
SK-Skardu
LD-Lower Dir
UD-Upper Dir

Geographical Coverage Batch-I

INFRA/CBDRM
INFRA/CBDRM/MHVRA
INFRA
MHVRA
DISTRICT BOUNDARY 270 Kilometers

Geographical Coverage Batch-II

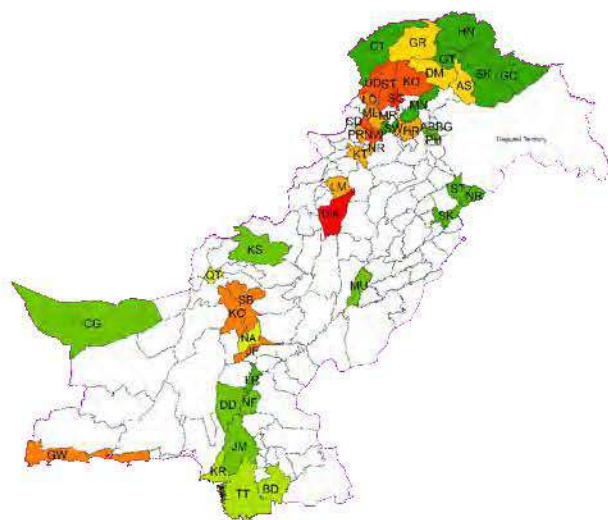


BG-Bagh
BD-Badin
CH-Chaghal
AS-Astore
DD-Dadu
DR-Diamir
GH-Ghanche
GR-Ghizer
GT-Gilgit
HZ-Hunza
JM-Jumshoro
KR-Karachi
KS-Kila Saifullah
LR-Larkana
ML-Multan
NR-Narowal
NA-Nasirabad
NF-Nowshera Feroz
PO-Poonch
TT-Thatta
AB-Abbottabad
CR-Charsadda
CT-Chitral
DIK-DI Kahn
KO-Kohat
KN-Kohistan
LM-Lahli Marwat
ML-Malakand
MN-Mansehra
MR-Mardan
SG-Shangla

Geographical Coverage BI & BII

INFRA/CBDRM
INFRA
INFRA/CBDRM/ER
ER
EWS
ER/EWS
INFRA/ER
DISTRICT BOUNDARY

Total Geographical Coverage (B-I & B-II)



BG-Bagh
BD-Badin
CH-Chaghal
AS-Astore
DD-Dadu
DR-Diamir
GH-Ghanche
GR-Ghizer
GT-Gilgit
HZ-Hunza
JM-Jumshoro
KR-Karachi
KS-Kila Saifullah
LR-Larkana
ML-Multan
NR-Narowal
NA-Nasirabad
NF-Nowshera Feroz
PO-Poonch
TT-Thatta
AB-Abbottabad
CR-Charsadda
CT-Chitral
DIK-DI Kahn
KO-Kohat
KN-Kohistan
LM-Lahli Marwat
ML-Malakand
MN-Mansehra
MR-Mardan
SG-Shangla
SW-Swat
ST-Swat
UD-Upper Dir
SK-Skardu
ST-Sialkot

Geographical Coverage BI & BII

INFRA/CBDRM
INFRA
INFRA/CBDRM/ER
MHVRA/ER/EWS
INFRA/CBDRM/ER/MHVRA
MHVRA/ER
MHVRA
ER
INFRA/CBDRM/MHVRA
EWS
INFRA/ER
DISTRICT BOUNDARY

THEMATIC COVERAGE

Batch-I Projects Approved

FIP	Intervention	Province/ Region/State	District
Public Sector			
National Disaster Management Authority (NDMA)	Multi Hazard Vulnerability and Risk Assessments	KP & Balochistan	Swat, Shangla, Nowshera, Kohistan, Charsadda, Upper Dir, Lower Dir, DI Khan, Jaffarabad, Sohbatpur, Sibi, Nasirabad, Kachi (Bolan), Quetta and Gwadar
Punjab Irrigation Department (PID)	Flood protection works (04 Projects)	Punjab	Narowal and Sheikhpura
Non-Public Sector			
Agha Khan Foundation (AKF) and Aga Khan Planning and Building Services (AKPBS)	Retrofitting of Schools, Flood Protection Walls, CBDRM, CERT and Early Warning System	KP & GB	Mansehra, Chitral, Gilgit, Hunza, Skardu and Ghanche
Islamic Relief Pakistan (IRP)	Flood Protection Works, Water Conservation Structures, Retrofitting of schools and health facilities, CBDRM/ERT, SBDRM and EWS	Balochistan	Quetta and Chaghi
Pakistan Red Crescent Society (PRCS)	Flood Protection Walls, Water Conservation Structures, Landslide Stabilization, CBDRM and CERT	AJ&K	Bagh, Hattian, Neelum and Sadhnoti

Batch-II Projects Approved

FIP	Intervention	Province/ Region/State	District
Public Sector			
Punjab Irrigation Department (PID)	Flood protection/ river training works (Spurs, Stone Studs, Embankments)	Punjab	Sialkot, Narowal
Sindh Irrigation Department (SID)	Flood protection/ river training works (Stone Apron, Stone Studs, Spurs)	Sindh	Larkana
Sindh Irrigation Department (SID)	Flood protection/ river training works (Stone Apron and Stone Pitching along with Earth Work)	Sindh	Larkana
Provincial Disaster Management Authority (PDMA) Sindh	Early warning system, Training and capacity building for promoting resilience among communities	Sindh	Korangi, Karachi East and Karachi West, Badin, Thatta and Sajawal
Communication & Works Department AJK	Landslide Control & Management	AJ&K	Bagh and Poonch
Public Works Department GB	Flood protection works	GB	Gilgit, Skardu, Ghanche, Diamer, Ghizer, Astore, Nagar, Hunza, Shigar, Kharmung
Home and Prison Department GB (Rescue 1122)	Strengthening of Emergency Response Capacities	GB	Gilgit, Skardu, Ghanche, Diamer, Ghizer, Astore, Nagar, Hunza, Shigar, Kharmung
Pakistan Meteorological Department	Installation of S-Band Doppler Pulse Compression Solid State Radar System	Federal/KP	Dera Ismail Khan
Relief, Rehabilitation & Settlement Department KP (Rescue 1122)	Strengthening of Emergency Response Capacities	KP	Peshawar, Nowshera, Mardan, Charsadda, Swat, Abbottabad, D.I. Khan, Chitral, Kohat, Haripur, Manshera, Swabi, Dir Upper, Malakand, Shangla, Lakki Marwat, Kohistan Lower
Non-Public Sector			
Pakistan Poverty Alleviation Fund (PPAF)	Flood protection works	KP, Balochistan, Sindh, Punjab, GB	Swabi, Shangla, Naseerabad, Naushero Feroz, Dadu, Jomshoro, Multan and Skardu
Muslim Aid Pakistan (MAP)	Flood Protection Structures, Drought Mitigation, CBDRM, CERT, SBDRM	Balochistan	Chaghi, Killa Saifullah

Project signing highlights



With IRP

For 'Resilient and Adaptive
Population in Disaster (RAPID)'
16 May 2019



Joint venture of AKF Pakistan and AKPBS

For 'Promoting Integrated
Mountain Safety in Northern
Pakistan (PIMSNP)
24 July 2019



Tripartite Grant financing signed between NDRMF and Government of Punjab

Irrigation Department, Govt. of
Punjab and Planning &
Development Dept., Govt. of
Punjab
19 September 2019



With MAP

for 'Building resilience by
strengthening the community
through inclusive Disaster Risk
Management'
25 November 2019



Tripartite Grant financing signed between NDRMF and Government of GB

Public works department and
Planning & Development
Department, Government of GB
28 November 2019

Challenges and Learnings

With several achievements within a limited duration, the Fund equally faced few challenges which were addressed at times through a shared learning process. The main challenges with significant learnings are as follows:

Challenges	Learnings
Many project proposals did not have sufficient data for the desk appraisal, e.g. less data was provided around risk profiling, infrastructure schemes, beneficiary calculations etc. The Fund's staff had to put in a lot of time and effort towards refining the proposals in line with the Fund's requirements.	The project proposal template and guidelines need to be revisited, as they do not support the multi-sectoral approach towards risk reduction nor provide a template for physical and financial phasing with respect to the 70-30% shares of the Fund and the FIPs, respectively.
The timelines kept by the Fund for the evaluation of proposals (particularly for batch-I) were ambitious. Since these entities were submitting project proposals to a newly established organization for the first time, there was a lack of clarity on the proposal document, resulting in considerable back and forth between the Fund's staff and the FIPs to furnish these requirements up to the expected standard. This added to a shift in the original timelines for seeking project approval from the Board.	The first cycle of project award should not be as ambitious in terms of its timeline. However, even if the first cycle may be resource intensive, it does also provide the organization an opportunity to test out all procedures; improvements can be made to benefit all future rounds.
Several entities were not able to distinguish between traditional development projects and that of risk reduction projects, due to which some of the received proposals were focused entirely on the broader development agenda instead of being DRR specific.	NDRMF should undertake frequent outreach sessions to build knowledge and capacity of potential FIPs. By doing so, the organizations will have more clear information about the Fund's mandate and requirements for quality proposal linked with NDMP and NFPP IV.
Some of the FIPs mobilize community shares for project interventions. Tracking the allocation and utilization of such shares can be a challenge for the Fund.	The Fund is required to devise a mechanism through which it can track allocation and utilization of the community share in the overall project scheme.
By the time the appraisal exercise was completed, the Fund's disbursement procedure had yet to be finalized. As a direct consequence of the delay in the finalization and approval of the disbursement procedure, the financial and physical phasing had to be redone multiple times.	Though the matter was dealt during completion of first batch of projects award however, to deter from delays, the Fund's disbursement procedure should be simultaneously addressed or worked out as priority.
It was noted that the evaluation criteria did not provide the required framework to evaluate the economic viability (EIRR) of the proposed projects.	A customized model for assessing economic viability of schemes should be developed right from the start of the process.
Constantly shifting goal posts in the project planning and approval process resulted in unnecessary delays, as after thoughts kept coming on how further improvements can be made during multiple stages of these processes.	An organization should build in the flexibility of having mid-course correction during project implementation. To avoid delays, the organization should strive to comply with agreed procedures, and incorporate any improvements and lessons learnt later in the process.

CHAPTER FOUR

DISASTER RISK FINANCING (DRF)

Disaster Risk Financing (DRF) helps increase financial resilience of the national and subnational governments, businesses, households, farmers, and the most vulnerable against natural hazards by implementing sustainable and cost-effective financial protection policies and operations. An efficient DRF approach ultimately leads to fiscal resilience.

Fiscal Resilience is the ability to reach a balanced set of ex-ante and ex-post financing options; which is to plan ahead to better manage the cost of disasters, ensure predictable and timely access to much needed resources, and ultimately mitigate long-term fiscal impacts.

NDRMF's DRF Unit is responsible for the achievement of one of the three outputs of the Fund, i.e. improved fiscal management of natural hazards risks. To successfully achieve this output, the following targets have been set:



01

Analysis of Disaster Risk Based on Identification of Hazards and Risks

- Quantification of expected Disaster Costs
- Prepare DRM Strategies based on Analysis

02

Strategy for Disaster Risk Financing and Transfer of Risk

03

DRF Instrument Development and Piloting

Achievements



NatCat model

NDRMF is embarking on a journey to develop a NatCat model for Pakistan, which will provide quantitative information on the expected levels of loss for hazard events of varying types, intensities and return periods. The model will ultimately bridge the gap between the insurance industry and the disaster management authorities and provide the basis for developing a national DRF strategy for Pakistan and pricing DRF solutions to be devised by the Fund. While the Fund is steering the overall development of the mode, the risk modelling work shall be undertaken by SUPARCO

NatCat Perils

			
EARTHQUAKE	TROPICAL CYCLONES	FLUVIAL FLOODS	DROUGHTS

with NDMA as the lead agency. Project Agreement was signed with SUPARCO on 4 December, 2019 and work on the model has commenced. The model will eventually be positioned on an accessible open source platform and will include the following components:

HAZARD MODULE	EXPOSURE MODULE	VULNERABILITY MODULE	LOSS ESTIMATION MODULE
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B Gender sensitive national DRF strategy

NDRMF is mandated to develop a national DRF Strategy, which would identify appropriate tools for each layer of disaster risk. These tools will be based on multi-hazard loss curves and taking into account the scale of funding required for each layer of risk, the speed with which disbursement of funding is required, and the relative cost-effectiveness of alternative instruments for specific layers of loss.

In this regard, the Fund's DRF Unit has led several rounds of consultations with the key public and non-public sector stakeholders. To assist the DRF unit in achieving this target, a team of individual consultants has been selected, including DRF Specialist, Insurance Specialist, Agriculture Insurance Specialist, and Public Financial Management Specialist.

To develop Pakistan's first national DRF strategy, the Fund will continue building on the already achieved milestones. The Fund will particularly benefit from the studies and reports done by vital partners, e.g. the Fiscal

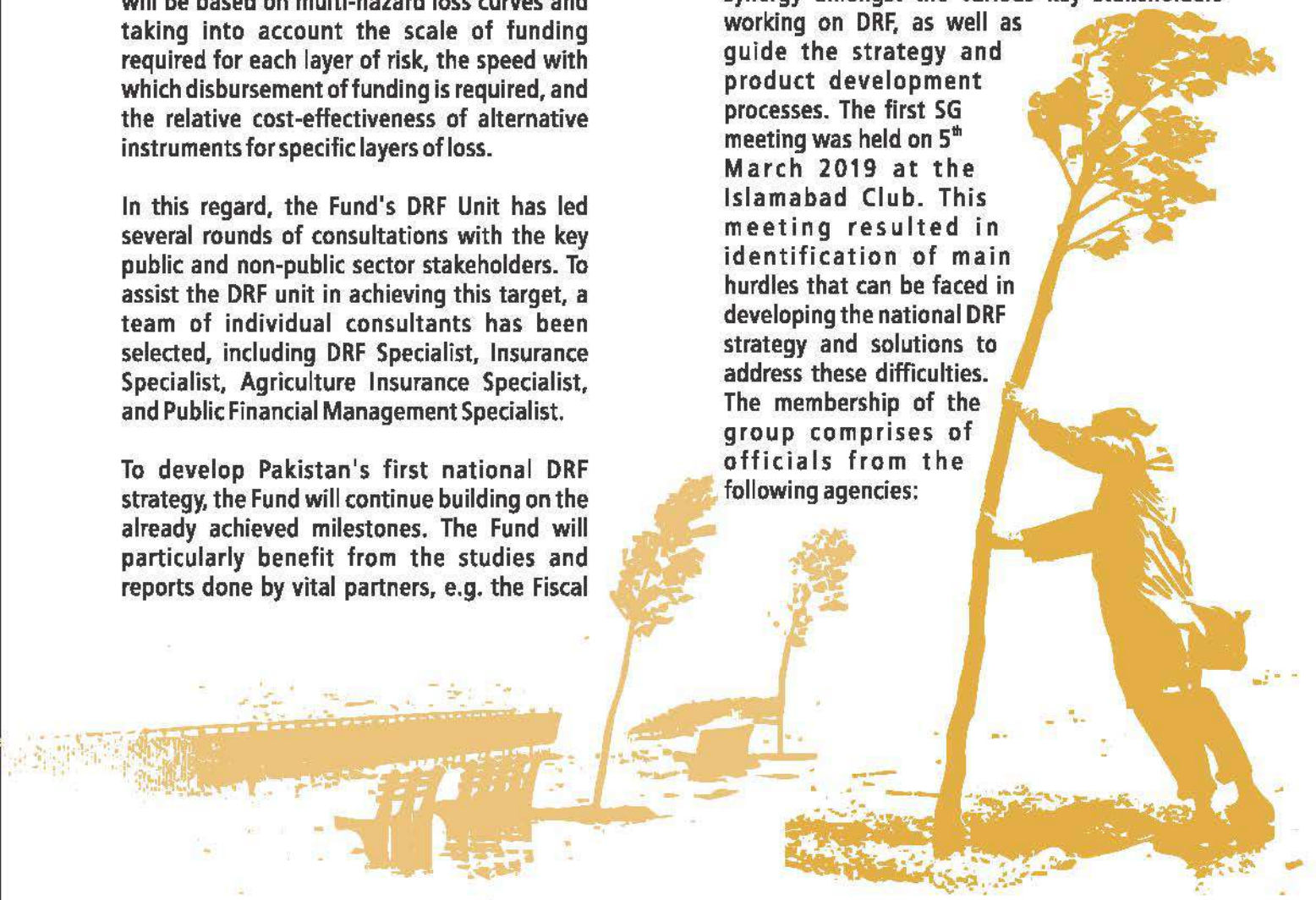
Disaster Risk Assessment (FDRA) developed by the World Bank, Scoping Study on Climate Risk Insurance conducted by KfW, and the Country Diagnostic Assessment on the Enabling Environment for Disaster Risk Financing in Pakistan carried out by ADB.

C DRF instrument development

The insurance penetration level in Pakistan is amongst the lowest in the world, at 0.9% of the Gross Domestic Products (GDP) in 2018. In this regard, the Fund is to develop two DRF solutions in the first phase, which is to continue till 2020, whereas at least one of these solutions is to be piloted. The prospective solutions are being identified and developed for the different layers of disaster risks in consultations with various national and international insurance firms and key stakeholders.

D DRF Synergy Group

NDRMF has taken the initiative to establish a DRF Synergy Group (DRF-SG), to ensure a greater synergy amongst the various key stakeholders working on DRF, as well as guide the strategy and product development processes. The first SG meeting was held on 5th March 2019 at the Islamabad Club. This meeting resulted in identification of main hurdles that can be faced in developing the national DRF strategy and solutions to address these difficulties. The membership of the group comprises of officials from the following agencies:



SG MODERATOR:

National Disaster Risk Management Fund (NDRMF)

A. Disaster Management Authorities

National Disaster Management Authority (NDMA)
Provincial Disaster Management Authority – PDMA Punjab
Provincial Disaster Management Authority – PDMA KP
Provincial Disaster Management Authority – PDMA Sindh
Provincial Disaster Management Authority – PDMA Baluchistan
Glilit – Baltistan Disaster Management Authority - GBDMA

B. Government Departments

Ministry of Finance (MoF)
Ministry of Commerce (MoC)
Economic Affairs Division (EAD)
Benazir Income Support Programme (BISP)

C. Regulatory Bodies

Securities and Exchange Commission of Pakistan (SECP)
State Bank of Pakistan (SBP)

D. Insurance Industry

National Insurance Company Ltd. (NICL)
Pakistan Reinsurance Company Ltd. (PakRe)
Insurance Association of Pakistan

E. Development Banks

Asian Development Bank
The World Bank
KfW Development Bank

Challenges and Learnings

With introduction of a totally new concept to the context of Pakistan and by pioneering multiple innovative concepts on fiscal resilience, the Fund faced a few challenges as given below:

Challenges	Learnings
Finding the right balance between the two major program areas of the Fund, i.e. DRR and DRF is a challenge for the Fund. The uniqueness of the Fund pertains to the risk financing area; however, the concept being relatively new in Pakistan necessitates raising basic awareness, to then be able to go at full throttle.	The Fund should organize knowledge events at various levels for improved understanding of the concept and significance of risk financing.
Finalization of the scope of work of the NatCat model has taken more time than anticipated.	Since NDMA is the ultimate beneficiary of the model, the Fund should build upon their expertise and incorporate NDMA's advice to the best possible level into the scope of work.
During the early consultative process, NDRMF realized that many stakeholders are currently working on risk financing in silos; whereas an efficient coordination mechanism amongst the key stakeholders was lacking.	The Fund created a SG on disaster risk financing and successfully brought all the stakeholders to the same table in order to achieve synergy with respect to efforts in risk financing.

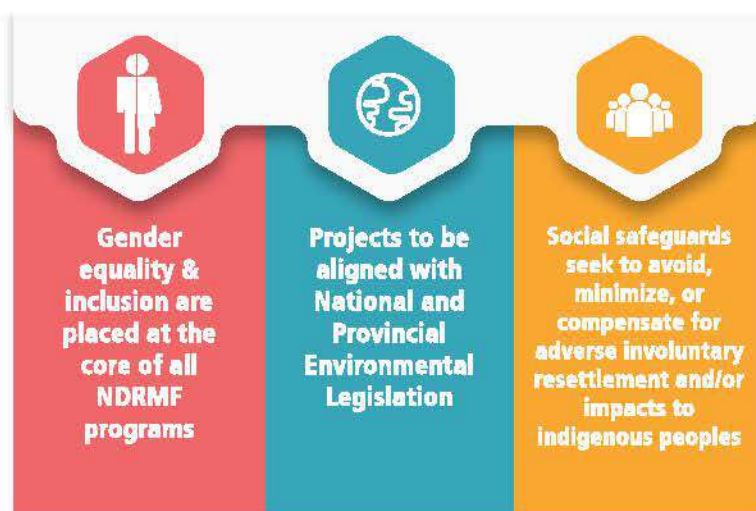
CHAPTER FIVE

SAFEGUARDS (ENVIRONMENT & SOCIAL SAFEGUARDS) AND GENDER MAINSTREAMING

NDRMF is an environmentally, socially and gender responsive organization and has established a structured and systematic mechanism to address said issues as a core function of its management system. The Safeguards and Gender Mainstreaming Unit aims to avoid, minimize and/or manage adverse environment, social and gender impacts/vulnerabilities by enhancing positive impacts of all the projects and interventions financed by the Fund. The ESMS and GAD policy adheres to the requirements of national legal and regulatory, and international ratified, conventions and agreements.

Safeguards (Environmental and Social) & Gender Mainstreaming components are responsible to:

- Develop, upgrade and implement all relevant policies including, ESMS and GAD Policy.
- Ensure all projects financed by NDRMF are screened, categorized, and reviewed in accordance with the categorization criteria for environment, social safeguards and gender.
- Ensure that the Fund does not finance any ADB category "A" projects³.



- Ensure project management in accordance with the policy guidance for safeguards and gender compliances.
- Manage the GRM within NDRMF; ensure the establishment and operations of similar mechanisms in the FIPs and facilitate/follow-up on the resolution of complaints related to the NDRMF operations and supported projects.
- Internal and external reporting in light of the agreed action plans.
- Provide technical assistance on the relevant subject matter at the Fund and FIP levels to orient and strengthen existing capacities.
- Ensure integration of gender perspective into all NDRMF financed initiative, including MHVRAs, early warning systems, information management, and capacity strengthening initiatives.

³ According to Environmental & Social Management System (ESMS), category 'A' projects with significant environmental impacts, involuntary resettlement, or adverse impact on indigenous people will not be considered for financing by NDRMF and will be screened out during preliminary appraisal process.

ACHIEVEMENTS

Efficient and effective policies that are compatible with International standards and National legal and regulatory bindings for ensuring ESMS and GAD compliances.

ESMS and GAD Operational Manual was developed to elaborate standards and procedures for the Fund's staff and FIPs to ensure compliances.

Forty-seven (47) private sector entities were assessed from environmental, social and gender perspective to evaluate compatibility of applicant entities in light of the environmental, social and gender mainstreaming compliances as prescribed in the ESMS and GAD Policy of NDRMF.

Risk Mitigation Plans for all accredited non-public sector entities were developed on the basis of gap analysis conducted during accreditation phase.

Proposal Screening Tools and Checklists for Environmental and Social Safeguards and Gender Mainstreaming compliances were developed and implemented.



Batch-I: DDRs developed: 9

IEEs developed: 6

Batch-II: DDRs developed: 10

IEEs developed: 7

These **DDR**s and **IEEs** have been developed on 10% sample of schemes for Category "B" projects in light of the ESMS and Loan Covenant. Whereas, during inception phase, all FIPs are required to complete IEEs for the 100% sample of their schemes.

Proposals submitted by all accredited public & non-public sector entities were reviewed and rationalized **in light of environment, social and gender mainstreaming compliances**. Gaps were communicated to each entity in order to update and revise in light of the mandatory compliances e.g. cost allocation for regulatory studies, EMP compliance, gender mainstreaming through DRR projects.

All **approved projects** have been categorized as per ESMS and Gender Mainstreaming Guidelenes.

Four (4) capacity building initiatives were conducted for public sector FIPs from KP, GB and Punjab represented by PDMAs, GBDMA, PID, EPA, P&DD, Flood and Drainage Department respectively.

Challenges and Learnings

With certain achievements related to safeguard and gender mainstreaming compliances, following challenges were also faced:

Challenges	Learnings
There was a lack of familiarity to pertinent policies and operationalization of project development tools and screening checklists at FIP level.	Orientation of public and non-public sector potential partners on NDRMF safeguards and gender mainstreaming policies and tools (screening checklist, IEE & EMP) prior to project proposal development shall be made mandatory.
Inadequacy of hands-on experience at FIP level to develop IEEs, Gender Action Plans and Gender Analysis.	All the loan covenant requirements shall be shared with FIPs well in time to ensure compliance. Additionally, mandatory orientation session on proposal development shall be undertaken for entities eligible for submitting proposal.
Reluctance on part of non-public sector entities to share respective organizational documents required to assess organizational capacities, strengths and weakness for accreditation with NDRMF.	All partners, irrespective of their strengths and weakness, should be well informed about NDRMF's commitment to maintaining confidentiality.
Difficulty in distinguishing between national i.e. Environmental Protection Agency (EPA) schedules and ADB guidelines for environment and social project screening and categorization	Projects categorization guidelines shall be shared with FIPs to avoid confusion for ranking proposed schemes under the environmental and social category.

CHAPTER SIX

MONITORING & EVALUATION (M&E)

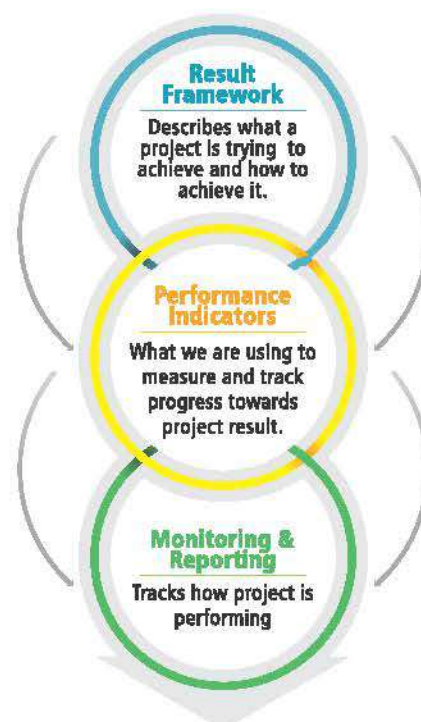
At NDRMF, Monitoring and Evaluation (M&E) are important aspects of project management quality assurance, as a means of ensuring results for Government and donors' satisfaction. The M&E practice within NDRMF is carried out under the auspices of national policy frameworks, strategic objectives and priorities. The M&E Unit is responsible to measure the performance of all NDRMF interventions and projects, and identify what works, what does not, and the reasons why.

Why M&E in DRR?

- To provide quality information on the management and coordination of disaster risk related interventions across spheres.
- To enhance transparency and support accountability by revealing the extent to which the NDRMF has attained its desired objectives, with specific reference to disaster risk management in the country.
- To support planning, budgeting and policy making decisions that are based on evidence rather than opinion.

Achievements of NDRMF M&E System

A comprehensive M&E Manual has been developed by the Fund's M&E Unit which provides a detail overview of NDRMF's M&E systems and compliance requirements across the board. Key features of NDRMF's M&E system include:



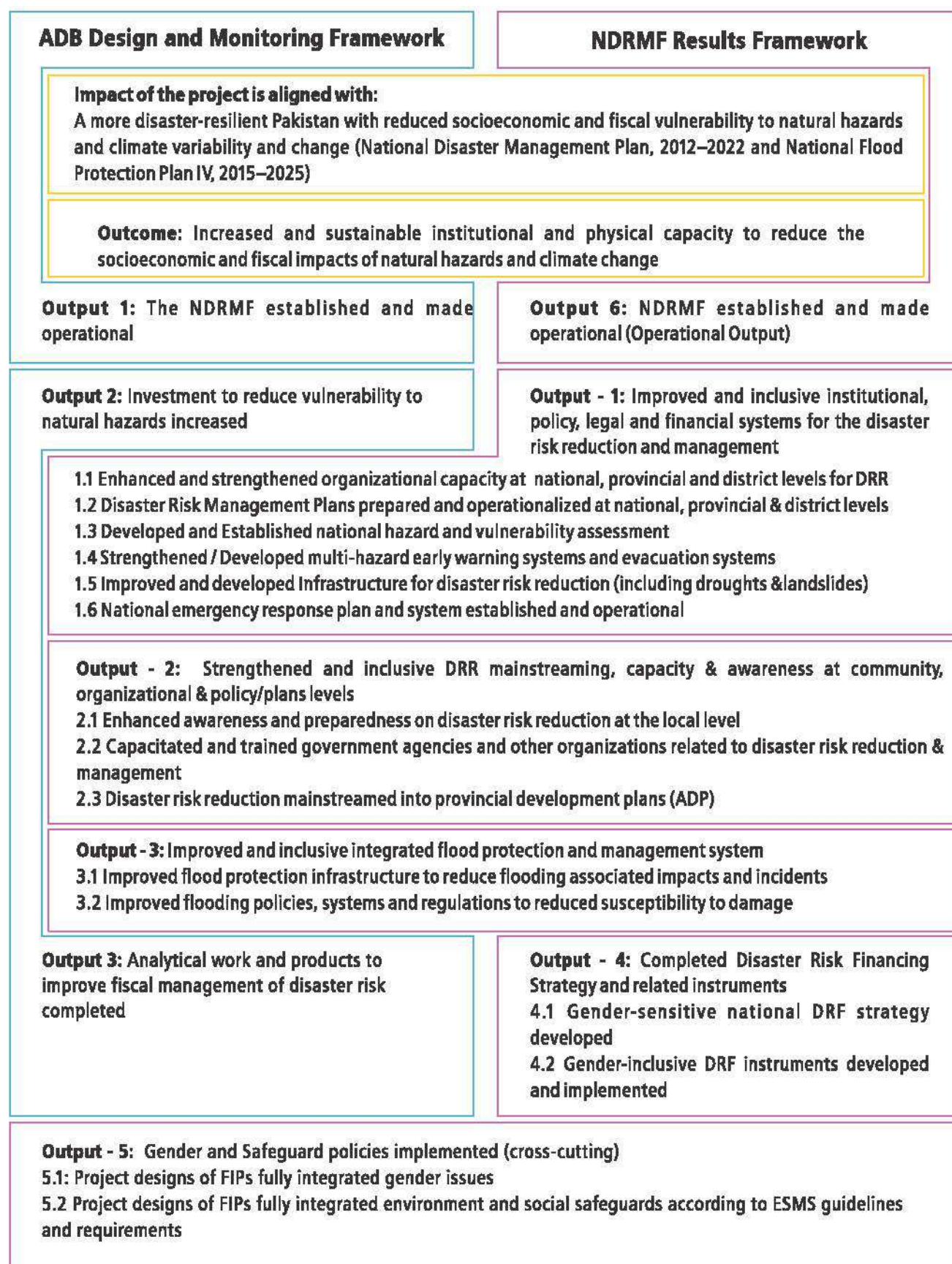
Evaluation

{ Involves additional independent data collection and analysis to determine what project results - outcome and impact - have been achieved, what worked well and what did not and why, lessons learned, improvements in project design. }



Results Framework and Performance Indicators

NDRMF has developed a Results Framework harmonizing it with national priorities and agreed focused areas, donor's outcomes and outputs as well as Fund's own results and indicators as much as possible. Output, outcome, and impact level indicators to measure the program performance at different stages of implementation (and beyond) have been chosen that contribute to the results framework as shown below:



B Monitoring and Reporting

Monitoring project implementation is focused on two aspects;

Result Oriented Monitoring (M&E Unit)

- The grant beneficiary's progress in implementing the project in accordance with the grant contract;
- Quality monitoring is done mainly against project work plan and against indicators provided in the Results Framework.

Financial Monitoring (Finance Team)

- The grant beneficiary's financial compliance with objectives and budget established in the Grant Agreement;
- Financial utilization in accordance with agreed utilization dynamics.

Monitoring field visits enable NDRMF M&E unit to measure the progress of project implementation, verify delivery of outputs and achievement of results, verify received written reports, identify possible bottlenecks and divergences from the main course of action (an integral part of monitoring activities and results is monitoring of risks and assumptions) and assist the implementing partner in correction of errors.

The M&E Unit monitors and reports upon outcome indicators on **an annual basis**. The outcome level indicators reflect all the operational activities and policy reforms (achievements) made through output indicators/annual milestones validated through independent as well as secondary data sources.

Output Indicators are reported **every quarter** against the annual milestones. A systematic monitoring process is followed whereby M&E Unit assesses the progress against work plan activities and deliverables and then reviews the contribution of these deliverables and activities towards the achievement of annual milestones. The evidence is consolidated for the Annual Report and presented to sponsors and stakeholders, especially the donors.

NDRMF provides its donors and EAD, as well as demands its FIPs to submit various types of reports during (and after) project implementation as follows:



C Evaluation



NDRMF views evaluation as a systematic and objective assessment of completed grant / project, and its design, implementation and results. The aim is to determine the relevance and fulfillment of objectives, development efficiency, effectiveness, impact, and sustainability. An evaluation provides information that is credible and useful, enabling the incorporation of lessons learned into the decision-making processes. NDRMF follows internationally acceptable practices i.e. Development Assistance Committee (DAC) Criteria, which is the used by all development organizations.

At NDRMF, summative evaluations (evaluation taking place after completion of a project to appraise its success) are the focus to be carried out by independent consultant / firm (third party). However, there is scope of formative evaluations (evaluation taking place during the project to guide future development), if required.

M&E Management Information System (MIS)

NDRMF is engaged in strengthening the collection and utilization of progress data and M&E processes in its projects. NDRMF has developed standardized tools to better support new projects in quickly ramping up the critical M&E function, and to facilitate the compilation and sharing of M&E information across projects. To add to these tools, NDRMF is seeking to develop a web-based M&E Management Information System (MIS) to systematically manage and monitor the progress (both technical and financial) of grants / projects.

“ OBJECTIVES OF M&E MIS ”



Establishing M&E MIS in NDRMF is challenging since it requires functions across different institutions (public and non-public sector implementation partners), different service delivery areas (CBDRM, MHVRA, DRR and DRF etc.), and different levels of implementation (national level, provincial level, district level and even to Union Council Level-UC). However, MIS is essential to NDRMF for not only tracking progress on project activities and results but importantly in evaluating the efficiency, effectiveness and sustainability of its interventions in priority areas.

Challenges	Learnings
There is a general lack of understanding, particularly among the public sector entities, on developing Results Frameworks with robust performance indicators to monitor project interventions.	The Fund shall continue capacity enhancement through dedicated Results Based Management (RBM) trainings and workshops for its FIPs in the future.
The Fund will have to rely on manual data collection from a diverse range of public and non-public sector FIPs due to a delay in setting up the Fund's MIS.	The Funds M&E tools shall ensure ease of and timely data collection (disaggregated data by age, gender and other vulnerable groups) which can be efficiently analyzed and managed in the interim. The clearly identifiable indicators within FIPs Results Frameworks will ensure results are aligned to the Fund's overall Results Framework.
Lack of preexisting countrywide data around DRR interventions has resulted in no targets and baselines being set against some output indicators in the Fund's Results Framework	A comprehensive Perception Survey and Baseline Study is designed to assist the Fund in filling data gaps and establish a comprehensive databank through engagement with a range of public and non-public sector stakeholders within the DRR sector.

A photograph of a formal office interior. The room features wooden paneling on the walls and ceiling. In the foreground, there is a large, dark wooden desk with a brass desk lamp and a tissue box. Behind the desk, there is a leather sofa and a coffee table. To the left, there is a round wooden table with leather chairs. A large clock is visible on the wall in the background. The text "PART FOUR" is overlaid on the right side of the image.

PART FOUR

MAJOR EVENTS

CHAPTER ONE

TEAM BUILDING EXERCISE

*"Alone we can do so little,
together we can do so much"*

(Heller Keller, American Author)

In October 2019, NDRMF organized a two-day (02) team-building event in Murree with a view to strengthen synergies and teamwork amongst and within departments. The purpose to conduct this team-building exercise was to facilitate long-term team building through fostering genuine connections, in-depth discussions and fun activities that help staff know each other better.

"We have a conviction to ensure a collaborative, supportive and innovative work environment where people can synergize efforts to yield greater results".

(One of the core values of NDRMF)

Approximately 45 staff (both, male and female) from QAG, SSG, P&OG, and Finance Department dynamically participated in the event. The event was conducted by an International Coach Federation (ICF)-certified life and performance coach, Ms. Fakiha Imran from Carnelian. The event was well organized and conducted through creative fun-oriented activities with a purpose to enhance coordination and communication amongst staff.

DAY 1 ACTIVITIES

'Icebreaker' to break down any barriers.

'Brick by Brick' to demonstrate the need for innovation and passion.

'Big Picture' to appreciate teams working in synergy towards one goal.

'Tower of Power' to emphasize on the aspects of stretch, creativity, leadership, & team dynamics.

'The Ultimate Race' to inculcate the significance of solution oriented mind-set and resourcefulness.

DAY 2 ACTIVITIES

'Life Maps' to create greater bonding for stronger and productive professional relationships & understanding.

'Balloon House' to strategize, execute, synergize and optimize resource utilization.

The session served the purpose of highlighting the core objective, which was to take on the challenges and setting the direction of the organization on a collective basis. The event was concluded with a certificate distribution ceremony and a commitment to improved communication and collaboration, calmer workplace and performance as one team.



CHAPTER TWO

CO-CURRICULAR ACTIVITIES



Kashmir Solidarity Hour observed, Aug 2019



Kashmir Solidarity Hour observed, Aug 2019



Training on fire emergency response and prevention, July 2019



Dua for planted trees & independence of Kashmir, Aug 2019



Tree plantation-Promoting Green Pakistan, Aug 2019



First aid training and demonstration, Aug 2019



Finalists of Table Tennis tournament, Sept 2019

CHAPTER THREE

LAUNCH OF PAKISTAN'S ECOSYSTEM RESTORATION FUND (ESRF)

The Government of Pakistan under leadership of Minister and Advisor to the Prime Minister on Climate Change, Malik Amin Aslam, successfully launched Pakistan's Ecosystem Restoration Fund (ESRF) at the United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP25) in Madrid, Spain on 11th and 12th December, 2019.



The event on 11th December took place at the NDC Pavilion and was attended by Senior Director for Policy and Program Coordination at the UNFCCC, Martin Frick, and the Global Director of the NDC Partnership Support Unit, Pablo Vieira as panelists. Pakistan's ambassador to Spain, Khayyam Akbar, also joined the panelists along with the CEO NDRMF, Lt Gen (retd.) Nadeem Ahmed. The event on 12th December took place at the MDB Pavilion and was attended by Secretary General Commonwealth, Rt Hon Baroness Patricia Scotland, Director Climate

Change & Disaster Risk Management at ADB, Preeti Bhandari, and Advisor Global Partnerships and Strategy (Climate Change) at World Bank Group, Stephen Hammer. The panelists at the launch ceremony appreciated Pakistan's efforts in pursuing the ambitious climate and development actions, and assured the Advisor that Pakistan would find the international support needed for the Fund.



Pakistan responds to UN Secretary-General's call for Climate Action, and aligns itself with the United Nations Decade on Ecosystem Restoration 2021-2030. Through this launch, Pakistan showcased its commitment on a global stage to pursue ecosystem restoration to address climate change challenges in the country. This new initiative also builds on the efforts previously undertaken in Pakistan for the sustainable management of existing natural resources and mitigating the environmental degradation that occurred in the past. The ESRF is essentially a nature based adaptation initiative starting with an initial support from World Bank amounting to US\$ 120 million. The Fund will be hosted at NDRMF due to its independent, transparent and comprehensive fiduciary and monitoring mechanisms, whereas the Ministry of Climate Change (MoCC) will be the line ministry. The Fund initially comprises of the following six thematic areas:



CHAPTER FOUR

CAPACITY BUILDING INITIATIVES



NDRMF Launch Ceremony

The event was held on July 16, 2018 in Islamabad. The launch event intended to create an in-depth understanding in regard to the Fund's management and operations to various stakeholders from the public and non-public sector.

The event was attended by notable representatives of Federal and Provincial Government departments and disaster management authorities, UN agencies, international donors, academia, civil society, NGOs, media and dignitaries from diplomatic missions. The ceremony was followed by an 'Orientation Workshop' to review accreditation criteria and project proposal guidelines in addition to detailed presentations on NDMP and NFPP-IV. Discussions and group work provided great learning opportunity to gain feedback and recommendations from different stakeholders and potential FIPs to further fine tune the systems and procedures of NDRMF.

Gender Sensitization Session for NDRMF Executive and Non-Executive Staff

The Quality Assurance Group (QAG) organized two separate gender sensitization training sessions for NDRMF's Executive and non-Executive staff on October 12 and 19, 2018 and December 23, 2019. These trainings were aimed to assist the Fund's staff to apply best practices for gender sensitization at the organizational level, as well as set up mechanisms for creating a conducive working environment.

The gender orientation sessions provided both groups with the relevant knowledge, skills and values required for the effective implementation of the Gender Policy of NDRMF. A basic orientation was given on key gender related concepts and definitions, types of discrimination and prevention on grounds of sex/gender, gender sensitive actions at the workplace, as well as an over view of the 'Anti-sexual Harassment Policy' of NDRMF.

Training of Potential Non-Public Sector Entities

NDRMF organized specialized two days training workshops in Islamabad on November 28-29, 2018 for potential non-public sector entities. Around 120 subject specialists from 46 national and International entities attended the training.



This training was a step towards building partnerships by strengthening existing capacities of potential non-public sector entities on core NDRMF procedures related to accreditation, proposal development, funds disbursement, contractual requirements as well as thematic areas such as Gender, Environment and Social Safeguards including Monitoring and Evaluation (M&E). During the two-day event, there was an active interaction between the NDRMF team and participants, as well as among the participants to exchange ideas and share knowledge.

Training of Potential FIPs Punjab Government



A two-day training event was organized on March 11-12, 2019 for potential FIPs from Punjab Government at the Government Engineering Academy, Lahore. The training was attended by around 30 specialists from Punjab Planning and Development Department (P&DD) and directors and engineers of Punjab Irrigation Department from districts Lahore, Multan, Layyah, Faisalabad, Kasur, Muzaffargarh and Rajanpur.

The purpose of the training was to strengthen existing capacities on core NDRMF procedures related to proposal development, particularly in compliance with relevant policies and procedures for Gender, Environmental and Social Safeguards, and M&E. The first day of training focused on the theoretical parts of Safeguards (Environment, Social and Gender) and M&E compliances; whereas the second and last day was dedicated to practical work on a sample PC-1 submitted by the Punjab Irrigation Department.

During both days, the NDRMF team addressed several critical issues and responded elaborately to questions from the participants. It is anticipated that the public sector entities will incorporate training learnings, including best practices in their respective proposals submitted to the Fund.

Training of Potential FIPs GB & KP Government



A joint one-day training workshop was organized in Peshawar on April 23, 2019 for potential FIPs from GB and KP Government departments. The training was attended by around 20 participants from KP PDMA, GBDMA, P&DD, KP (EPA and KP irrigation department).

The purpose of the training was to impart FIPs with a basic knowledge of NDRMF's mandate, compliances and relevant policies and procedures around Gender, Environmental and Social Safeguards including M&E.

The training aimed at assisting the public sector entities to function more effectively by exposing them to practical approaches and techniques required for quality proposal development and information dissemination related to project activities.

Results Based Management (RBM) for NDRMF Management and Executive Staff



The M&E Unit at NDRMF organized a one-day training session on Results Based Management (RBM) for the Fund's internal management and executive staff on 12 June, 2019. The training was delivered jointly by the NDRMF M&E team, ADB Technical Assistant and an M&E/RBM expert from UNDP.

The purpose of the training was to assist NDRMF staff to function more effectively by exposing them to latest RBM concepts, information and techniques around effective monitoring and evaluation of projects and the value M&E has during every stage of the project cycle.



The “Outstanding Performance Award 2018-19” is awarded to Mr. Awais Saleem for his exceptional performance and valuable contribution to the organization.

Establishing an organization with no premises, limited policies and procedures in place and minimal staff while managing multiple stakeholders and keeping an eye on disbursement targets was a strenuous task.

Outstanding Performance 2018-2019

After joining NDRMF as Procurement Manager in July 2018, Mr. Awais voluntarily extended his assistance in defining the Fund's Limit of Authority Manual, Grant Disbursement Manual and Grant Implementation Agreements. Additionally, he facilitated the Fund's senior management in settling Federal Audit observations, seeking No Objection Certificates (NoCs) from International Development partners, improving HR policies, defining Health & Group life insurance policies and sub delegation of administrative and financial powers.

These are only a few of his achievements; he has been acknowledged and praised for his exemplary performance by the General Manager Projects & Operations Group and has won the golden citation from the Honorable CEO as, “An Outstanding Individual who performed exceedingly well, much beyond the call of duty, in a very time constraint environment.”

Profile

Mr. Awais Saleem has about 20 years of professional experience, inclusive of 18 years practical work experience in Procurement Management on projects funded by International organizations like World Bank, Asian Development Bank and KfW Development Bank. He has also worked in the capacity of a Procurement Specialist with several public sector organizations, namely Benazir Income Support Programme (BISP), Federal Board of Revenue (FBR), Ministry of Water & Power, Earthquake Reconstruction & Rehabilitation Authority (ERRA) and Ministry of Health.

He has comprehensive understanding of rules and regulations for public procurement as well as International donors' procurement procedures for goods. Furthermore, he has ample insights in selection of consultants, negotiating and resolving difficult procurement issues, procurement capacity building and Contract Management to improve portfolio performance.

He holds a Master's degree from the University of Arid Agriculture Rawalpindi, and a Diploma in Procurement Management from the Training Institute of International Labour Organization, Italy.



Way Forward

- NDRMF, with a mandate to reduce the socio-economic and fiscal vulnerability of the country, has great potential to support a transformational investment in the field of DRR and DRF. Therefore to succeed in achieving its mission, the Fund requires to build more knowledge and confidence around its strengths and uniqueness amongst existing systems. To address this matter, NDRMF will focus on its positive engagement with media as one of its primary stakeholders to communicate about the Funds mandate, mission, its contributions and value addition to all stakeholders.
- The Fund intends to generate evidence-based solutions to build resilience by conducting research work in collaboration with academia. This will serve the purpose of creating a paradigm shift from conventional to innovative, open, unique and contextually best solutions to DRR and building resilience against natural disasters.
- NDRMF will build and/or strengthen national and provincial level task forces and working groups responsible for providing technical guidance, reviewing, refining and revising strategic priorities on DRR and DRF at the provincial and national level. These working groups will also be responsible for developing a plan of action to build national and provincial resilience against disasters, which will feed into policy formulation and governance structures as well.
- The Fund endeavors to strengthen effectiveness in decision making of its own governance systems, bodies and committees through effective and continuous communication as well as consensus building on strategic matters.
- NDRMF is committed to ensuring quality monitoring of already approved and implemented projects. For this purpose, monitoring and evaluation system for the resilience programs will be effectively operationalized to take stock of emerging insights. This will further help the Fund to better understand and implement improved projects through prolific partnerships with public and non-public sector partners.
- Efforts will be made to mobilize additional finances from public and non-public sectors. Additional finances will play an important role in implementing and leveraging sustainable resilience-building programs. Furthermore, a focus on more than just how much funding has been secured will be guaranteed.
- In order to build a disaster resilient Pakistan with reduced socio-economic and fiscal vulnerability to natural hazards, NDRMF is committed to develop and strengthen capacities of all its stakeholders including, FIPs (both public and non-public sector), institutions and communities with which the Fund is engaged with at different levels.
- NDRMF believes in a coordinated and integrated approach. Therefore, it anticipates creating diversified partnerships with FIPs both at the national and provincial level to maximize impact on the ground.
- The Fund is committed to accrediting additional non-public sector entities in the coming years. Additionally, proposals submitted by both the public and non-public sector (accredited entities) will be reviewed with a perspective to create a huge impact through synergized efforts.

List of Acronyms

A

ADB – Asian Development Bank
AGM – Annual General Meeting
AKF – Agha Khan Foundation
AKPBS – Agha Khan Planning & Building Services
AJ&K – Azad Jammu and Kashmir

B

BOD – Board of Directors

C

C&W – Communications and Works Department
CAREC – Central Asia Regional Economic Cooperation
CBDRM – Community Based Disaster Risk Management
CDA – Capital Development Authority
CEO – Chief Executive Officer
CFO – Chief Financial Officer
CIA – Chief Internal Audit

D

DAC – Development Assistance Committee
DRF – Disaster Risk Financing
DRF-SG – Disaster Risk Financing Synergy Group
DRMC – Disaster Risk Management Committee
DRR – Disaster Risk Reduction

E

EAD – Economic Affairs Division
EOBI – Employees' Old-Age Benefits Institution
EPA – Environmental Protection Agency
ERRA – Earthquake Reconstruction and Rehabilitation Authority
ESMS – Environmental and Social Management System
EWS – Early Warning System

F

FATA – Federally Administrated Tribal Areas
FBR – Federal Board of Revenue
FDRA – Fiscal Disaster Risk Assessment
FHIP – Federation Handicap International, Pakistan
FIPs – Fund Implementation Partners

G

GAD – Gender and Development
GB – Gilgit Baltistan
GDP – Gross Domestic Products
GIA – Grant Implementation Agreement
GM – General Manager
GoP – Government of Pakistan
GRM – Grievance Redress Mechanism

H

HAI – Help Age International
HPD – Home and Prison Department
HR – Human Resource

I

ICF – International Coach Federation
IDF – Insurance Development Fund
IFI – International Financial Institutions
INGOs – International Non-Governmental Organizations
IRM – Institute of Rural Management
IRP – Islamic Relief Pakistan

K

KP – Khyber Pakhtunkhwa

M

M&E – Monitoring and Evaluation
MA – Muslim Aid
MAP – Muslim Aid Pakistan
MET Dep – Meteorological Department
MIS – Management Information System
MHVRAs – Multi Hazard Vulnerability Risk Assessments

N

NatCat – Natural Catastrophe Risk Assessment Model
NBP – National Bank of Pakistan
NDMA – National Disaster Management Authority
NDMP – National Disaster Management Plan
NFPP – National Flood Protection Plan
NDRMF – National Disaster Risk Management Fund
NGOs – Non-Governmental Organizations

P

P&DD – Planning and Development Department
PDMA – Provincial Disaster Management Authority
PDWP – Provincial Development Working Party
PID – Punjab Irrigation Department
PIMSNP – Promoting Integrated Mountain Safety in Northern Pakistan
POG – Project and Operations Group
PPAF – Pakistan Poverty Alleviation Fund
PRC – Peoples' Republic of China
PRCS – Pakistan Red Crescent Society
PWD – Public Works Department
PWDs – Persons with Disabilities
PWC – Price Waterhouse Coopers

Q

QAG – Quality Assurance Group

R

RAPID – Resilient and Adaptive Population in Disaster
RBM – Results Based Management
RMC – Risk Management Committee

S

SBDRM – School Based Disaster Risk Management
SDC – Swiss Agency for Development and Cooperation
SDG – Sustainable Development Goal
SECP – Securities and Exchange Commission of Pakistan
SID – Sindh Irrigation Department
SPO – Strengthening Participatory Organization
SUPARCO – Space and Upper Atmosphere Research Commission

T

TAC – Technical Advisory Committee

U

UN – United Nations
UNDP – United National Development Program
USD – United States Dollar

MAKING PAKISTAN RESILIENT



NDRMF

NATIONAL DISASTER RISK MANAGEMENT FUND

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