



Performance Audit Report
On
Relief Activities Carried Out by
NDMA after the Earthquake of
October 26, 2015
Audit Year 2016-17

AUDITOR GENERAL OF PAKISTAN

PREFACE

The Auditor General conducts audits under Article 169 and 170 of the Constitution of the Islamic Republic of Pakistan 1973, read with Sections 8 and 12 of the Auditor- General's (Functions, Powers and Terms and Conditions of Service) Ordinance 2001. The performance audit of relief activities carried out by National Disaster Management Authority (NDMA) after the earthquake of October 26, 2015 was conducted accordingly.

The Directorate General Audit Disaster Management conducted performance audit of the relief activities carried out by NDMA after the earthquake of October 26, 2015 during August 2016 to September 2016 for the period October 2015 to March 2016 with a view to reporting significant findings to stakeholders. Audit examined the economy, efficiency, and effectiveness aspects of the relief activities carried out. In addition, Audit also assessed, on test check basis, whether the management complied with applicable laws, rules, and regulations in managing the relief activities after the earthquake. The Performance Audit Report indicates specific actions that, if taken, will help the management realize the objectives of the relief activities. Most of the observations included in this report have been finalized in the light of corresponding replies of NDMA management.

The Performance Audit Report is submitted to the President in pursuance of the Article 171 of the Constitution of the Islamic Republic of Pakistan 1973, for causing it to be laid before both houses of Majlis-e-Shoora [Parliament].

Dated:

(Rana Assad Amin)
Auditor General of Pakistan

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ABBREVIATIONS & ACRONYMS

AC	Assistant Commissioner
ASOSAI	Asian Organization of Supreme Audit Institutions
DAC	Departmental Accounts Committee
DC	Deputy Commissioner
DDMA	District Disaster Management Authority
DEOC	District Emergency Operation center
FIs	Food Items
GBDMA	Gilgit Baltistan Disaster Management Authority
ISSAIs	International Standards of Supreme Audit Institutions
KP	Khyber Pakhtunkhwa
NDMA	National Disaster Management Authority
NDMC	National Disaster Management Commission
NDRP	National Disaster Response Plan
NFIs	Non-Food Items
NGO	Non-Governmental Organization
NIDM	National Institute of Disaster Management
PAF	Pakistan Air Force
PDMA	Provincial Disaster Management Authority
PIMS	Pakistan Institute of Medical Sciences
PIDM	Provincial Institute of Disaster Management
PN	Pakistan Navy
PPRA	Public Procurement Regulatory Authority
PEOC	Provincial Emergency Operation Center
SITREP	Situation Report
SOP	Standard Operating Procedure
TORs	Terms of References
USC	Utility Stores corporation

EXECUTIVE SUMMARY

The Director General Audit, Disaster Management conducted performance audit of relief activities carried out by NDMA after the earthquake of October 26, 2015 during August to September, 2016. The main objectives of the audit were to evaluate the economy, efficiency and effectiveness of the relief efforts. The audit was conducted in accordance with relevant provisions of the Performance Audit Manual and the International Standards of Supreme Audit Institutions (ISSAIs).

An earthquake hit north western areas of Pakistan on October 26, 2015. The Pakistan Meteorological Department measured the earthquake intensity at 8.1. The tremors were felt in major cities of Pakistan, which caused widespread damage in Gilgit-Baltistan and Malakand Division of Khyber Pakhtunkhwa province. At least 272 people died in the earthquake and more than 1773 people were injured. The strong jolts in Malakand Division resulted in damage to more than 100,000 houses. National Disaster Management Authority (NDMA) being the apex agency for disaster management in Pakistan immediately started relief and rescue operation. By March 2016, NDMA had provided relief goods of more than Rs 281 million in coordination with other agencies like Army, PDMA, DDMA and NGOs. Whereas, Rs.10.57 billion disbursed by PDMA to the affectees of the earthquake.

However, although NDMA had been carrying out relief operation for affectees since October, 26, 2015 the organization and management of this relief effort was far from satisfactory. Standard Operating Procedures for declaration of emergency as well as Transition Plan were not prepared by National Disaster Management Authority which resulted in ineffective relief operations. Therefore, immediate preparation of Standard Operating Procedures and investigation of reasons for non-preparation of Transition Plan are recommended.

It was found that Medical, search and rescue teams were not timely mobilized in the affected areas as NDMA did not issue necessary instructions to hospitals and rescue organizations in this regard. Auditors recommend that NDMA should devise a mechanism of coordination with medical, rescue and relief organizations for immediate deployment in the affected areas.

It was observed that mandatory stock levels of food/non-food and other relief items were not maintained by National Disaster Management Authority (NDMA). As a result of non-maintenance of required reserves, procurement of necessary relief items was done by NDMA in a hasty manner and without observing Public

Procurement Regularity Authority (PPRA) Rules 2004. The report recommends the strengthening of NDMA's internal control mechanism to ensure maintenance of mandatory stocks and all procurements be made by using open tender process as per PPRA Rules 2004.

Auditors also observed that National Disaster Management Authority (NDMA) did not coordinate/monitor the preparation of provincial and district plans for disaster management. No tangible progress was made regarding capacity building of local volunteers of disaster prone areas. NDMA did not coordinate effectively among provinces and districts for better utilization of available resources. The report recommends that NDMA being the apex disaster management agency may coordinate the preparation of provincial and district level disaster management plans besides helping PDMA/DDMAs to organize trainings of local volunteers and rescue teams.

1. INTRODUCTION

Pakistan is vulnerable to disasters including hazards like avalanches, cyclones/storms, droughts, earthquakes, epidemics, floods, glacial lake outbursts, landslides, pest attacks, river erosion and tsunamis. Human induced hazards which threaten the country include transport & industrial accidents, chemicals, nuclear radiations, oil spills, urban and forest fires, civil conflicts and internal displacements of communities due to conflicts and extremism. As per global Climate Risk Index (CRI) 2015¹, Pakistan is ranked as 6th most vulnerable country exposed to natural disasters.

Ranking 2013/(2012)	Country	CRI Score	Death Toll	Death per 100,000	Absolute losses (M)	Losses per Unit GDP %	Human Development Index
1(2)	Philippines	2.17	6479	6.65	24538	3.82	117
2(65)	Cambodia	6.67	184	1.471	1495	3.24	136
3(46)	India	12.67	7437	0.370	15147	0.22	135
4(58)	Mexico	15.00	224	0.500	10589	0.51	71
5(143)	St. Vincent	15.33	9	1.898	96	8.33	91
6(3)	Pakistan	15.50	301	0.16	5419	0.65	146

As per International Disaster Database (em-dat)², earthquakes and floods are the major disasters experienced by Pakistan. However, the number of deaths in earthquakes is on higher side than any other disaster occurring in the country. The details of life losses and damage to economy of Pakistan since 1947 are as under:

Disaster Type	Occurrence	Total Deaths	Injured	Homeless	Total damage (US\$'000)
Earthquake	28	79,727	150,212	5,187,485	5,329,755
Flood	84	16,759	10,711	4,234,415	20,968,178
Storm	21	11,935	1,265	224,090	1,715,036
Extreme temperature	17	2,774	324	-	18,000
Landslide	21	780	206	3,300	18,000
Epidemic	10	283	211	-	-
Drought	1	143	-	-	247,000
Grand Total	185	112,464	162,929	9,649,290	28,295,969

¹ www.germanwatch.org/en/cri

² http://www.emdat.be/advanced_search/index.html

Pakistan is situated at the north western side of the Indian subcontinent and overlaps both with the Indian and the Eurasian tectonic plates. Its Sindh and Punjab provinces lie on the northwestern corner of the Indian plate while Balochistan and most of the Khyber-Pakhtunkhwa lie within the Eurasian plate. The Northern Areas and Azad Kashmir lie mainly along the edge of the Indian plate and hence are prone to violent earthquakes where the two tectonic plates collide. An earthquake hit Pakistan on October 26, 2015. The Pakistan Meteorological Department reported the magnitude of the earthquake as 8.1.



Houses destroyed in Oct 26, 2015 Earthquake in Northern Areas of Pakistan³.

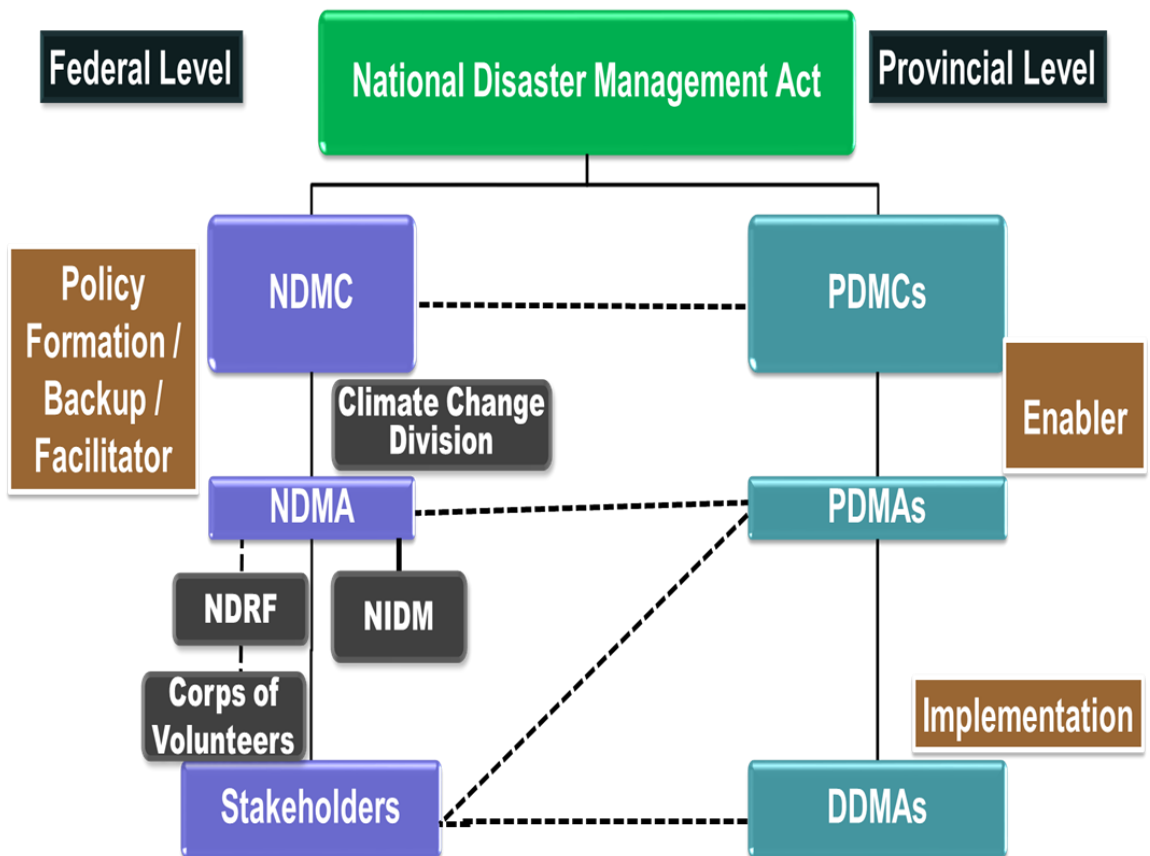
There was widespread damage in Gilgit-Baltistan and Malakand Division of Khyber Pakhtunkhwa province of Pakistan. At least 272 people were killed in the disaster hit areas in Pakistan and tremors were felt in major cities. About 1490 injured were taken to hospitals in Malakand Division and Peshawar. The Karakoram Highway was closed. The jolt in Malakand Division resulted in damage to more than 99,000 houses besides public infrastructure facilities. The Prime Minister of Pakistan directed all federal, civil, military and provincial agencies to declare an immediate alert and mobilize all resources to ensure the safety of citizens of Pakistan.

In 2006, National Disaster Management Ordinance was promulgated which was later enacted by the Parliament in 2010. Under the act, the National Disaster Management Commission (NDMC) had been established under the Chairmanship of the Prime Minister as the highest policy making body in disaster management in the country. As an executive/implementing arm of the NDMC, the National Disaster

³ http://nation.com.pk/print_images/large/2015-10-27/earthquake-in-pakistan-1445892186-7811.jpg

Management Authority (NDMA) had been established to coordinate and monitor implementation of national policies and strategies on disaster management. PDMAAs and DDMAAs are also established at the provincial and district level respectively. The main function of the organization is to act as the implementing, coordinating and monitoring body during the course of disaster management.

Organizational Set-up of Disaster Management in Pakistan



Following were the main objectives of relief activities undertaken by National Disaster Management Authority:

- a) Activation of National Emergency Operation Centre round the clock as per Standing Operating Procedures of NDMA.
- b) Mobilization and deployment of resources e.g. search and rescue, medical teams in the affected areas.
- c) Supply of food, drinking water, medical supplies and nonfood items to the affected population.
- d) Coordinate with PDMA, departments and authorities at District level for emergency response.
- e) Coordinate with humanitarian organizations, bilateral and multilateral agencies for resources mobilization and deployment in the affected areas.
- f) Collect, consolidate, analyze and circulate information related to emergency operations to the key stakeholders.

The National Disaster Management Authority (NDMA) Pakistan being the apex agency in disaster management in Pakistan immediately started relief and rescue operation in earthquake of October 26, 2015. By March 2016, NDMA had provided relief goods of more than Rs 281 million besides co-coordinating effort with other agencies like Army, PDMA, DDMA and NGOs throughout Pakistan. In KP, out of total amount of Rs.10579.50 million, Rs.5, 500 million was disbursed from federal funds as 50% share and Rs.5,080 million was expended out of provincial funds. The detail of expenditure is as under:

(Rs in Million)

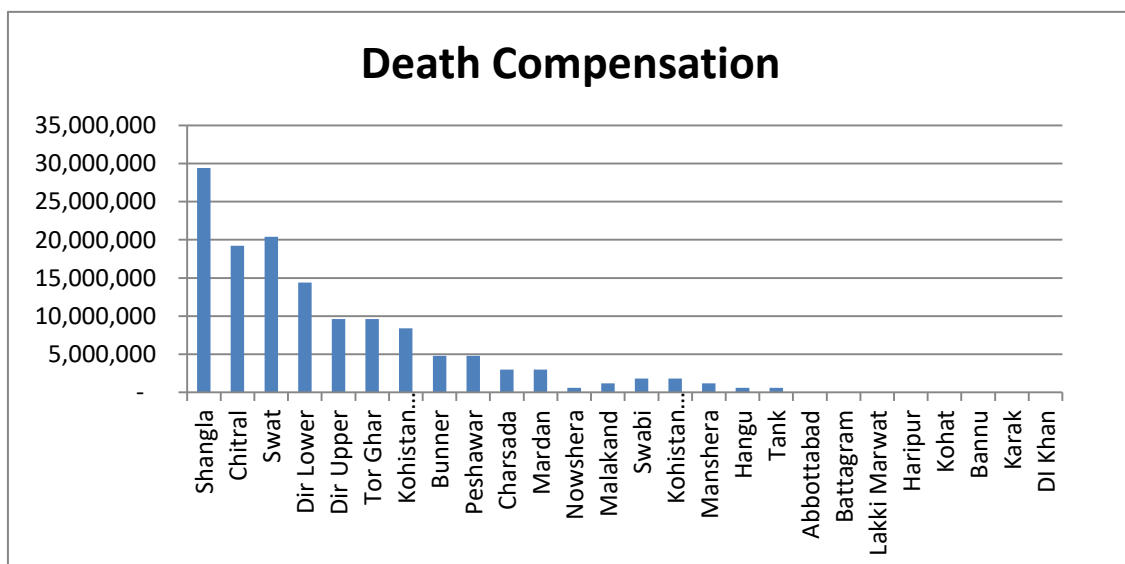
Agency	Death Payments	Seriously Injured	Injured	Partially Damaged Houses	Fully Damaged Houses	Relief Goods	Total
NDMA	-	-	-	-	-	281.20	281.20
PDMA	134.40	0.60	62.60	6,211.50	4,170.40	-	10,579.50
Total	134.40	0.60	62.60	6,211.50	4,170.40	281.20	10,860.70

The Government announced special compensation package for deaths, injuries and for reconstruction of houses, which is as follows:

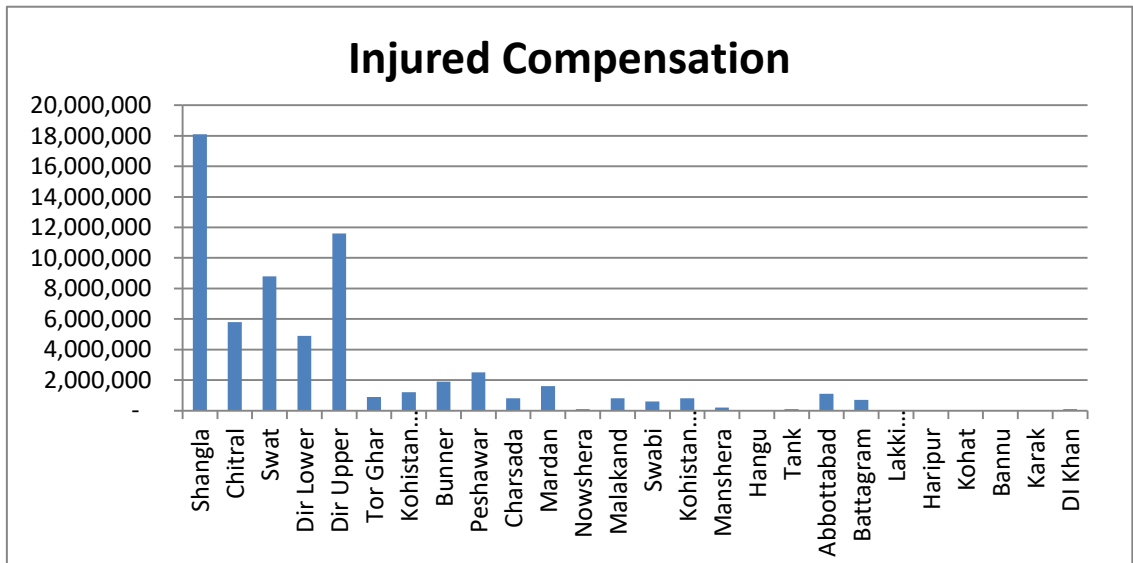
Death compensation:	Rs.600,000
Major / Grievous Injury:	Rs.100,000
Loss of limb/leg:	Rs. 200,000
House damages (fully):	Rs.200,000
House damages (partial):	Rs:100,000

District wise compensation payment in KP under each category is depicted in the following Charts:

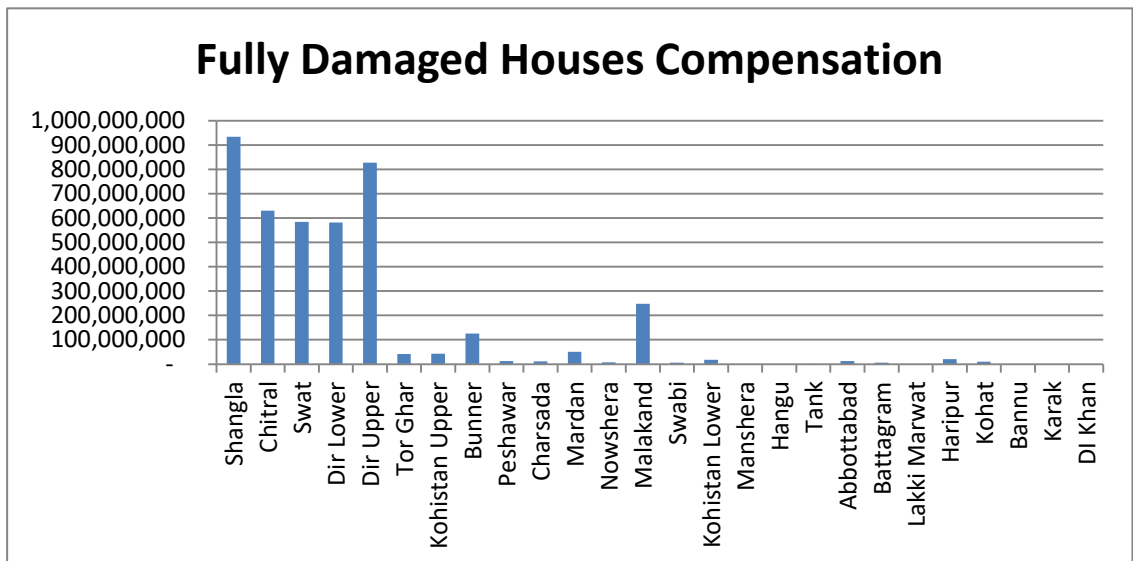
- a. Compensation of Rs 134.400 million paid to the legal heirs of the affectees who were died during earthquake of 26th October 2015:



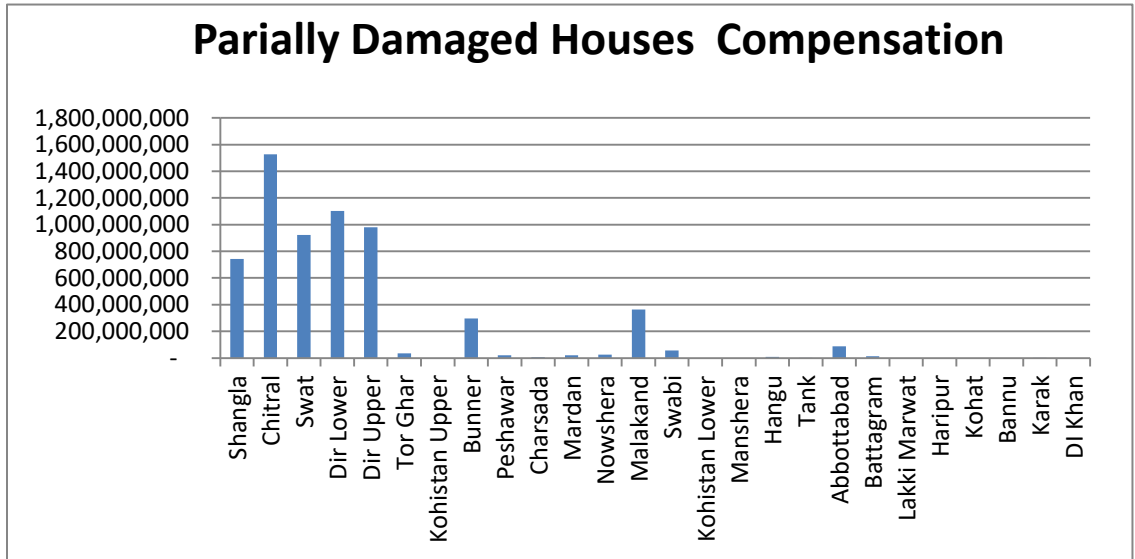
- b. Compensation of Rs 62.600 million paid to the affectees who were injured during earthquake of 26th October 2015:



- c. Compensation of Rs 4,170.400 million paid to the affectees whose houses were fully damaged during earthquake of 26th October 2015:



- d. Compensation of Rs 6,211.500 million paid to the affectees whose houses were partially damaged during earthquake of 26th October 2015:



Due to the heightened public awareness regarding earthquakes, it was decided to choose among topics of performance audit of earthquake related activities. The office of the Auditor General of Pakistan selected the topic of Relief activities carried out by NDMA after the earthquake of October 26, 2015 on the basis of professional judgment and information gathered during preliminary survey report duly approved by Performance Audit Wing of Department of the Auditor General of Pakistan.

2. AUDIT OBJECTIVES

The main objectives of the performance audit are:

- To assess the economy in acquiring required resources for carrying out the relief activities in accordance with sound administrative principles, practices, and management policies.
- To assess the efficiency of utilization of human, financial and other resources in carrying out the relief activities.
- To assess the effectiveness of the relief operations carried out by the National Disaster Management Authority.

3. AUDIT SCOPE AND METHODOLOGY

Audit approach used in audit is a hybrid of System Based approach and Result Oriented approach. The audit was conducted by reviewing the files, records and documents. Interviews/surveys from management, staff of NDMA/PDMA and affected population was also conducted.

The scope of the audit is limited to the period from October 2015 to March 2016 regarding the relief activities carried out by National Disaster Management Authority (NDMA) after the earthquake of October 26, 2015. The audit covers the aspects of the activities performed pre disaster, during response and post disaster. The major audit work was carried out at the NDMA Islamabad, PDMA Peshawar and DDMA's Swat, Dir (Lower), Dir (Upper), Shangla and Chitral in the affected districts of Khyber Pakhtunkhwa Province.

Following audit methodology was adopted during the course of execution of performance audit:-

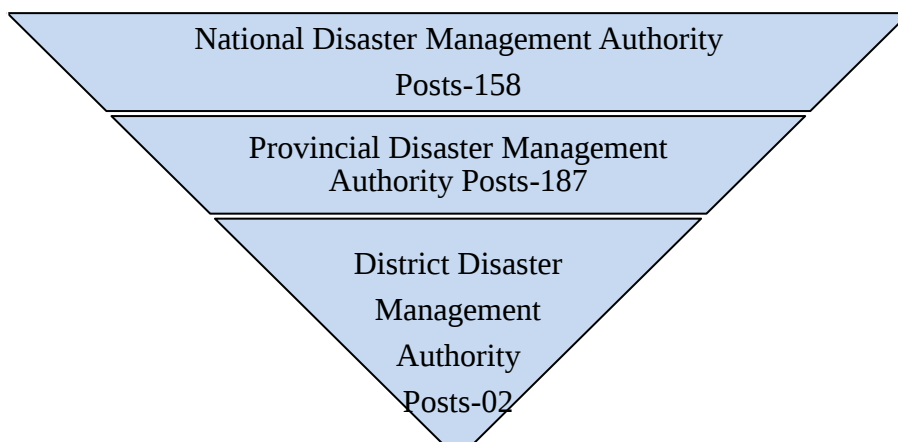
- a) Examination of record/documents of the project at NDMA Headquarters and field offices of PDMA/DDMA.
- b) Site visits in the earthquake affected areas, PDMA warehouse at Jalojai, Nowshera and DDMA Chitral warehouse at Danin, Chitral.
- c) Interviews and discussions with Project Management as well as people affected by the earthquake.

The major expenditure was incurred in Khyber Pakhtunkhwa Province; therefore, five districts of the Province were selected for the audit where 81% of the total expenditure was incurred.

4. AUDIT FINDINGS AND RECOMMENDATIONS

4.1 Organization and Management

The main function of NDMA / PDMA is coordination, monitoring and implementation of plan and policies at national level/provincial level while DDMA is main front line department to implement field activities. In 26th October 2015 Earthquake, the DDMA disbursed the relief goods and compensation through Assistant Commissioners of concerned Tehsils. However, the review of sanctioned strength transpires that there was more managerial staff at NDMA/PDMA as compared to DDMA level. This situation resulted into inefficient relief activities. Thus Disaster Management set up in Pakistan is like an Inverse pyramid Organization having more management than field workers as shown below.



The main frontline department i.e. DDMA needs to be strengthened so that in case of disaster the main function of relief activities could be carried out in a more appropriate way. However, NDMA stated that there is no requirement of a big organization at district level to reverse the pyramid.

[NDMA Para No.01]

Following are the main audit observations relating to Organization and Management of Disaster Management:

4.1.1 Non-preparation of SOP for declaration of emergency and Transition Plan

Para 1(b)(5)(h) &(j) of Annex-D to National Disaster Response Plan states that NDMA has to prepare transition plan from relief to recovery programme, besides situation report (SITREP) on daily and weekly basis and circulate to the Prime Minister, NDMC Members, PDMC Members, PDMA, Armed Forces and other stakeholders.

NDMA informed audit that they have prepared and released on daily basis the situation reports for the public and all stake holders, however, no specific transition plan was made. Further, SOPs for declaration of emergency had also not been shared.

Audit is of the opinion that due to laxity of the management and weak monitoring system the primary function of preparing transition plan for available resources on the basis of data reported was not carried out.

This may result into ineffective relief activities and waste of available resources.

The matter was pointed out to the management on 24.10.2016. The management replied that NDRP explained process required for declaration of emergency and the damage assessment did not warrant declaration of National Level emergency.

The reply is not tenable as documentary evidence regarding declaration of emergency at provincial or district level was not provided to audit besides proper justification for not preparing transition plan.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendations:

Audit recommends that proper SOPs for declaring emergency must be prepared and the matter of non-preparation of transition plan may be probed into.

[NDMA Para No.16]

4.1.2 Conflicting Instructions for relief compensation

Gilgit Baltistan Disaster Management Authority (GBDMA) vide their letter No.GBDMA-1(11)/2015, dated 29.10.2015 provides that Deputy Commissioners recover the tents from the affectees once they are shifted to their houses after the disaster.

NDMA issued food and nonfood items to earthquake affectees of 26th October, 2016 of Khyber Pakhtunkhwa (KP) and Gilgit Baltistan (GB).

Audit observed that record of the Provincial Disaster Management Authority (PDMA) and District Disaster Management Authorities (DDMAs) at KP did not issue any instructions regarding recovery of tents from the affectees.

Audit is of the opinion that due to inconsistency in policy making, different instructions had been issued to different horizontal departments.

Audit holds that due to mismanagement conflicting instructions were issued

This situation gives privilege to the affectees of one area to keep the tents with them while the others have a disadvantage to return back the tents. This shows the inefficiency of the management during distribution of relief goods.

The matter was pointed out to the management on 24.10.2016. The management replied that tents once issued were considered expended. Further, strict jacketed approach cannot be followed everywhere and District Administrator pursue a best possible approach.

The reply is not cogent as this may create discrimination among affectees of different areas.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommends that consistent policy guidelines may be prepared and shared with all provinces / districts so that in case of disaster same privileges are allowed to all.

[NDMA Para No.02]

4.1.3 Non mobilization of medical / search & rescue teams in the affected areas

According to Prime Minister's instructions regarding initiation of response to help affectees, medical, search and rescue teams in the affected areas were required to be immediately mobilized and deployed by NDMA.

The management of NDMA was inquired that whether instructions were issued to the hospitals and rescue organizations regarding declaration of emergency after earthquake on 26th October 2015. NDMA responded that no such instructions were issued. In another similar question regarding deployment of medical, search & rescue and emergency response teams, the NDMA responded that medical, search & rescue and emergency response teams were immediately deployed in the aftermath of the earthquake by the civil and military authorities.

Audit carried out a field survey in this regard and assessed from the response of the affectees that the affectees were not helped by any such team.

Audit is of the opinion that due to negligence of management and weak internal controls, NDMA failed to perform its primary obligation of coordination at higher level and ensure mobilization of medical / search & rescue teams in the affected areas.

The matter was pointed out to the management on 24.10.2016. The management replied that medical teams of PIMS, PN and PAF doctors were sent, while local medical units of Army were also optimized.

The reply is not tenable as the claim of the management was not verified during field survey conducted by audit.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommended that NDMA should devise a mechanism of coordination with medical, rescue and relief organizations for immediate deployment in the affected areas for saving human lives.

[NDMA Para No.14]

4.1.4 Non preparation of construction guidelines

NDMA letter No.17(4)/2015-NMDA(R&R) dated 09.11.2015 circulated by PDMA vide their letter dated 10.11.2015 provides that all affectees who have started or intend to reconstruct their home may be instructed to follow the standard guidelines issued by government while constructing their houses to avoid damage to property again. Moreover, owners of damage houses/ beneficiaries who have been paid compensation by the government must sign an undertaking to follow the provincial government construction guidelines before reconstruction of his / her house.

Construction guidelines for earthquake affected areas circulated by In-charge PEOC to DDMUs.

Audit observed that:

- i. The construction guidelines issued were draft guidelines of ERRA in May 2006.
- ii. DDMAs had not obtained any undertaking from the affectees to follow the guidelines for safe / resilient construction, as required vide NDMA above referred letter,

Audit is of the opinion that:

- a. NDMA had neither adopted ERRA construction guidelines nor prepared its own.
- b. Non obtaining of undertaking from the affectees reveal that draft guidelines circulated were also not followed. Non preparation of construction guidelines leads to the non preparedness of Disaster Management Authorities at National level.

Audit is of the view that due to mismanagement the construction guidelines were not prepared timely.

Non preparation of construction guidelines is a serious lapse of NDMA/PDMA regarding safe construction.

The matter was pointed out to the management on 24.10.2016. The management replied that during the Earthquake 2015, NDMA had shared with Provincial Authorities guidelines for reconstruction prepared by ERRA. Further, NDMA has recently initiated case for the Revision of entire Building Code of

Pakistan in consultation with Pakistan Engineering Council. This will address the issue for urban areas and all type of vernacular (non-engineered) construction.

The reply of the department is not cogent as NDMA has shared the draft guidelines 2006 without prior approval for adoption during Earthquake of October, 2015.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommends that the matter may be investigated as money has already been disbursed to the affectes and they have almost completed their constructions. Further, construction guidelines may be prepared for safe construction in hazardous areas.

[NDMA Para No.05]

4.2 Financial Management

Financial management refers to the efficient and effective management of funds in such a manner as to accomplish the objectives for which the funds were allocated. Approval from competent authority of the compensation paid to achieve the objectives of the activities performed was also an essential requirement under NDMA Act. In this aspect the following shortcoming were noticed:

4.2.1 Non obtaining of ex-post facto ratification from NDMC – Rs. 5.500 Billion

Section 6(3) of NDMA Act 2010 states that the Chairperson of the National Disaster Management Commission shall, in case of emergency, have power to exercise all or any other powers of the National Disaster Management Commission but exercise of such powers shall be subject to ex-post facto ratification by the National Commission.

After earthquake of 26 October 2015, the Chairperson of the National Disaster Management Commission i.e. the Prime Minister of Pakistan announced relief compensation to the tune of Rs. 5.500 billion from the Federal Government for the earthquake affectees who died, were injured and whose houses were damaged fully or partially. The lump sum amount was released by the Ministry of Finance,

Government of Pakistan to the Provincial Government of KP and accordingly distributed among the earthquake affectees.

Audit observed that ex post facto ratification of the said amount was required to be obtained from the National commission by the Chairman NDMA being Secretary of NDMC. However, the requisite ratification was not obtained.

Audit is of the opinion that incurrence of expenditure without ex-post facto ratification had rendered the entire expenditure of Rs 5.5 billion as irregular.

The matter was pointed out to the management on 24.10.2016. The management replied that the transaction was paid by Finance Division, therefore, clarification might be sought from the Finance Division.

The reply is not cogent as the exercise of said powers by Prime Minister of Pakistan was subject to ex post facto ratification by NDMC.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommends that ex post facto ratification may be obtained from the NDMC for regularization of the said amount as required under the relevant sections of the NDMA Act, 2010.

[NDMA Para No.09]

4.2.2 Non obtaining of Disaster Risk Insurance Coverage

Item 08 of 04th meeting of National Disaster Management Commission provides that the matter of disaster risk insurance was discussed and the Commission approved the proposal in principle and directed National Disaster Management Authority to constitute working on and bring up the draft policy for disaster risks insurance in Pakistan. Commission further approved the proposal for establishment of corporate Fund.

The proposal was discussed by the Commission but NDMA has neither took further necessary measures to obtain the insurance coverage nor steps been taken for establishment of Corporate Fund.

Audit observed that due to weak management the department fails to obtain Disaster Risk Insurance.

Audit is of the opinion that non-obtaining of Disaster Risk Insurance and establishment of corporate fund leads to non preparation for disasters.

The matter was pointed out to the management on 24.10.2016. The department replied that they are working on the project and intend to initiate consultations with Lead Pakistan for the implementation of the Framework.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommends that corporate fund may be established and Disaster Risk Insurance of vulnerable districts may also be obtained so that the compensation may reach the affectees in shortest possible time.

[NDMA Para No.17]

4.3 Procurement

Mandatory stock levels of food/noon food and other relief items were not maintained by National Disaster Management Authority (NDMA). As a result of non-maintenance of required reserves, procurement of necessary relief items was done by NDMA in a hasty manner and without observing Public Procurement Regularity Authority (PPRA) Rules 2004. This also created doubts about the transparency of procurement process. The observations regarding procurement of necessary relief items by NDMA are given below:

4.3.1 Non Maintenance of Mandatory Stock level by NDMA

Section 10(3)(c) of NDMA Act 2010 states that measures to be taken for preparedness and capacity building to effectively respond to any threatening disaster situations or disaster.

The readiness against any type of disaster involves the stocking of relief goods in sufficient quantity at correct location to meet the immediate response. NDMA vide letter No. F.No.8(2)/2015-NDMA-Ops(Log/Audit) dated 28.07.2016, has intimated the mandatory minimum stock level.

Audit observed that the stock available was below the minimum level before earthquake 2015, which is evident from the position tabulated below:

S. No.	Name of items	Minimum Stocking level	Available	Difference
1.	Tents	100,000	74,356	25,644
2.	Tarpualine	100,000	19,435	80,565
3.	Blankets	300,000	68,092	231,908
4.	Plastic Mats	100,000	110,319	(10,319)
5.	Mosquito Nets	50,000	0	50,000
6.	Kitchen Kit	10,000	0	10,000
7.	Hygiene Kit	10,000	0	10,000
8.	First Aid Kit	10,000	0	10,000
9.	Life Jackets	10,000	0	10,000
10.	Boats	75	0	75
11.	De-Watering Pumps	150	0	150
12.	Generators	203	15	188

Audit is of the opinion that maintenance of mandatory stock level is an essential pre-requisite of the preparedness of disaster, which may leads to effective disaster management. The position tabulated above revealed that NDMA was not fully prepared for disaster. Further, the record provided for issue of store disclosed that no stock piles and rescue material were issued to the DDMA's.

Due to weak internal controls, the management showed laxity and non-professional approach regarding maintenance of the stock levels. Further, rescue materials were not issued to the line departments, which resulted in slow response after disaster.

The matter was pointed out to the management on 24.10.2016. The management replied that NDMA was maintaining relief items for 300,000 population and stocks were sufficient to cater for the emergent requirement.

The reply of the management is not satisfactory as the minimum stocking level intimated by the auditee was not maintained.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation

The management of NDMA needs to strengthen their internal control mechanism to ensure maintenance of mandatory stocks and its timely issuance to the effected population.

[NDMA Para No.18]

4.3.2 Uneconomical purchase of Nonfood relief items

PPRA Rules 2004 provides that all the procurements should be done in most economical manner.

Rule 15 of PPRA Rules provides that only pre-qualified suppliers or contractors shall be entitled to participate in the procurement proceedings.

NDMA purchased different relief items for earthquake affectees of 26th October, 2015 from various suppliers for Rs. 6.768 million. The items include shawls, socks and gloves, which are detailed as under:

Sr. No.	Name of Firms	Items	Quantity	Rate without GST	Amount
1	Shakir Traders	Shawls	2500	785	2,296,125
2	I. DO Cool (Pvt) Limited	Shawls	2500	785	2,296,125
3	Al-Saeed	Socks	12500	62	906,750
4	Al-Saeed	Gloves	2500	62	181,350
5	S.M. Enterprises	Socks	12500	62	906,750
6	S.M. Enterprises	Gloves	2500	62	181,350
Total					6,768,450

Audit observed that NDMA has to adopt pre-qualification procedure for emergent items to ensure the economy in case of disaster. NDMA procured shawls, socks and gloves from firms which were not included in the list of prequalified firms. It was also noticed that supply orders' date and delivery challan date of the above mentioned items were the same i.e. 06.11.2015. The same date of supply order and delivery showed that all the items were purchased without assessment of emergency and requirement in the earthquake affected area. Further, the quality benchmark was not indicated in the supply order for quality analysis and the receiver had also not given any certificate regarding the quality and quantity of goods received. Moreover, it was also not clear that which district requisitioned the above mentioned items.

In reply to a query regarding identification of emergent stock, NDMA replied that they had maintained the approved list of nonfood items along with stocking

levels. It is mentioned here that essential relief items such as shawls, socks, and gloves were not included in the said list.

Audit is of the opinion that due to weak internal controls the management purchased items without prequalification of firms. This depicts the violation of rules and resulted into uneconomical purchase.

The matter was pointed out to the management on 24.10.2016. The management replied that demand of these items was very rare therefore short-listing of firms was not done and procurement was made on quotation basis.

The reply was not cogent as procurement without shortlisted of firms indicates non-preparedness. Further, the details of distribution of said items in the earthquake affected area were also not provided to audit.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendations

- The management may ensure that all procurements are made from pre qualified supplier after due diligence on competitive rates.
- Further, the expenditure incurred on purchases in wake of earthquake 2015 may be probed into along with its distribution to end users.

[NDMA Para No.23]

4.4 Relief Distribution and Compensation

Audit examined the performance and efficiency of executive and staff involved in relief distribution and compensation work after the earthquake of October 26, 2015. Although, it was an emergency situation, it was noted that certain relief items were issued quite late while some items were not issued at all. Food was also distributed among affectee families without assessing requirements. Following discrepancies were observed by audit regarding relief distribution and compensation work:

4.4.1 Late / Non issuance of Nonfood relief items during disaster

Para 8(a)(2)(g) of Part IV of National Disaster Response Plan (NDRP) March 2010 states that NDMA should mobilize and send food and non-food items to the PDMA and DDMA for distribution.

NDMA has issued different relief items to the earthquake affectees

Audit observed that that essential relief items like tents, tarpaulins, Plastic Mats etc. were not issued to the affectees in time. This is evident from the table mentioned below:

S. No.	Item	Quantity (issued in Oct, 2015)	Quantity (Issued after Oct, 2015)			Total Quantity	% of Quantity late issued	Supply continued up- to
			NDMA	PDMA	Total			
1	Tents	13,527	19,665	6,472	26,137	39,664	66	02.11.2015 to 21.03.2016
2	Tarpaulin	0	22,000	-	22,000	22,000	100	30.11.2015
3	Plastic Mat	1,150	7,100	-	7,100	8,250	86	30.11.2015
4	Blankets	8380	21,150	1,922	23072	31452	73	02.11.2015 to 30.11.2015

Audit is of the opinion that the authorities dealing with disasters did not respond to the emergent needs of the affectees in time. The lack of planning on the part of National Disaster Management Authority resulted in poor service delivery to the affectees of earthquake 2015.

This resulted into wastage of available resources without any utilization.

The matter was pointed out to the management on 24.10.2016. The management replied that the supply chain starts from DDMA then PDMA involves and in last NDMA. Further, the provision of relief was demand driven and not supply driven.

The reply was not tenable as items pointed out by audit were essential relief items and their demand raised from the very first day. This state of affairs not only indicates the late supply but also the weak analysis of demand of affectees.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

- NDMA being the coordinating agency may ensure that all relief goods received are equitably disbursed to needy people without any delay.
- The responsibility of late/ non-distribution of relief goods to the needy people may be fixed to avoid such instances in future.

[NDMA Para No.21]

4.4.2 Food distribution without assessing requirements

Para 2(b)(v) Part-V of National Disaster Response Plan provides that supply of food, drinking water to the affected population is the function of the NDMA/NEOC during disaster.

Therefore, NDMA have to identify the food and non-food items to be provided in case of any disaster. Besides, mechanism devising for distribution of relief items to affectees / districts / provinces for equal, unbiased distribution.

The audit inquired regarding the identification of food/nonfood items from the management. In response to that NDMA provided a list of non-food items while no approved list of food items was made available. Further to devising the mechanism it was stated that NDMA was not generally involved in the distribution of relief items rather it was done by PDMAAs / DDMAAs and they provide backup support to the provinces / regions.

Audit observed that NDMA have not assessed the requirement of per person per day for package to be prepared in case of disaster. The food items distributed to families during earthquake without assessment of their family members led to unequal distribution of food items e.g. a family having two members was provided the same package as provided to a family having ten members. Further, the effective back up support would be possible only when a proper mechanism for distribution of relief goods was prepared for distribution to affectees / DDMAAs and PDMAAs. Being a policy setter, NDMA had to prepare a comprehensive policy for distribution of relief items.

Audit is of the opinion that due to mismanagement the department failed to devise mechanism / SoPs for distribution of relief goods.

Non devising of mechanism / SoPs as highlighted resulted into waste of relief goods and unequal distribution.

The matter was pointed out to the management on 24.10.2016. The management replied that they had categorized the food / nonfood items for emergency use and the composition was developed for household of family members of 6-7 individuals.

The reply was not cogent as approval and circulation of the items identified prior to earthquake were not provided with the reply and also the affectees were not probed regarding number of persons in family.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

- Proper policy for distribution of relief items may be prepared by NDMA and provided to the PDMA's / DDMA's.
- The food packages to be distributed among the affectees may be assessed, prepared and distributed on the basis of number of persons living in a family and their vulnerability for the number of days.

[NDMA Para No.04&06]

4.5 Co-ordination

National Disaster Management Authority (NDMA) had the responsibility to coordinate and monitor implementation of National Policies and Strategies on disaster management. Auditors observed that NDMA did not coordinate/monitor the preparation of district and provincial plans for disaster management. No tangible progress was made regarding capacity building of local volunteers of disaster prone areas. NDMA did not coordinate effectively among provinces and districts for better utilization of available resources. In this aspect, following short comings were observed by audit.

4.5.1 Non coordination of NDMA regarding preparation of Provincial and District Plans for Disaster Management

Section 9 (a) read with (d) of NDMA Act 2010 states that NDMA shall act as the implementing, coordinating and monitoring body for disaster management, lay down guidelines for preparing disaster management plans by different ministries or departments and the Provincial Authorities.

Section 17 of PDMA amendment act 2012 states that Provincial Plan shall be prepared in the light of guidelines issued by NDMA and in consultation with District Government.

Provincial and District level plans were not prepared by the PDMA KP. PDMA responded that Provincial Emergency Preparedness Plan specifically for earthquake was not prepared; however, monsoon emergency preparedness plan was being prepared annually. Audit was of the view that monsoon emergency preparedness plans only deals with emergency situation of floods whereas provincial emergency preparedness plan is a multi-hazard plan which should cover all the disaster situations besides mitigation measures. NDMA has to implement the Act and prepare the plans for efficient disaster management.

Audit is of the opinion that due to laxity of the management the province failed to prepare the essential disaster management plans

This resulted into lack of coordination of NDMA with provincial and district level authorities. Further, these entities have carried out its activities during earthquake of 26th October, 2015 without proper plan.

The matter was pointed out to the management on 24.10.2016. The management replied that NDMA made National Policies and Guidelines.

The reply of the management is not satisfactory as during field visit by Audit Team, the Disaster Management Plans were not found available with PDMA/DDMA.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommends that provincial and district level disaster management plans must be prepared on priority basis besides indicating role and responsibility of each department to cope with any future disaster situation.

[NDMA Para No.10]

4.5.2 Lack of Inter provincial /District coordination by NDMA

Section 09(f) of NDMA Act 2010, the National Authority shall coordinate response in the event of any threatening disaster situation or disaster.

Therefore, Inter province coordination through NDMA is an essential factor for effective and maximum utilization of available resources.

The matter of inter province coordination was inquired from the management who have responded that all PDMA are maintaining their stock within their provinces and they are at their liberty to utilize available stock for other provinces.

Audit observed that NDMA was not playing the main role of the coordinator for utilizing the available stock at different provinces. The matter was evident from the fact that quilts provided directly by PDMA, Sindh to PDMA, KP were lying unused in warehouse in a huge quantity (Appendix-1). The lack of coordination in instant case resulted in waste of millions of rupees which could be utilized in best manner through proper coordination by purchasing the required items instead of un-required items.

The matter of non coordination at national level also existed. NDMA had intimated that they have prepared the fault line map and copy was shared with audit, which mapped the fault lines in whole country. However, PDMA informed that they have contacted “Geological Survey of Pakistan” for preparation of the map. This arrangement depicts lack of coordination between NDMA and PDMA.

Audit is of the opinion that due to mismanagement NDMA failed to coordinate with provinces. This resulted into waste of available resources / mismanagement.

The matter was pointed out to the management on 24.10.2016. NDMA in its reply maintained that fault line map was available at its website for public and PDMA. Further, the province to province support was a decision of political leadership

The reply is not tenable, as responsibility of coordination lies with NDMA. Further, PDMA to a question of preparation of the seismic map stated that they have contacted the geological survey of Pakistan.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

Audit recommends that:

- NDMA must perform the role of lead coordinator for disaster management in the country
- Fault line maps available at NDMA should be shared at provincial and district levels

[NDMA Para No.03&08]

4.5.3 Capacity building at Provincial and District level

Section 09(i) of NDMA Act 2010 states that National Authority shall promote general education and awareness in relation to disaster management.

The main functions of NDMA / PDMA / DDMA is to train its staff and local volunteers to cope with any disaster. National Institute of Disaster Management (NIDM) at Federal level under control of NDMA is established for the purpose.

NIDM provided a summary that it had trained 5911 individuals from various sectors since inception through 164 courses.

Audit observed that the summary provided by NIDM does not depict the number of individuals trained from local community as local volunteers are the first respondent in case of any emergency. This reveals lack of preparedness towards any disaster and resulted in late response in earthquake 2015. It was evident from the interviews conducted by Field audit team from affectees. In all of cases, affectees replied that they faced the disaster without any support of rescue teams.

Audit is of the opinion that due to mismanagement capacity building of local volunteers has not been enhanced. Non enhancement of capacity building of local population at grass root level resulted into non preparedness.

The matter was pointed out to the management on 24.10.2016. The management replied that NDMA had established NIDM for the purpose. As regards building teams of local volunteers, it was stated that this was the subject of provincial governments.

The reply was not cogent as the NDMA shifted the responsibility to provincial government. Audit had further demanded detail course type, duration and bifurcation of staff trained with respect to different organizations. The same had not been provided.

The management was requested to convene DAC meeting vide letter No. DGA (DM) / P.A / NDMA/2015-16/222 dated 13.12.2017, but no DAC meeting was arranged till the finalization of this report.

Recommendation:

NDMA / PDMA should coordinate with the DDMA's to prepare teams of local volunteers at Tehsil / Union Administration level and organize trainings of local volunteers and rescue teams.

[NDMA Para No.13]

CONCLUSION

Despite NDMA/PDMA's immediate response after the earthquake of October 26, 2015, certain glaring deficiencies were noticed during the audit execution in the disaster hit areas selected for audit. The processes and procedures were not sufficient enough to ensure coordinated effort to provide relief to the effected population. The rescue workers could not reach in time after the disaster hit the area. Many precious lives could not be saved due to late response of government organizations. The volunteers were not activated timely to control panic and to shift the population to safer shelters. The emergency operation centers were not effectively working to monitor the progress of relief operations.

The stocks of relief goods both food and non-food were not found sufficient to meet the emergency requirements. The local administration thus resorted to make purchases from local market which was uneconomical as well as non-transparent. No bench marks were established by NDMA/PDMA to control the rates and quality of items by procuring agencies in different adjoining districts of KP. After the creation of NDMA/PDMA, enough time had passed for NDMA/PDMA to formulate policies and procure necessary items economically to ensure prompt response in emergency in an efficient and transparent manner. However NDMA/PDMA failed to perform its primary function of preparedness.

The relief goods were distributed without a predetermined criteria leading to favoritism. Similarly no proper assessment procedures were followed which created doubts about distribution of compensation and goods. From the Audit of documents maintained in NDMA, PDMA and DDMA of selected geographic locations, it was established that the effectiveness of NDMA needs improvement to handle emergency situations during the disasters.

There was no coordination among the relief agencies of the Government. It led to unjust distribution of relief package depriving many deserving from availing the facility. It raised questions on the impartiality of relief agencies as well. The health facilities were not coordinated and the medicines were not made available in the crucial hours of emergency operations which were essential to save the lives of victims.

After the performance audit, it was concluded by auditors that although NDMA/PDMA helped the affectees of earthquake of October 26, 2015 but it did not carry out the relief activities and the coordination efforts with the desired levels of economy, efficiency and effectiveness. Public Procurement Rules, 2004 were not observed in purchases and there was no proper mechanism for timely distribution of relief items. NDMA also did not coordinate effectively with provincial / district authorities.

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APPENDICES

Lack of Inter provincial /District coordination by NDMA

