

# 15th Finance Commission on Post Disaster Needs Assessment

October 28, 2022

**In news–** The 15th finance commission report of 2021, for the first time, made a provision for recovery and reconstruction in the national disaster management budget, which is at the core of the PDNA.

## The Post Disaster Needs Assessment(PDNA)-

- The PDNA is an internationally accepted methodology for determining the physical damages, economic losses, and costs of meeting recovery needs after a natural disaster through a government-led process.
- It **was developed by the UN, the World Bank and the European Union.**
- Compared with an ordinary assessment, **the damage to infrastructure and how it impacts the stock of the economy at the macro-economic level is calculated first in a PDNA.**
- This includes a calculation of the **disaster's impact on Gross Domestic Product**, the balance of payment and fiscal budget.
- How this affects the flow of revenue to multiple sectors is also evaluated.
- For example, the number of farmers' income affected per damaged acre of land and the livelihoods lost.
- Overall, a quantitative assessment is additionally done on the **social and environmental impact** of the disaster.
- **The Indian PDNA manual of 2019** says that this is

not a replacement for the current Relief Memorandum used by states.

- **PDNA adds a recovery and resilience component to disaster management.**

**Note:**

- PDNA is being done simultaneously in Assam, Himachal Pradesh, Gujarat, Karnataka, Jharkhand, Maharashtra, Odisha and Meghalaya.
- **This is not the first time PDNA has been conducted in India.** It was **first adopted during the Kerala floods of 2018** and again during the cyclone in Odisha in 2019, both unprecedented disasters.
- However, until now, the assessment was only limited to massive disasters that required international **funding from the World Bank, the Asian Development Bank** and the United Nations, as state capacities were compromised due to the scale of the disasters.
- Globally, of the 55 PDNAs conducted worldwide since 2008, only two droughts – one in Malawi and the other Marshall Islands in 2016 were of slow-onset disasters.

**Further reading:**  
**<https://journalsofindia.com/15th-finance-commission-report/>**