

Best Practices Report for the Islamic Republic of Pakistan

Citizen's Damage Compensation Programme (CDCP)

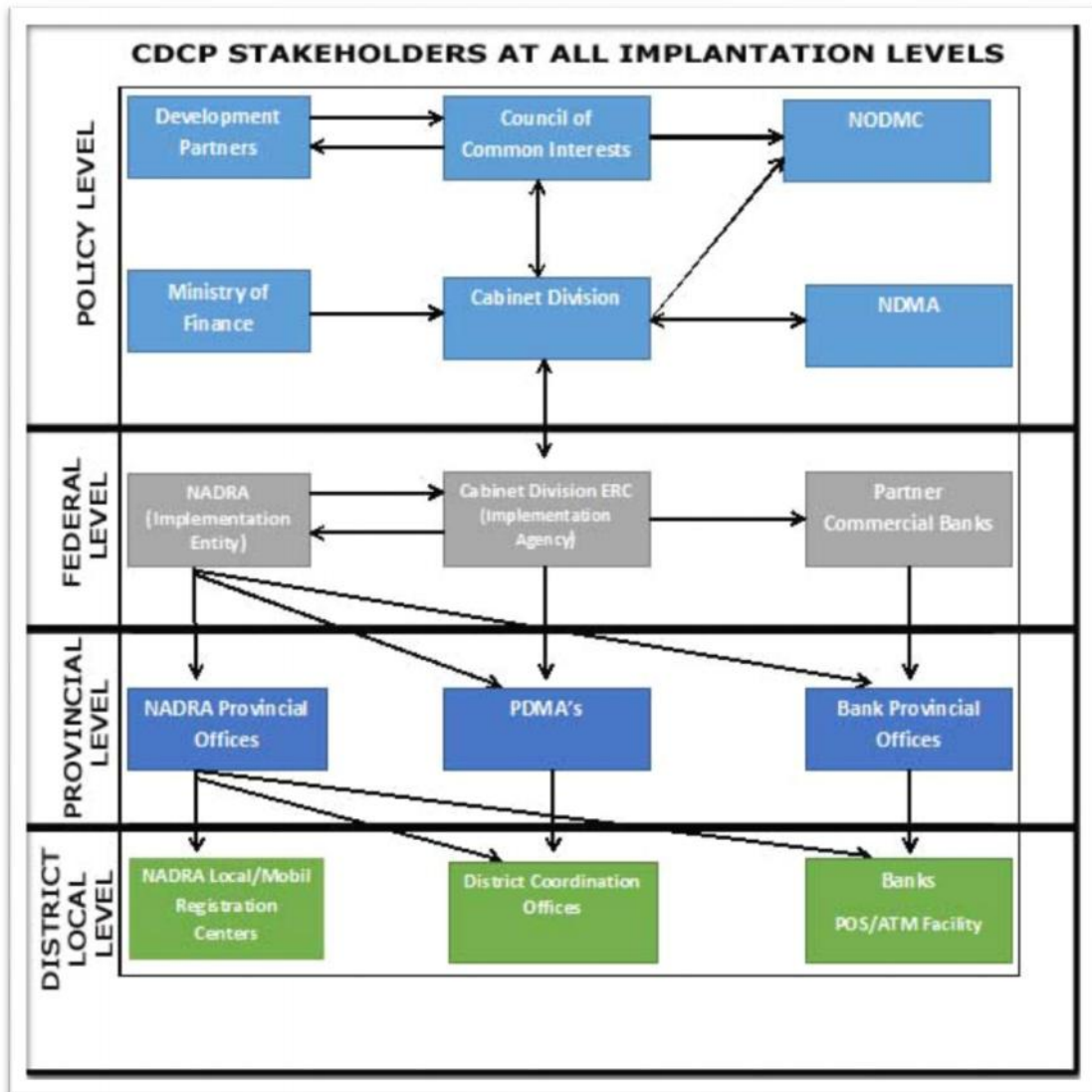
1 Introduction/Background of the Project

2010 Floods severely affected 1.6 million families and badly damaged the essential infrastructure in 80 districts across Pakistan. The floods covered over 100,000 square km affecting more than 20 million people, with over 1,980 reported deaths and nearly 2,946 injured. Approximately 1.6 million homes were destroyed and 2.4 million hectares of standing crops damaged.

The Multi-Cluster Rapid Humanitarian Needs Assessment (McRAM) conducted in August 2010 found that farm and non- farm livelihoods were severely affected with 60% of households describing themselves as without a main source of livelihood post floods, and 53% of households reporting 76-100% decline in household incomes. The overall recovery and reconstruction cost associated with the floods was estimated to be US\$10.8 billion, which included costs for relief, early recovery, and medium to long term reconstruction.

Government of Pakistan (GoP) responded to the challenges of early recovery and rehabilitation of flood affected population, through in-kind assistance and cash transfer programs. Council of Common Interests (CCI) a highest forum of Government of Pakistan, decided to implement a financial support system which is transparent and efficient Citizens' Damage Compensation Program Phase-1 launched in September, 2010.

2. Scope/Model of the Project.



NODMC: National Oversight Disaster Management Council

NDMA: National Disaster Management Authority

NADRA: National Database & Registration Authority.

PDMA's: Provincial Disaster Management Authorities.

STAKEHOLDERS OF THE CDCP

The major stakeholders involved in CDCP at different levels and their main roles and responsibilities are as follows:

1. **Council of Common Interest.**
To, decide on key policies related to Federal and interprovincial coordination and develop consensus by the provinces to agree on a standardized design in respect of CDCP.
2. **National Oversight Disaster Management Council**
To oversight and review of overall Disaster Management Policy.
3. **Ministry of Finance**
To allocate federal share of funds for the Programme wherever applicable
4. **Cabinet Division.**
 - Act as the apex body to steer the programme, overall coordination, monitoring and reporting of the program.
 - To facilitate approval of operational parameters of the Programme in line with the overall design principles.
 - Managing flow of funds from Finance and donors to the Partner Commercial Banks.
 - Coordinate with NADRA, Ministry of Finance and the Provincial Finance Departments (as appropriate) for arrangement of funds for CDCP in accordance with CCI and NODMC decisions.
5. **PDMA/DMA Provincial Governments.**
 - Liaise and coordinate with Cabinet Division, NADRA, Provincial Governments and other stakeholders for the smooth implementation of CDCP.
 - Provide flood-affecteds" data to NADRA for beneficiary selection on the basis of business rules.
 - Mobilise and schedule beneficiaries to attend Watan Card Facilitation Centres systematically in coordination with NADRA.
 - Coordinate with NADRA and Provincial Governments in implementation of Public and Media Campaigns.
6. **National Database and Registration Authority (NADRA)**
 - Plan and execute the technical assistance component of the programme in coordination and collaboration with Cabinet Division and PDMA/DMA including data management and reporting.
 - Establish Watan Card Facilitation Centres to enrol beneficiaries, (re-)issue and bio-metrically (re-)verify Watan cards, facilitate payments by banks and grievance redressal.
 - Verify beneficiaries through Automated Fingerprints Identification System (AFIS), enrolment, payment authorization and overall management and monitoring of grievance redressal.
 - Develop and maintain the management information systems (monitoring and reporting framework and MIS) for the Programme including populating the MIS and maintaining the CDCP beneficiary lists.
 - Submit progress reports to Cabinet Division and PDMA/DMA.

7. Partner Commercial Banks.

- Open virtual accounts and issue Watan Cards to beneficiaries.
- Establish POS in coordination with ADRA and PDMA/DMA.

8. District Coordination Offices.

- Resolve grievances as per the approved guidelines participate in the coordination of logistics for Watan Card Facilitation Centers/PoS.
- Provide sites, security, mobilization and scheduling of beneficiaries in a systematic manner in coordination with NADRA to Watan Card Facilitation Centers.

Emergency Relief Cell (ERC) of the Cabinet Division was mandated to provide cash assistance to affected population to facilitate their early recovery. Citizen's Damage Compensation Program (CDCP) Phase—I was launched to disburse a sum of Rs. 20,000/- to 1.6 million affected families. The program was coordinated by the Cabinet Division in partnership with the provincial governments through their respective Provincial/Regional Disaster Management Authorities. The National Database and Registration Authority (NADRA) designated a Technical Assistance Agency of the programme. The GoP sought to provide additional payments of Rs. 40,000 to flood affected households. The selection of beneficiaries was based on their House damaged as a proxy for eligibility. In addition, particularly vulnerable flood affected households (female and disabled headed households) from Phase I were included. Beneficiaries were expected to use these funds to cover basic consumption and also to recapitalize assets, recover their livelihoods and repair housing.

3. Sources/Funding of the Project.

Government of Pakistan launched Cash transfer Programme Phase-I from its own resources to disburse Rs. 20,000/- per affected family. Accordingly, 1.69 million families received a total of Rs. 33 billion across Pakistan. In view of the success of CDCP-Phase-I, Development Partners i.e. World Bank, USAID, DFID and Italian Government showed interest to support the early extended recovery of 2010 flood affected population. Accordingly, CDCP-II was launched with a total financial out lay of US\$ 580 million in September, 2011 to disburse Rs. 40,000/- in two equal tranches to 1.1 million households of affected area. The overall amount covered by USAID was US\$ 190 million (Grant), GoP US\$ 100 million, GoIR Euro 57.75 million (loan) World Bank: US\$125 million (Loan), DFID: f 60 million (Grant).

4. Achievements.

- (i) The cash grants were disbursed to the affected head of households by the commercial banks in respective areas through Debit card, also known as Watan card, after verification by NADRA. The Geographic scope of the Program comprised of 78 districts in four provinces and two regions of the country.
- (ii) Through Phase-I, 1.69 million families received a total of Rs. 33 billion across Pakistan as a cash grant.
- (iii) Till March -31, 2014 a total of 1,205,903 household heads were issued Watan Cards and an amount of PKR 46,523640,000 was disbursed among **1,204,443** beneficiaries. A total of 1,121,718 beneficiaries were provided Rs. **40,000/-** in two equal installments in Phase-II.

5. Proposed Future Targets and Plans.

Under **CDCP Phase-II** an early-recovery **Future Disaster-Response Action Plan** (FDRAP) has been developed. The FDRAP has been approved by the Prime Minister of Pakistan. The Action Plan incorporates learning from the CDCP experience as well as international best practice and aims to ensure preparedness in responding to a future disaster through cash-transfer to affected population during the early-recovery phase.

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