



D.O. No. Q-16019/1/2014-CPHEEO



Dated 11th December 2015

Dear **Sir**

As you are aware the Ministry of Urban Development is implementing Swachh Bharat Mission (SBM) Urban with a target to make the Country clean by 2nd October, 2019. Municipal solid waste management is an important admissible component under SBM comprising of primary waste collection, secondary storage, transportation, processing and final disposal in engineered landfills.

2. Under SBM, Central Government support admissible for the municipal solid waste management projects for each city/town is @ Rs. 240/- per capita as per census 2011 population (i.e. for a city of population of 10 Lakh, maximum central VGF/Grant admissible is Rs. 24 crore).

3. It has been observed that primary collection of solid waste could be a self-financing activity taking into account the user charges collected from waste generating households/commercial/ institutional establishments etc. Similarly, to make the processing of Municipal Solid waste economically viable, Govt. of India is considering to provide subsidy on sale of compost @ Rs. 1500/- per MT and also Central Electricity Regulatory Commission (CERC) has notified the generic tariff for 2015-16 @ Rs.7.04 per unit for municipal solid waste based waste to energy plants and @ Rs.7.90 per unit for Refused Derived Fuel (RDF) based plants. In addition, the process of amending the Electricity Act-2003, to include a provision for State Electricity DISCOMs to "mandatorily purchase all power generated from municipal solid waste" is also under consideration of Govt. The above initiatives are bound to boost the financial viability of solid waste processing.

4. However, certain other components of solid waste management like
- Placing of secondary bins (bins with capacity 1.1 cu.m & above and including bins with compacting arrangement/stationary compactors)
 - Transportation vehicles (compactors, dumper placers, sweeping machines) for waste transportation from secondary collection points to transfer stations/waste processing/disposal points, and
 - Capping of open dump sites

need to be taken up by States/UTs/cities on priority basis within next two years of Mission period.

एक कदम स्वच्छता की ओर

5. In above context, states/cities/towns are hereby permitted to use higher proportion of Gol Grant/VGF i.e., up to 50%, for all classes of cities, for the components indicated above along with proportionate State share of 16.7%. However, in no case, Gol Grant/VGF is allowed to exceed the capping of Rs. 240 per capita as per 2011 census (i.e., 20% Grant/VGF by Gol) as mentioned above.

With regards,

Yours sincerely,


(Praveen Prakash)

To,

Principal Secretary of all States/UTs/ Mission Directors

Municipal Commissioners of 75 cities

JS(ST)