

No. 33-02/2020-NDM.I
Government of India
Ministry of Home Affairs
(Disaster Management Division)

3rd Floor, B-Wing, NDCC-II Building,
Jai Singh Road, New Delhi-110001
Dated the 22nd April, 2022

To

1. The Chief Secretaries of all States
2. The Relief Commissioners/Secretaries, Department of Disaster Management of all States.

Sub: Guidelines on Constitution and Administration of Preparedness and Capacity Building Funding Window under the National Disaster Response Fund (NDRF) and the State Disaster Response Fund (SDRF) based on the recommendations of Fifteenth Finance Commission (XV-FC) for the financial year 2021-22 to 2025-26.

Madam/Sir,

I am directed to refer to this Ministry's letter No. 33-05/2020-NDM.I dated 19.11.2020 vide which the Guidelines on constitution and administration of 'Preparedness and Capacity Building Funding Window' with the NDRF at National level and SDRF at State level, were issued, based on the recommendations of XV-FC for the year 2020-21.

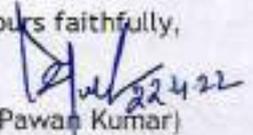
2. XV-FC in its final report, has, *inter-alia* made provisions of fund of Rs. 6,846 Crore and Rs. 16,015 Crore for the funding window of 'Preparedness and Capacity Building' under NDRF and SDRF respectively, for its award period for the financial years 2021-22 to 2025-26. Therefore, keeping in view the provisions of the Disaster Management Act, 2005 and the recommendations of XV-FC in its final report, Government of India has revised its earlier Guidelines dated 19.11.2020 which will be operative for the award period i.e. 2021-22 to 2025-26.

3. A copy of the revised Guidelines for constitution and administration of 'Preparedness and Capacity Building Funding Window' under NDRF & SDRF is enclosed for necessary action at your end. The guidelines can also be downloaded from the website of Disaster Management Division of Ministry of Home Affairs i.e. www.ndmindia.mha.gov.in

4. A copy of this communication is also being sent to the Accountants Generals of the States for information.

Encls: As above

Yours faithfully,


(Pawan Kumar)

Deputy Secretary to the Government of India

Copy for information to:

1. All Ministries/Departments of Government of India.
2. Member Secretary, National Disaster Management Authority, NDMA Bhawan, Safdarjung Enclave, New Delhi.
3. DG, NDRF, 6th Floor, NDCC-II Building, Jai Singh Road, New Delhi.
4. Executive Director, National Institute of Disaster Management, 4th Floor, NDCC-II Building, Jai Singh Road, New Delhi.
5. DG (FS, CD&HG), East Block-VII, Level - VII, RK Puram, New Delhi.
6. Accountants General of all States
7. Controller General of all Accounts (CGA), New Delhi.
8. Comptroller & Auditor General (CAG), New Delhi.

**Ministry of Home Affairs
Disaster Management Division**

Guidelines on Constitution and Administration of Preparedness and Capacity Building Funding Window under National Disaster Response Fund (NDRF) and State Disaster Response Fund (SDRF):

Introduction:

1. The Fifteenth Finance Commission (XV-FC) while recommending Disaster Management Grants has inter-alia allocated 10% of the State Disaster Risk Management Fund (SDRMF) and the National Disaster Risk Management Fund (NDRMF) for Preparedness & Capacity Building (P&CB) Sub-window to support the critical institutional, functional and technological components of the disaster management system. XV-FC has further recommended that a separate set of guidelines be developed for Preparedness & Capacity Building (P&CB) funding window.

2. Therefore, in pursuance to the recommendations of XV-FC, following guidelines are hereunder issued under Sections 46(2), 48(1)(a) and Section 62 of the Disaster Management Act, 2005 for the operationalisation of the P&CB grants under the State Disaster Response Fund (SDRF) and the National Disaster Response Fund (NDRF). These guidelines will be operative for the award period starting from the financial year 2021-22 to 2025-26.

Preparedness and Capacity Building Measures:

3. The Disaster Management (DM) Act, 2005 empowers the National, State and District Disaster Management Authorities to take measures for the prevention of disasters, or the mitigation, or preparedness and capacity building for dealing with the threatening disaster situation or disasters.

4. As per Section 2 (m) of the Disaster Management (DM) Act, 2005, preparedness is the "state of readiness to deal with a threatening disaster situation or disaster and the effects thereof."

5. Further, as per Section 2 (b) of the DM Act, 2005, Capacity Building includes-

- Identification of existing resources and resources to be acquired or created;
- Acquiring or creating resources identified under above sub-clause;
- Organization and training of personnel and coordination of such training for effective management of disasters.

Resource Allocation and Earmarking of funds from NDRF / SDRF

6. Under NDRF:- As recommended by the XV-FC, the aggregate size of the P&CB funding window for the award period commencing from 2021-22 to 2025-26 would be Rs. 6,846 crore. Out of this amount, Rs. 5000 crore is earmarked for 'Expansion and Modernization of Fire Services'. Year-wise allocation from P&CB funding window is as under:-

Year-wise allocation	2021-22	2022-23	2023-24	2024-25	2025-26	Total for the award period 2021-22 to 2025-26 (Rs. in crore)
Amount (Rs. in crore)	1,239	1,301	1,366	1,434	1,506	6,846

7. Under SDRF:- The aggregate size of the P&CB funding window commencing from 2021-22 to 2025-26 would be Rs. 16,014 crore as recommended by the XV-FC. Year-wise allocation from P&CB funding window is as under:

Year-wise allocation	2021-22	2022-23	2023-24	2024-25	2025-26	Total for the award period 2021-22 to 2025-26 (Rs. in crore)
Amount	2,898	3,043	3,196	3,355	3,523	16,015

(Rs. in crore)						[10% of year-wise allocation of both Union and State share of SDRMF taken together]
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8. NDRF would receive 80 per cent of the total NDRMF. Within the NDRF, there would be three sub-allocations (i) Response and Relief (40 per cent), (ii) Recovery and Reconstruction (30 per cent) and (iii) Preparedness and Capacity Building (10 per cent). While the funding windows of NDRF and NDMF are not inter-changeable, there could be flexibility for re-allocation within the three sub-windows of NDRF for that financial year subject to the condition that earmarked allocation shall not exceed 10 per cent of the amount earmarked for the sub-window.

9. The SDRF would receive 80 per cent of total SDRMF. Within the SDRF there would be three sub-allocations (i) Response and Relief (40 per cent), (ii) Recovery and Reconstruction (30 per cent) and Preparedness and Capacity Building (10 per cent). While the funding windows of SDRF and SDMF are not inter-changeable, there could be flexibility for re-allocation within the three sub-windows of SDRF for that financial year.

10. The funds for earmarked allocations for 'Expansion and Modernization of Fire Services' will be provided to the State Governments in the next five years (2021-2026). There shall be no spill-over for the liabilities committed for any of the projects sanctioned against earmarked allocation beyond the award period (2021-2026) of the XV-FC.

Scope of Preparedness and Capacity Building Funding Window under NDRF / SDRF

11.1 As recommended by XV-FC:-

- At Central level, this funding window is made available within the NDRF which will largely be used to support national agencies. However, State Government may also seek assistance, if the State Government concerned, has insufficient fund available under P&CB window of SDRF.

- At State level, P&CB funding window is meant to support preparedness and capacity building of State Disaster Management Authorities (SDMAs), State Institutes of Disaster Management (SIDM), training and capacity-building activities, and emergency response facilities. State Governments would not use these resources for personnel support.

11.2 In the light of the recommendations made by XV-FC and the provisions contained in the DM Act, 2005, the P&CB funding window shall support and provide funds to the following type of projects from NDRF / SDRF:-

(i) NDRF:-

Category - A

Projects / Proposals of the following types to be implemented by the Central Ministries / National Agencies / Institutes / Entities: -

- (a) Projects aimed at preparedness for hazards which are to be implemented in an area, which cuts across more than one State,
- (b) Projects aimed at setting up / strengthening national level "Early Warning Systems" or promote disaster awareness through intervention of updated technologies or otherwise including strengthening of "Emergency Operations Centres" and preparedness and response mechanisms across the States,
- (c) Projects aimed at preparedness and capacity building including hazard specific training of front-line disaster mitigation / response forces, frontline workers and Government functionaries at various levels in the disaster management.

Category B

Under this category, projects / proposal of the following type shall be considered for funding from P&CB funding window of NDRF:-

- (a) Projects of the State Government(s) related to hazard preparedness, disaster awareness, early warning systems, emergency operations centres, training and capacity building. However, the projects for funding from P&CB funding window of NDRF will be considered only if the State Government concerned has

exhausted the funds available under P&CB window of SDRF or the proposed project cost is more than the available balance in the P&CB window of SDRF,

- (b) Projects for 'Expansion and Modernization of Fire Services' including setting up of new fire stations / upgradation of existing fire stations and procurement of fire-fighting and rescue vehicles and equipment.

(ii) SDRF:

- (a) Projects aimed at preparedness for a specific-hazard which is to be implemented within a State,
- (b) Projects aimed at promoting disaster awareness in the disaster-prone areas of the State through intervention of updated technologies or otherwise preparedness and response mechanisms within the State,
- (c) Projects aimed for preparedness and capacity building including hazard-specific training of front-line disaster mitigation / response forces / local body members / selected volunteers.

11.3 There shall be no State share in the Projects / Proposals covered under Category A above. For all Projects / Proposals under Category B above for which assistance is sought by any State Government from P&CB funding window, as recommended in XV-FC, the concerned State Government shall contribute 10 per cent in case of projects upto Rs. 250 Crore, 20 per cent in case of projects above Rs. 250 Crore and upto Rs. 500 Crore and 25 per cent in case of projects exceeding Rs. 500 Crore. However, for the projects / proposals under the earmarked allocation of 'Expansion and Modernization of Fire Services' through the P & CB Funding Window, State Governments shall contribute 10 per cent of the total cost of such projects / proposals.

12. Exclusions for utilization of P&CB funding window of NDRF / SDRF

- (i) Resources under P&CB funding window cannot be used towards establishment expenditure such as salaries, office expenditure, etc. to be incurred by the Disaster Management Authorities or other entities except for payment of remuneration to technical staff included in the project costs. Such payments will be as per the General Financial Rules, 2017 and the extant Government of India guidelines,

(ii) Resources under P&CB funding window shall not be used for outsourcing the routine and regular activities of the national agencies / State Governments to any consultancy firm including any international agency,

(iii) P&CB funding window shall not be used to support construction-based projects and procurement of large / heavy equipment, except setting up of new fire stations / upgradation of existing fire stations and procurement of fire-fighting and rescue vehicles and equipment as envisaged under Category (B) (b) of para 6.2 (i) above. Further, this funding window shall also not be used for maintenance and upkeep of any structure or engineering measure aimed at mitigation,

(iv) P&CB funding window shall not be used as a source of funding for existing government programmes / ongoing schemes etc. which are under implementation,

(v) P&CB funding window must have a predominant focus on multi-hazard preparedness and capacity development and should not be used for general environmental improvement, plantations, afforestation or landscape beautification without a clear, logical and direct linkage to hazards.

(vi) All preparedness and capacity building activities would need to be undertaken and completed within the time-frame as specified in the approved proposal. Cost and time-frame for such proposals should ideally not be revised barring, some exceptional circumstances.

13. Technical Guidelines

Projects to be undertaken from NDRF / SDRF must have verifiable and measurable outcomes. NDMA will advise implementing authorities in the projects launched / being implemented under the preparedness and capacity building window including prescribing specific format for seeking information / project proposals etc. In addition, for the guidance of Implementing Partners / State Governments etc. for the wide range of activities within the broad framework of preparedness and capacity building, NDMA will also issue technical guidelines separately, with the concurrence of MHA. Further, detailed procedures for project execution will continue to be issued by NDMA from time to time in consultation with MHA.

14. Implementing Partners

Following agencies / entities may act as Implementing Partners for Preparedness and Capacity Building funding window:

For NDRF:

- i) National Disaster Management Authority (NDMA) and National Institute of Disaster Management (NIDM).
- ii) First Responder Organizations within the Central Government such as National Disaster Response Force.
- iii) Ministries / Departments / National Agencies within the Central Government for preparedness & capacity building activities and execution of projects in the States.
- iv) Central Research and Academic institutions in Disaster Management through the National Agencies including NDMA, NIDM and NDRF.
- v) Government supported Organizations e.g. Bharat Scouts & Guides, National Cadet Corps (NCC), National Social Service (NSS) and National Yuva Kendra Sangathan (NYKS) through National Agencies including NDMA, NIDM and NDRF.

For SDRF:

- i) State Disaster Management Authorities (SDMAs).
- ii) District Disaster Management Authorities (DDMAs).
- iii) First Responder Organizations within the State Governments such as State Disaster Response Force, Fire Services and Civil Defence.
- iv) Ministries / Departments / Institutions within the State Government for preparedness & capacity building activities.
- v) State Research and Academic institutions in Disaster Management through State Agencies like SDMA and SIDM.
- vi) State Government supported Organizations e.g. Bharat Scouts & Guides, NCC, NSS & NYKS through State Agencies like SDMA and SIDM.
- vii) Urban Local Governments/ Zilla Parishad / Gram Panchayats.

Administrative Mechanism for processing of funding proposals

Under NDRF:-

15. NDMA will constitute an Appraisal Committee headed by a member of NDMA with representatives from the line-Departments, State Government concerned and subject matter experts (if required) for appraisal of proposals received from national agencies/entities, Central Ministries and State Governments.

16. Projects/proposals submitted by the State Government for funding under P&CB funding window of NDRF should be approved by the State Executive Committee (SEC).

17. State Government(s), Central Ministries, and National Agencies/Entities shall submit the projects for which central assistance from the P&CB funding window of NDRF is sought to Ministry of Home Affairs. MHA will forward the same to the Appraisal Committee constituted under the Chairmanship of Member, NDMA for appraisal/evaluation of the proposed project.

18. The Appraisal Committee will make its recommendations to the MHA for placing the same before the Sub-Committee of the National Executive Committee (SC-NEC) for consideration. SC-NEC will have the power to approve proposals up to Rs. 100 Crore.

19. Proposals above Rs. 100 Crores will be placed before High Level Committee (HLC) along with the recommendations of SC-NEC. The HLC will approve the proposals for undertaking Preparedness and Capacity Building activities.

Under SDRF:-

20. SDMA will constitute a committee to be headed by a member of SDMA with members from line Departments of the State Government and State agencies/entities for appraisal/evaluation of the proposals / projects under P&CB funding window of SDRF/NDRF.

21. The Departments of the State Government and the agencies/institutes who wish to take up projects from P&CB funding window of SDRF will submit the projects to the State Government Department dealing with Disaster Management which in turn

will refer the project to the committee headed by a member of SDMA as mentioned above.

22. The recommendations of the committee shall be placed before the SEC for consideration and the procedure in place for incurring expenditure from SDRF shall continue to apply mutatis-mutandis for P&CB funding window of SDRF/NDRF including all modalities.

23. SEC constituted by the State Government under the provisions of the DM Act, 2005, shall decide on all matters connected with the administration of P&CB funding window of SDRF.

Release of funds

24. Upon the approval of SC-NEC / HLC, Department of Expenditure, Ministry of Finance will release assistance from P&CB funding window of NDRF to the concerned State Governments based on the recommendations of the MHA.

25. For the projects covered under Category 'A', of NDRF; upon the approval of SC-NEC / HLC, and based on the recommendations of MHA, Department of Expenditure, Ministry of Finance will issue a Letter of Authorization (LOA) to the MHA or National Agencies (NDMA/NIDM/NDRF), as the case may be, so as to enable them to provide funds to the implementing agencies of approved projects.

26. Upon sanctioned by SEC, funds will be released to the States from P&CB Funding window under SDRF. Procedure as in vogue in the State for the release of funds under SDRF shall apply for preparedness and capacity building funding window.

Supervision of Projects

27. NDMA / SDMA's need to identify specific disasters and evaluate preparedness for the same, prepare plans for the deficiencies observed either in preparedness or capacity building/training so that disasters can be responded effectively. Such plans need to specify measures required to be taken to strengthen the capability / capacity of first responders to hazard specific disasters.

28. NDMA shall supervise and monitor the implementation of the preparedness and capacity building projects and in this process can seek progress / performance reports from the Implementing Partners. NDMA shall submit progress report to MHA and Department of Expenditure. In case of any shortfall in the progress of the preparedness and capacity building project, NDMA may take special measures, if required, for smooth and timely implementation of the project.

29. SDMA shall assist and provide technical advice to the State Government /Line Ministries / Departments from conceptualization to completion of the preparedness and capacity building proposals under SDRF.

30. SDMA shall supervise and monitor the Preparedness and capacity building projects/works and submit completion certificate as well as actual benefits achieved from it including population benefitted/ nature of risks reduced/impact analysis etc. to State Government and NDMA.

Disbursements

31. After the project is approved, the funds would be disbursed in the installments as specified in the proposal. The disbursement of funds would be linked to the deliverables and Utilization Certificates. The unspent balance in the preparedness and capacity building funding window under SDRF account as at the end of a financial year 2021-22 shall be the opening balance of said account of the successive financial year. The Central Government will communicate the modalities for handling any balances available at the end of 2025-26 in P&CB funding window under SDRF of the State.

Procurement

32. All the procurements made by government agencies for implementing the proposal would be in accordance with the General Financial Rules (GFR) and from GeM portal, as applicable. The implementing agencies would ensure that the project is implemented in a fair and transparent manner. In the entire implementation process, the DMAs need to ensure that there is no conflict of interest. Appropriate GFR will be followed by States and Government supported Organizations.

Project Database

33. A disaster database should be developed to help assess the impact of expenditures on different aspects of disaster management. All the project-related processes would be digitized. NDMA will maintain a national portal of all the preparedness and capacity-building projects that have been implemented through the NDRF / SDRF. This portal will contain a specific component for capacity building plans. NDMA will also monitor the database by holding periodic review.

Release, Accounting and other procedures

34. The detailed funding pattern, release of funds, investment of funds, accounting & auditing procedures, progress monitoring, savings and cost of maintenance / implementation etc. in respect of the projects initiated under P&CB Funding Window would be same, as envisaged in the primary guidelines issued by MHA on NDRF / SDRF for such purposes. The composition of HLC and SC-NEC will also be same as envisaged in the primary guidelines issued by MHA for NDRF / SDRF.

Interpretation and Amendment

35. In case of any difficulty in interpretation of any of these guidelines, the matter shall be referred to the Disaster Management Division, MHA whose decision in consultation with Department of Expenditure shall be final. Any amendment in this guideline will be issued by MHA in consultation with Department of Expenditure, Ministry of Finance.
