

PROCEEDINGS/MINUTES OF THE WEBEX MEETING ON PROCUREMENT AND FINANCIAL MANAGEMENT ASPECTS OF NATIONAL SEISMIC RISK MITIGATION PROGRAMME (NSRMP) HELD ON 20.03.2020 AT 10:30 AM.

A WebEx meeting was held to discuss Procurement and Financial Management aspects of National Seismic Risk Mitigation Programme (NSRMP) on 20th March, 2020 at 10:30 am under the Chairmanship of Dr. Pradeep Kumar, Spl. Secretary & Project Director, NDMA. The meeting was attended by Officials from NDMA, the World Bank and the Consultant (M/s DDF-AKDN JV). List of participants is attached at **Annexure-I**.

2. The meeting started with a welcome note from the Spl. Secretary & Project Director, NDMA. The Task Team Leader & Sr. DRM Specialist, the World Bank initiated the discussion specifying purpose and objectives of the meeting. Further, the Consultant's Team Leader, NSRMP briefed about the project, its components, and agenda of the meeting. A brief on objectives and approach, including key tasks/activities, planned to be undertaken to establish Finance Management System (FMS) and Procurement Management System (PMS) for NSRMP was presented by Sh. RK Dua from the Consultant's side. It was noted that the Consultant's Procurement Specialist and MIS/IT Specialist had joined the discussion through WebEx. However, **Finance Specialist (Sh. Sudhir Malik) engaged under the project was not available.**
3. After deliberation involving views/ suggestions of participants, the following action plan/way forward was agreed to:
 - i. All goods, works, consulting and non-consulting services to be financed under the project will be procured in accordance with the World Bank's Procurement Regulations for IPF Borrowers (dated July 2016; revised dated November 2017 and August 2018), and the provisions of the Loan Agreement. If there is conflict between government decrees, rules, and regulations and the Bank Procurement Regulations, then Bank's Procurement Regulations shall prevail. The project will be subject to World Bank Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants ("Anti-Corruption Guidelines"), dated October 15, 2006 and revised in January 2011 and as of July 1, 2016.
 - ii. The State must be encouraged to follow e-procurement. The E-procurement on NIC platform requires no clearance from the World Bank, as it is already assessed and approved by the Bank. The procurement to be carried out following E-procurement

through NIC needs to be confirmed from States/UTs. In case of E-procurement through non NIC platform being followed by a particular State, it will require Bank prior clearance. The Consultant will submit a State wise Status Report in this regard.

- iii. (a) Consultant to prepare Procurement Plan. The cost table shall determine the activities to be carried out by each Implementing Agencies. The procurement plan will be drawn from the cost table and contain details as to who will procure, what to be procured, when to be procured and how in terms of methodology – whether competitive bidding – local, national, international, or shopping, etc. depending on threshold limits.
- (b) BoQ (Project wise/Component wise/State wise) should be detailed out in the Procurement Manual/DPRs.
- (c) Consultant to prepare Project Procurement Strategy Document (PPSD) which will include all the activities to procure, the analysis of market research on availability of suppliers/consultant to determine if there is a good competition, specify the SWOT for critical procurements (goods/works/consultancy). Procurement risk and capacity assessment will need to be carried out determining the existing arrangement which leads to gap assessment for each State and the required mitigations. Appropriate Staffing and Capacity Building plan to be put in place for Procurement. Preparation of Procurement Manual (including specific information on capacity, activities and mitigations applicable for each State) to ensure compliance and consistency which shall be based on the applicable regulation.
- iv. Project Implementation Plan (PIP) should include a Chapter on procurement modalities/implementation arrangements along with delegation of powers and agreed arrangements. There should be State/UT specific chapters in financial and procurement Manuals, in case of considerable differences from State to State.
- v. Preparedness for investment under the project in terms procurement of goods, works and consultancy services should be at least 50% of the overall budget. State will have to put uniform mechanism process in place for the remaining investments under project. The Consultant will suggest suitable mechanism at SPIU level for preparation of DPRs/Bid Documents for the remaining investments.
- vi. State-wise Project readiness requirement is 30% of the total investments at award level as per DEA's stipulation. First 18 months activities/timelines for procurement to be clearly spelt out. This would include EOI, RFP, Award, etc. The various procurement activities and values/cost thereof should be clearly documented by the Consultant. Thereafter, the activities specific documents will be put on STEP by NDMA/SPIU as the

case may be for Bank's clearance under retroactive financing/funding. In case of consultancy services, the Terms of Reference will have to be put on STEP for Bank's approval.


- vii. Retroactive funding is upto a maximum of 20% of the total project cost (including good, works, non-consultancy and consultancy Services). However, this (the actual quantum) would vary from State to State based on Govt. approval/Loan agreement in this regard. Retroactive funding will be available for activities undertaken/implemented prior to project effectiveness date.
- viii. The Consultant to prepare draft bid document which will be based on Standard /Model document as per the agreed procurement plan (to be provided by Bank upon confirmation of the activities).
- ix. Bid document will include Environmental and Social Impact assessment, and management requirements in accordance with the overall ESMF of the project.
- x. Standard Bidding document has clauses specific to Environmental and Social issues that have to be taken care of. The cost associated with the requisite mitigation measures towards environmental and social impacts due to project activities will be included in the Project cost and these will be integral to the project and will be part of the bidding document/BoQ.
- xi. The Implementation arrangements such as, Flow of funds, quantum of funds, and the internal controls must be captured and clarified in the procurement and financial Manuals.
- xii. (a) Fund Flow and Tracking Mechanism: There should be end to end fund flow tracking mechanism. The Consultant has to study the current practice at GoI and in the States, and suggest the practical way of tracking the fund flow, with recommendation on project/ category specific stage payments clearly indicating quantum of fund flow by way of advance and at different stages linked to milestones. There ought to be uniformity in this regard that is, it would be same for all the States/UTs.
(b) The fund flow tracking aspect will be covered under commitment mapping. Some States are using Treasury system and some are using Bank accounts. They (the States) may also differ on spill over/carrying forward of the current year budget to next year or lapse of budget as the case may be. Hence, need for clarity.
- xiii. (a) The consultant may suggest the composition/structure of PMU at NDMA, as also the architecture of PIU at State level; that is, the SPIU.

- (b) The consultant will make an assessment about the capacity of Line Departments/ Government agencies and accordingly suggest roping in knowledge partners/TPQA specialists for implementation of various projects under component A and B.
 - (c) The ToRs for hiring of the Knowledge Partners will also be suggested by the consultant.
 - (d) The Roles and Responsibilities of various functionaries/officers/Specialists will be clearly worked out in a manner that the PMU (NDMA) and SPIUs function as an Empowered Body headed by the respective Project Director.
 - (e) Similarly, roles and responsibilities of Line Department should also be spelt out.
 - (f) The Consultant will propose system for each and every state based on their assessment of the State's existing system and their capacity/capabilities.
 - (g) As every state has a different eco-system, the Consultant will come up with solution addressing the uniqueness/differences while working out the structure for SPIU in States. The PAD (NCRMP) may be referred to for understanding the SPIU structures in the case of NCRMP.
- xiv. (a) Given that the States have to prepare for the remaining investments, and the role of IITs/NITs/State resource institutes particularly in the Hill States, it may be good idea to explore engaging these Institutions for implementation of the various activities not only from design perspective but also from the implementation and supervision perspective. In this context, the Consultant will make an assessment and pose it for further discussion with NDMA and the Bank.
- (b) The Consultant may also explore the capacity of engaging NITs/IITs for technical assistance on contractual or MoU basis, with specific deliverables, in which case payment will be linked to deliverables.
 - (c) Clarity on the matter of engaging NITs/IITs for technical assistance will be arrived in due course after discussion at some stage with the States, while giving shape to SPIU in the respective States.
- xv. (a) The Procurement MIS to capture the entire cycle from Procurement planning to actual contracting and contract closure. It should have procurement indicators, robust complaint redressal mechanism, standardized guidance on record keeping and procurement review to be included as part of internal audit.
- (b) The MIS should include the fund flow and release of instalments/staggered payment aspects. Consultant will make recommendation for end to end fund flow tracking mechanism, and release of instalments (staggered type of payments). There should

be an Effective commitment mapping, indicating effective points of integration and the outputs to be achieved out of the integration.

One of the outputs from the MIS will be transparency of the flow of funds and utilization of funds. The MIS will have the capabilities to generate various reports in an User friendly manner/Menu driven.

- (c) The MIS should also factor in important aspects such as channelization of fund at State, and physical and financial progress, with roles and responsibility of the in-charge.
- xvi. (a) The Consultant will make recommendation for computerized accounting based on their assessment of the existing accounting system in the States/UTs. The States/UTs having primarily working on treasury system will only be acceptable if they have advance AG accounting. Some of the financial aspects may also be clearly aligned with MIS.
- (b) The Consultant need to develop MIS as uniform across different states so that existing systems can be integrated with the developed system. There will be a separate discussion on MIS.
- xvii. The Consultant will develop training materials including ToT modules and identify Master Trainers for Capacity Building activities. The Master Trainers can carry out trainings throughout the project lifecycle.
- xviii. (a) The Consultant will suggest innovative ways to perform capacity building training, creating an orientation team or e-training module for facilitating smooth change in staffing (if any) in States/UTs.
- (b) State wise assessment need to be carried out in terms of availability of manpower for Financial and Procurement management under the Project. Based on their comprehensive assessment, the Consultant will develop ToR for staffing of SPIU for effective financial management and procurement management, clearly indicating the roles and responsibilities of various Officials/Specialists.
- 4. The meeting ended with thanks to the Chair and all the participants.


Project Manager
NCRMP, NDMA

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Sl. No.	Name of Officials with Designation	Organisation
1	Sh. Samir Kumar Dy. Project Director, PMU	NDMA, New Delhi
2	Sh. Rajendra Piplonia Project Manager, PMU	NDMA, New Delhi
2	Sh. Gireesh Kumar Finance Specialist, PMU	NDMA, New Delhi
3	Dr. Sanjay K Sharma Env. Specialist, PMU	NDMA, New Delhi
4	Dr. Mudit Kapoor Project Coordinator, PMU	NDMA, New Delhi
5	Sh. Vijay K. Sharma Manager (IT), PMU	NDMA, New Delhi
6	Sh. Anup Karanth Sr. DRM Specialist & TTL, NCRMP-II	The World Bank
7	Ms. Priti Jain Sr. Procurement Specialist	The World Bank
8	Ms. Supriti Dua Sr. Finance Specialist	The World Bank
9	Ms. Sheena Arora Consultant (DRM)	The World Bank
10	Dr. Amit Kumar, Team Leader	DDF-AKDN JV
11	Sh. Nitin Behl Procurement Specialist	DDF-AKDN JV
12	Sh. Levent Gerdan MIS/IT Expert	DDF-AKDN JV
13	Sh. RK Dua	DDF-AKDN JV
14	Mr. Tarsem Singh Deol, FCA	DDF-AKDN JV
15	Ms. Anju Bansal, GM	DDF-AKDN JV
16	Mr. Chandrasekhar Rout, DGM	DDF-AKDN JV