



GOVERNMENT OF KERALA

Abstract

Local Self Government Department- Resilient Kerala -Programme for Result-DLI-5-Guidelines for Performance Incentive Grant to Grama Panchayats and Urban Local Bodies - Amended- Orders issued.

LOCAL SELF GOVERNMENT(PP) DEPARTMENT

G.O.(Rt)No.240/2026/LSGD Dated,Thiruvananthapuram, 30-01-2026

- Read 1 G.O(Ms) 137/2022/LSGD dated 29.06.2022
- 2 G.O(Ms)12/2024/P&EA dated 27.07.2024
- 3 G.O.(Ms)No.113/2024/LSGD dated 29.08.2024
4. G.O(Rt) 2436/2025/LSGD dated 07.10.2025
5. U.O.Note No.RKI1/43/2025-PLGEA dated 22.01.2026 of Planning &Economic Affairs (RKI) Department

ORDER

As per the Order read as the first paper above, guidelines have been issued for the operation of the DCAT Tool (Disaster and Climate Action Tracker) for the effective assessment and provision of performance incentive grants for disaster risk reduction and climate change resilience activities formulated and implemented by Grama Panchayats and Municipalities in the districts of Alappuzha, Idukki, Kottayam, and Pathanamthitta of the State, with assistance from international institutions such as the World Bank, AFD (French Development Agency), and AIIB (Asian Infrastructure Investment Bank)as a part of Disbursement Linked Indicators(DLI5) a major component of Program

for Results of Rebuild Kerala Initiative.

(2) As per the Order read as the second paper above, an amount of ₹50 crores (Rupees Fifty Crores only) was allocated from the budget provision of RKI for the year 2024–25 for providing performance incentive grants for disaster risk reduction and climate change resilience activities prepared and implemented by Grama Panchayats and Municipalities in the Pamba Basin districts, ie, Alappuzha, Idukki, Kottayam, and Pathanamthitta.

(3) As per the Order read as the third paper above, guidelines have been issued for the distribution of Performance Incentive Grants to Grama Panchayats and Urban Local Bodies as part of the Resilient Kerala – Program for Results Project (DLI-5). The clause(5)(1) (Accounting System) of the said Order is as below:

' The performance incentive grants to Grama Panchayats and Urban Local Bodies will be made available to the separate treasury accounts of the respective institutions. The grant amount will be transferred ***from the Kerala State Consolidated Fund to the Common State Public Account.*** From there, funds are made available through the LSGD to the separate treasury accounts for the project of each Gram Panchayat and Municipality'.

(4) However, vide note read as 5th paper above the Planning and Economic Affairs (RKI) Department has informed that the Finance Department has clarified that routing the grant through the State Public Account, as directed in the Order read as 3rd paper above, is not feasible due to procedural constraints and restrictions on transfers from the RKI plan head and proposed to amend the guidelines .

(5) Government have examined the matter in detail and as proposed vide note read as 5th paper above, the clause 5(1)(Accounting System)

of the Order read as third paper above is modified as follows:

" The entire grant amount of ₹50 crore will be allocated to the SCO of the Principal Director, LSGD, after cross-mapping the appropriate head of account and the Principal Director, LSGD, shall subsequently distribute the funds to the eligible Local Bodies through the designated DDOs under the said SCO. The DDOs shall draw the bills and credit the corresponding amounts to the TSB accounts of the Local Bodies. This mechanism shall ensure accountability, facilitate effective monitoring, and enable the timely submission of Utilization Certificates, Reconciliation Statements, and other related documentation."

(By order of the Governor)
PREETHA K S
ADDITIONAL SECRETARY

To:

- 1.Principal Director, LSGD
- 2.Director (Rural),LSGD
- 3.Director (Urban),LSGD
- 4.Director General, KILA
- 5.Planning and Economic Affairs (RKI) Department
- 6.Executive Director, Information Kerala Mission
- 7.Joint Director,Alappuzha,Pathanamthitta,Kottayam,Idukki
8. Dist Planning Officers, Alappuzha,Pathanamthitta, Kottayam, Idukki
- 9.Heads of all Local Self Government Institutions in Alappuzha, Pathanamthitta,Kottayam,Idukki Districts (through Joint Directors)
- 10.Finance Department
- 11.Principal Accountant General,Kerala,Tvpm Kerala
- 12.Information &Public Relation(Web&New Media) Department

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Section Officer