Urban development in India: A special focus
Public Finance Newsletter

pwc

> " *Knowledge is the only instrument of production that is not subject to diminishing returns.*
>
> J M Clark "

Dear readers,

The above quotation from the American economist still holds true. Knowledge increases by sharing and our initiative to share knowledge, views and experiences in the public finance domain through this newsletter has given us returns in the form of readers and contributors from across the globe. In continuation with our efforts in this direction, I welcome you to the eleventh issue of the Public Finance Newsletter.

The feature article in this issue aims to delve deeper into India's urban development agenda. Last year, we witnessed the launch of new missions such as Atal Mission for Rejuvenation and Urban Transformation (AMRUT), which replaced the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Smart Cities Mission (SCM) and Swachh Bharat Mission (SBM), among others. The feature article presents the differences and similarities between JNNURM and new missions to understand if the approach to urban development has changed.

In the 'Pick of the quarter' section, the author analyses the newly launched Sustainable Development Goals (SDGs), which replace the Millennium Development Goals (MDGs) this year. The article highlights the differences between the new and previous goals and their implications for India and India's development policy.

'Round the corner' provides news updates in the area of government finances and policies across the globe and key paper releases in the public finance domain during the recent months, along with reference links. The 'Our work' section presents a mid-term review of the Support Program for Urban Reforms (SPUR), Bihar, which was conducted by our team for the Department for International Development (DFID). SPUR is a six-year programme being implemented by the Government of Bihar in partnership with DFID in 29 urban local bodies of Bihar.

I would like to thank you for your overwhelming support and response. Your suggestions urge us to continuously improve this newsletter to ensure effective information sharing.

We would like to invite you to contribute and share your experiences in the public finance space with us. Do write to me at ranen.banerjee@in.pwc.com

Happy reading!

Sincerely,

Partner
Public Sector and Governance

Feature article

From JNNURM to smart cities

In the last decade, India's outlook on urbanisation has undergone a paradigm shift, with urban planning being brought to the forefront of development policymaking. The view that cities are central to the country's economic growth and development is gaining wider acceptance, strengthened by the increasing contribution of the urban sector to India's GDP. According to estimates by several studies and reports, Indian cities are likely to account for nearly 70% of India's GDP by 2030.

Despite their positive contribution, urban centres can also lead to inefficiencies, congestion, and resource conflict if they are not planned and managed carefully. In particular, the provision of basic urban services such as water, sanitation, sewerage and transportation has already become a major development challenge in most urban centres. A High Powered Expert Committee (HPEC), set up by the Ministry of Urban Development (MoUD), estimated that the investment requirement for providing adequate urban infrastructure and services in India during the 20-year period up to 2030 is approximately 39.2 lakh crore INR (at 2009–10 prices).
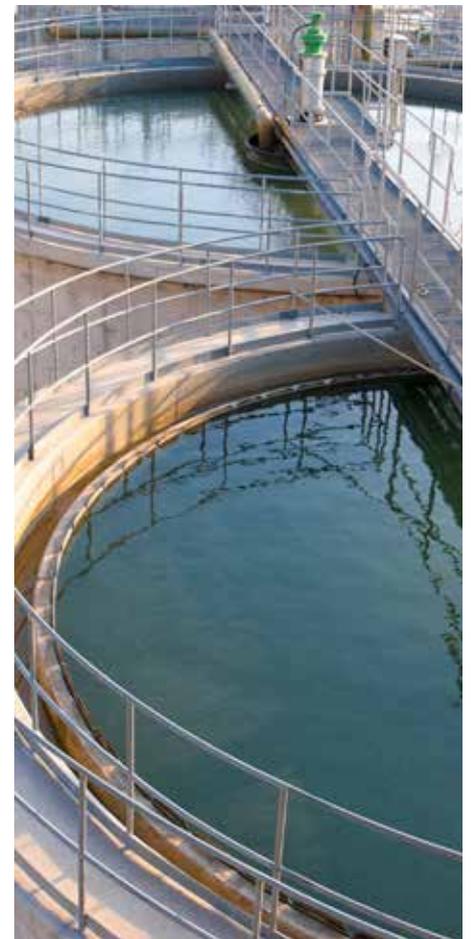
To expedite investment and effective planning in urban infrastructure and service provision, the Government of India has been launching several schemes/programmes—for example, Environmental Improvement of Urban Slums (1972), Integrated Urban Development Programme (1974–1979), Integrated Development of Small and Medium Towns (1975), Mega City Scheme (1992–1997), Two Million Housing Programme (1998–1999), Valmiki Ambedkar Awas Yojana (2001), Total Sanitation Campaign (1992, but renamed Nirmal Bharat Abhiyan in 2012), Urban Reform Incentive Fund (2003), and Pooled Finance Development Scheme (2006). However, the turning point of bringing the urban development agenda into focus was achieved with the launch of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in December 2005.

JNNURM is the first massive urban development programme of the country and has established the foundation for large-scale central assistance to the urban sector. It was launched as a reform-driven and fast-track programme to catalyse planned development of identified cities. The programme has been operating in mission mode by facilitating large-scale investments in the urban sector and policy and institutional reforms, leading to sustainable socio-economic growth in cities. The mission has sought to achieve this by integrating the development of infrastructure services and accelerating the flow of investment into urban infrastructure; through planned development, redevelopment and renewal of cities, inner-city areas, peri-urban areas, outgrowths, and urban corridors; and through universal service delivery for the urban poor. A number of urban projects were sanctioned under JNNURM during 2005–2014, and central assistance of approximately 48,000 crore INR was committed during this period through the mission.

During 2014–15, the central government launched four new schemes to expedite urban infrastructure and service provision and replace JNNURM. These schemes are (1) the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), focussing on water supply and sewerage improvement; (2) Smart Cities Mission (SCM), aimed at developing smart solutions for selected urban areas; (3) Swachh Bharat Mission (SBM), focussed on waste management and sanitation; and (4) Heritage City Development and Augmentation Yojana (HRIDAY), for addressing the development of heritage cities. It will be interesting to study the differences and similarities between JNNURM and new missions to understand how the approach to urban development has changed in India. Thus, in this article, we have analysed the key features of JNNURM and new missions to understand the similarities and differences between them.

A comparative analysis of programme objectives and approach

Feature	JNNURM	New schemes
Mission components	JNNURM is a large umbrella mission with multiple sub-missions aimed at achieving varied outcomes without any specific priority ordering of objectives. The mission has sought to encourage reforms and planned development across various components, covering: • urban renewal, including renewal and redevelopment of inner city areas; • water supply and sanitation; • sewerage and solid waste management (SWM); • storm water drains; • urban transport (roads, flyovers, mass rapid transit system [MRTS], bus, etc.); • parking lots and spaces on a public-private partnership (PPP) basis; • development of heritage areas; • preservation of water bodies; • prevention and rehabilitation of soil erosion and landslides in case of special category states	• **AMRUT** is a focussed urban infrastructure development mission that seeks to encourage capacity building and reform implementation. Its main objective is to ensure universal access to water supply and sewerage. The mission also includes other components, such as improving storm water drains to reduce flooding; pedestrian, non-motorised and public transport facilities; parking spaces; and green spaces, parks and recreation centres, especially for children. • **SCM** is another focussed urban mission that seeks to identify and apply 'smart solutions' to develop select cities as model smart cities. Smart solutions will improve the provision of urban infrastructure and services; they cover water and sanitation, electricity, urban mobility and public transport, affordable housing, IT connectivity and digitalisation, e-governance and citizen participation, sustainable environment, citizen safety, and health and education. • **SBM-urban**[1] seeks to address specific issues—namely open defecation, manual scavenging, SWM, and general awareness and behaviour towards healthy sanitation practices and their linkages to public health. Thus, the mission components include provision of household, community and public toilets; effective SWM techniques; public awareness campaigns; and capacity building of implementing bodies. • **HRIDAY** seeks to undertake strategic and planned development to ensure sustainable growth of selected heritage cities. The objective is to improve the overall quality of life, with a specific focus on sanitation, security, tourism, heritage revitalisation and livelihood creation while retaining the cultural identity of a heritage city. Broadly, HRIDAY will focus on four theme areas—physical, institutional, economic and social infrastructure—to achieve the objective of revitalising heritage cities.

1. *SBM comprises two components—urban and rural. In this article, we will be focussing on the urban component.*

Feature	JNNURM	New schemes
Geographical coverage	**65 cities** covered under Urban Infrastructure and Governance (UIG) **671 other cities/towns** covered under the Urban Infrastructure Development Scheme for Small & Medium Towns (UIDSSMT) (another 278 cities/towns were covered under the transition phase of the scheme)	• AMRUT proposed to cover 500 cities across India. • SCM proposed to cover 100 cities across the county with at least one city from each state. • SBM proposes to cover all statutory towns in the country, i.e. approximately 4,041 towns according to the 2011 Census. • HRIDAY has released a list of 12 heritage cities which will be covered during the next five years.
Approach	JNNURM has adopted a **project-to-project** approach wherein the central government is responsible for appraising and sanctioning individual projects. All decision-making powers are with the central government, which is supported by the Technical Advisory Group and the Central Sanctioning and Monitoring Committee. Further, the umbrella programme is divided into two separate sub-missions: UIG includes an additional scheme called UIDSSMT, which covers the cities/towns of India not included under UIG. Similarly, BSUP includes an additional scheme called Integrated Housing & Slum Development Program (IHSDP), which covers the cities/towns of India not included under BSUP. The two sub-missions and their respective schemes have their own separate governing and decision-making structure and framework. MoUD has been the nodal ministry for UIG and UIDSSMT.	• **AMRUT** has adopted a **step-by-step** approach wherein the first step and primary objective are to achieve universal coverage of assured water supply and sewerage connections. Once the first step is successfully completed, other benchmarks will be targeted. Further, in a significant departure from JNNURM, the central government will not appraise individual projects under the current mission. • **SCM** has adopted a **compact area development** approach wherein the focus is on area-based development. This includes transforming existing areas in identified smart cities, including slums, into better planned ones. It also includes the development of new areas around the smart cities to accommodate the expanding population in urban areas. Additionally, the mission emphasises developing models that incorporate smart solutions, innovation, best practices, and new technology, and that use data and evidence in decision-making. • **SBM** has adopted a **target-based** approach to achieve mission objectives. At the national level, annual targets and overall targets have been identified and these will be supported by comprehensive sanitation planning at the ground level, which includes city-level sanitation plans, a state sanitation concept and state sanitation strategy. Further, the mission strategy will include aspects of behavioural change strategy with respect to sanitation and public health, private sector participation, capacity building, and an emphasis on special focus groups. • **HRIDAY** has adopted an approach which is fundamentally different from that of other schemes because it seeks to integrate city development and urban planning with heritage conservation, and focusses on livelihoods, skills, cleanliness, security, accessibility, and service delivery. Further, while city-level infrastructure needs for water, sanitation facilities, etc., will be addressed through other schemes of the ministry, HRIDAY will support infrastructure projects which link heritage facilities with the city's trunk infrastructure.

Comparative analysis: The sectors covered under JNNURM and the current missions overlap significantly. Water supply, sanitation, sewerage, SWM and storm water drainage appear to be top priorities across all missions. However, there is a difference in the approach to addressing these issues.

A major distinction between JNNURM and the current schemes is the scope of the mission components. JNNURM is a broad-based mission that simultaneously approaches various urban issues without prioritising outcomes. On the other hand, the new missions have opted for a more focussed and sector-oriented approach. This is because they follow a set list of national priorities (universal access to water under AMRUT), advocate a specific approach and method (greenfield development, retrofitting and redevelopment under SCM), or are devoted to a particular theme or issue (heritage conservation under HRIDAY and sanitation under SBM).

Further, while various urban sector components were earlier addressed through a single mission (JNNURM), these components have now been split across missions. For instance, AMRUT has prioritised water and sanitation over other objectives; SCM is committed to area-specific urban renewal and redevelopment; SBM primarily addresses issues of hygiene, waste management, and public health; and HRIDAY is dedicated to the planned urban development of heritage cities.

The combined geographical coverage of the current missions is wider and more comprehensive than that of JNNURM. UIG and UIDSSMT together covered 736 cities and towns (where the 65 cities identified under UIG were chosen based on population). Under the new missions, almost all cities and towns of India are being covered under one or more missions.

Further, city or town selection is more comprehensive under the new missions, as it is based on multiple evaluation criteria such as existing infrastructure, past performance (of JNNURM projects) and level of reform implementation, in addition to the urban population criterion mainly used under JNNURM. In particular, SCM has introduced a 'competitive city-selection' format, wherein cities will be selected only after passing two rigorous evaluation rounds, with achievements under JNNURM being one of the selection criteria.

The new missions are also complementary to each other and encourage states to access the funds available under different missions to address their deficits. For instance, AMRUT and SCM have overlapping sectors but different focus areas and approaches. Cities can first develop their core infrastructure under AMRUT and then choose specific areas for development under SCM. In due course, the city can replicate its successful area-based development strategies in other areas. Similarly, HRIDAY cities can access AMRUT for city-level infrastructure needs such as water and sanitation facilities but use HRIDAY funds to support infrastructure projects which link heritage facilities with their trunk infrastructure.

In addition, the new missions have introduced some changes based on the learnings from JNNURM. For example, delayed availability and/or non-availability of land and clearances from the concerned departments has been a major reason for project delays under JNNURM. Hence, AMRUT prescribes that only projects which have obtained clearances from the required departments and have ensured land availability will be eligible for funding under AMRUT. Further, unlike the project-to-project sanctions provided under JNNURM, AMRUT emphasises 'cooperative federalism' by making states equal partners in the planning and implementation of projects. Thus, states have been given a bigger role in decision-making and sanctioning of projects under the new missions.

Overall, we can conclude that while JNNURM simultaneously approached various objectives under one umbrella mission, the new missions have divided various urban development issues among themselves and focus on specific goals and objectives. The new missions have relied on the foundation built by JNNURM and incorporated the learnings from this scheme in developing their own strategy.

A comparative analysis of central allocation and utilisation

Feature	JNNURM	New schemes
Fund allocation under the scheme (share of Centre, state/urban local bodies [ULBs] and private sector)	Overall central allocation and commitment to UIG and UIDSSMT amounted to approximately 42,900 crore INR and 39,000 crore INR respectively for 2005–12. The first phase of JNNURM was completed in March 2012 with approximately 50% (UIG and UIDSSMT) of the projects launched being incomplete. On 17 January 2013, the Cabinet Committee on Economic Affairs (CCEA) approved further funding of 10,000 crore INR for UIG and UIDSSMT under a new transition phase. The implementation period for the projects sanctioned during the transition phase is until March 2017.	**AMRUT:** The central allocation for AMRUT is 50,000 crore INR for five years (FY 2015–16 to FY 2019–20) and the mission will be operated as a Centrally Sponsored Scheme (CSS).[2] In addition, states/ULBs will further contribute nearly an equal amount to project funds. **SCM:** This mission will be operated as a CSS wherein the proposed central assistance amounts to 48,000 crore INR over five years, i.e. an average of 100 crore INR per city per year. An equal amount, on a matching basis, will have to be contributed by the state/ULB; therefore, nearly 1 lakh crore INR of government/ULB funds will be available for smart cities' development. **SBM:** The estimated cost of implementation of SBM (urban) based on unit and per capita costs for its various components is 62,009 crore INR. Out of the total project cost, central assistance will be 14,623 crore INR, while states/union territories (UTs) will be required to contribute 4,874 crore INR. Under the different components of SBM in urban areas, states will make a matching contribution of 25% of the share of the central government. This share in respect of north-eastern and special category states will be 10% of the central share. Accordingly, a private investment of 42,512 crore INR is being targeted under SBM in urban areas. The balance will be generated through various other sources, including private sector participation, user charges, land leveraging, market borrowing and external assistance. **HRIDAY:** It is a central sector scheme with 100% funding from the central government for the project duration of four years, starting from December 2014. An amount of 500 crore INR has been allocated to 12 cities selected under the first phase of the scheme.
Fund utilisation	As per JNNURM guidelines, the planned utilisation of mission funds is as below:	**AMRUT**

JNNURM fund utilisation:

% of annual budgetary allocation	Purpose
90%	Project fund
5%	Preparing City Development Plans (CDPs), Detailed Project Reports (DPRs), training and capacity building
5%	Administrative and office expenses (A&OE) of states and the Centre (where the Centre's share will not exceed 1%)

AMRUT

% of annual budgetary allocation	Purpose
80%	Project fund
10%	Incentive for reforms
8%	State funds for A&OE
2%	MoUD funds for A&OE

SCM

% of annual budgetary allocation	Purpose
93%	Project fund
5%	State funds for A&OE
2%	MoUD funds for A&OE

SBM

% of annual budgetary allocation	Purpose
60%	Project fund based on normative criteria
20%	Performance fund based on performance matrix
15%	Public awareness and information, education and communication (IEC) activities
3%	Capacity building and A&OE
2%	Research, capacity building and A&OE (MoUD)

2. A CSS is implemented by state governments of India but is largely funded by the central government with a defined state government share. See: Planning Commission. (2011). Faster, sustainable, and more inclusive growth—An approach to the 12th Five Year Plan. Government of India. Retrieved from http://planningcommission.gov.in/plans/planrel/12appdrft/approaoch_12plan.pdf

HRIDAY

% of annual budgetary allocation	Purpose
85%	HRIDAY Pilot Cities Project implementation
3%	National Programme Management Unit (NPMU)/City PMU establishment and operationalisation at MOUD/city
3%	Capacity development for heritage cities
4%	DPRs and development/management plans
4%	IEC
1%	A&OE

Operation and maintenance (O&M) expenses	JNNURM does not fund O&M expenses of projects. The mission put in place a mandatory reform which required the levy of reasonable user charges by ULBs and parastatals with the objective that the full cost of O&M or recurring cost is collected within seven years. The development of revolving funds was suggested for meeting the O&M requirements of created assets.	**AMRUT:** The projects proposed under AMRUT must include O&M expenses for at least five years, to be funded through the levy of user charges or other revenue streams. In fact, O&M expenditure is included in the checklist to be used for appraising the Service Level Improvement Plans (SLIPs) and State Annual Action Plans (SAAPs) submitted for project approval. States/ULBs are expected to provide an appropriate cost recovery mechanism, which will cover the O&M expenses and make states self-reliant and cost-effective. However, for the purpose of calculating the project cost, O&M expenses will be excluded. **SCM:** There is no restriction in the SCM guidelines regarding the use of central assistance for meeting O&M costs. They state that smart city proposals will include a financing plan, which will provide financing details for the complete life cycle of projects. This plan will identify both internal and external sources for mobilising funds for capital investments and O&M over the life cycle of a project. **SBM:** It prescribed that the O&M arrangement for projects needs to be an integral part of their DPR. The roles and responsibilities related to O&M have been clearly defined in each case. For instance, the responsibility for the O&M of a twin-pit latrine rests with the householder, who needs to ensure that the pits are used in the correct sequence and are emptied at the appropriate time. However, the ULB utility or private contractors are required for emptying and ensuring safe disposal of septage at a treatment plant.
Inter-state allocation	For UIG, allocation among states is broadly based on the relative population of cities selected under the scheme. For UIDSSMT, allocation of funds among states is broadly based on the ratio of a state's urban population (excluding cities covered under JNNURM) to the total urban population in the country (excluding cities covered under JNNURM).	**AMRUT:** Fund allocation among states under AMRUT will be based on the urban population of the state/UT (50% weightage) and number of statutory towns in the state/UT (50% weightage). **SCM:** 100 smart cities will be selected from the states/UTs of India and the number of cities per state/UT has been determined using a formula wherein 50% weightage is given to the total urban population and 50% to the number of statutory towns, with each state/UT having at least one smart city. **SBM:** Fund allocation among states/UTs will be determined by giving 50% weightage to the ratio of urban population in each state/UT to the total urban population, and the remaining 50% weightage to the ratio of statutory towns in each state/UT to the total number of statutory towns. **HRIDAY:** Under HRIDAY, each of the chosen 12 cities has been earmarked an amount for the entire scheme duration. The top three cities in terms of fund allocation are Varanasi (89.31 crore INR), Amritsar (69.31 crore INR) and Warangal (40.54 crore INR).

Comparative analysis: Upon adjusting for inflation, central allocation under JNNURM[3] (UIG and UIDSSMT) at 2014–15 prices works out to be 62,283 crore INR for seven years. This implies an allocation of **8,898 crore INR per year** at 2014–15 prices.

On the other hand, the combined central allocation under AMRUT, SCM, SBM-Urban and HRIDAY amounted to 113,123 crore INR for five years (two years for HRIDAY). Assuming the average inflation rate to be 6.1%, the average annual allocation under the new missions works out to be **19,224 crore INR** at 2014–15 prices. Thus, **allocation under the new missions is significantly higher than that under UIG and UIDSSMT**. This is justified given that the geographical coverage of the new missions is higher than that of the previous mission.

JNNURM, AMRUT and SCM are all CSSs, as they are implemented by states but majorly funded by the central government, with a part contributed by states/ULBs. On the other hand, HRIDAY is completely funded by the Centre and requires no contribution from states/ULBs. SBM is a central scheme being implemented by state governments; however, it prescribes raising the majority of funds through other sources, including private sector participation, user charges, land leveraging, market borrowing and external assistance. In fact, AMRUT and SCM also prescribe raising a part of

programme funds by accessing sources of financing other than central and state government contribution. Hence, the private sector is expected to play a greater role in the new missions.

With regard to fund utilisation, AMRUT prescribes 'incentive for reform' to the extent of 10% of central assistance. This can be accessed by states that have successfully implemented reforms as per the timelines prescribed under the mission. This incentive approach of AMRUT is different from the penalisation approach of JNNURM, wherein 10% of the central assistance is retained in case of non-completion of reform milestones. Similarly, SBM also includes new provisions for viability gap funding (VGF) and performance funds. Under VGF, the central government will provide funds to cover some part of the project cost in order to make them more profitable and attractive to private investment. Under performance funds, 20% of the central share (2,924 crore INR) has been earmarked; out of this, allocation will be made to better performing states/UTs based on the physical performance in respect of states' objectives.

The formula used for inter-state allocation is different under the new missions as compared to that used under JNNURM. Allocations under JNNURM were mostly based on the relative population of selected cities under UIG and the proportion of a state's urban population to

the total urban population of India under UIDSSMT. However, allocations under AMRUT, SCM and SBM are mainly based on the twin criteria of urban population and number of statutory towns in the respective states. Hence, states having a higher percentage of statutory towns relative to the urban population are likely to gain relatively higher allocation in the current missions. However, as total allocation under the new missions is significantly higher than that under JNNURM, absolute allocation to each state is likely to be higher than before for all states.

With respect to O&M expenses, one of the objectives of JNNURM was to secure linkages between asset creation and maintenance for long-run project sustainability, and it included a mandatory reform for levying adequate user charges to ensure that the full cost of O&M is collected within seven years. The mission required the DPR to include a strategy for long-term O&M sustainability, which covered planning in terms of (a) the institutional framework, including a billing and collection (organisation and operations) strategy, and (b) a tariff and user-cost recovery (financial) strategy. The mission also made provisions for setting up 'revolving funds' which could be used to cover the O&M costs. However, the Centre did not allocate any funds for this purpose.

3. The analysis is based on the central allocation of 42,900 crore INR towards UIG and UIDSSMT.

AMRUT has also emphasised prior estimation of project costs (both capital and O&M) and identification of revenue sources (both internal and external) for meeting these costs. At the state level, SAAP will include O&M for at least five years to be funded through the levy of user charges or other revenue streams of states/ULBs. Going one step further, AMRUT also involves assessing the past performance of ULBs in financing O&M while appraising their project proposals. Similarly, SCM also emphasises that the smart city proposals should include financing plans that provide sources for the repayment of project costs over a period of 8-10 years, including O&M cost. However, there seem to be no restrictions on the use of central assistance under SCM for financing O&M expenses.

Conclusion

The launch of JNNURM in 2005 had set the ball rolling for large-scale urban development initiatives in India. A decade later, the momentum has continued with the launch of AMRUT, SBM, HRIDAY and SCM. Overall, JNNURM and the current missions address the same issues and challenges, but the current missions have adopted a more focussed approach by splitting components across individual missions. Further, the geographical coverage and financial scale of the new missions are greater than those of JNNURM.

Further, the new missions have incorporated learnings from the previous mission in their implementation approach; this will be useful in achieving efficiency gains. For example, the new missions emphasise 'cooperative federalism' by giving states greater autonomy and decision-making power. In particular, SCM has envisaged the setting up of special purpose vehicles (SPVs) that will undertake the implementation of the mission objectives.

Under the previous mission, states and ULBs were provided with mandatory reforms and were penalised for non-implementation of reforms. The new missions have adopted an incentive-based approach for recognising states that perform positively through additional allocations. Additionally, 'other sources of funding', which include private sector participation and external assistance, will play a greater role under the new missions. Under SBM in urban areas, an investment of 42,512 crore INR is being targeted from the private sector.

Thus, though JNNURM and the new missions broadly address the same sectors and issues, their approaches to programme implementation are different and, thus, different results can be expected from the current missions in terms of expediting urban development.

Pick of the quarter

Sustainable Development Goals (SDGs)

At the end of 2015, the period of the Millennium Development Goals (MDGs), which were launched in 2000, came to a close. MDGs represent 15 years of combined global efforts to end extreme poverty. Over the years, these goals have provided policymakers with targets to design programmes and enabled citizens and civil society organisations to assess the performance of their government. The eight MDGs revolve around the themes of poverty, education, gender equality, child mortality, maternal health, disease, environment, and global partnership, and are supported by 21 specific targets and more than 60 indicators.

MDGs are credited with some remarkable gains in the last decade. They have been instrumental in lifting more than one billion people out of extreme poverty, reducing hunger and enabling more girls to attend schools. In the United Nation's (UN's) final report on the millennium goals, the Secretary-General referred to MDGs as 'the most successful anti-poverty movement in history' that brought more than a billion people out of extreme penury.

However, the effectiveness and impact of the millennium goals have attracted mixed reviews. Critics argue that the goals adopted a narrow outlook and ignored the important issues of human rights, sustainable development, urban planning, peace, security, and monitoring and evaluation. Further, the millennium goals had a limited and uneven impact across countries, and significant inequalities persist.

On 31 December 2015, MDGs were replaced with a new set of goals to usher in a new development era and complete the development mission which began in 2000.

4 http://www.unic.org.in/items/India_and_the_MDGs_small_web.pdf

- Eradicate extreme poverty and hunger
- Achieve universal primary education
- Promote gender equality and empower women
- Reduce child mortality
- Improve maternal health
- Combat HIV/AIDS, malaria and other diseases
- Develop global partnership for development
- Ensure environmental sustainability

SDGs: Post-2015 development agenda

In September 2015, the UN announced the post-2015 development agenda, including the launch of **SDGs**. Similar to the millennium goals, SDGs are a universal set of goals, targets and indicators that UN member states will be expected to use to frame their development agendas and policies over the next 15 years. SDGs will build on the foundation created by MDGs and use the concept of common development goals to continue the process of moving towards sustainable development.

'The new sustainable development agenda seeks to ensure that the momentum generated by the millennium development goals is carried forward beyond 2015 — to achieve not just substantial reductions in poverty, hunger and other deprivations but finally end them to provide a life of dignity to all.' – United Nations (India)[4]

SDGs are a result of the cumulative efforts initiated following the Rio+20 Summit in 2012, which mandated the creation of an Open Working Group (OWG) to prepare a draft agenda. The work of the OWG, which consisted of representatives from 70 countries, was further supplemented by UN's 'global conversations', including 11 thematic consultations, 83 national consultations, door-to-door surveys and an online 'My World Survey'. The final draft, containing 17 suggestions, was presented to the UN General Assembly in September 2014 and the final wording of the goals and targets as well as the preamble and declaration was agreed upon in August 2015. The **final list of SDGs comprises 17 goals and 169 targets**, and is wider than the 8 goals and 21 targets covered under MDGs.

1 **No poverty**
To end poverty in all its forms everywhere

2 **Zero hunger**
To end hunger, achieve food security and improved nutrition and promote sustainable agriculture

3 **Good health and well-being**
To ensure healthy lives and promote well-being for all at all ages

4 **Quality education**
To ensure inclusive and quality education for all and promote lifelong learning

5 **Gender equality**
To achieve gender equality and empower all women and girls

6 **Clean water and sanitation**
To ensure access to water and sanitation for all

7 **Affordable and clean energy**
To ensure access to affordable, reliable, sustainable and modern energy for all

8 **Decent work and economic growth**
To promote inclusive and sustainable economic growth, employment and decent work for all

9 **Industry, innovation and infrastructure**
To build resilient infrastructure, promote sustainable industrialisation and foster innovation

10 **Reduced inequalities**
To reduce inequality within and among countries

11 **Sustainable cities and communities**
To make cities inclusive, safe, resilient and sustainable

12 **Responsible consumption and production**
To ensure sustainable consumption and production patterns

13 **Climate action**
To take urgent action to combat climate change and its impacts

14 **Life below water**
To conserve and sustainably use the oceans, seas and marine resources

15 **Life on land**
To sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss

16 **Peace, justice and strong institutions**
To promote just, peaceful and inclusive societies

17 **Partnerships for goals**
Revitalise the global partnership for sustainable development

The new global goals seek to overcome the limitations of the older ones by integrating economic, social and environmental dimensions, and by internalising the learnings from MDGs. SDGs are greater in number, wider in scope, more comprehensive in approach, and better organised with respect to segregation and interlinkages between different goals. Further, **SDGs are applicable to all countries and not just the low-income countries.**

- **Prescribing additional sources of finance:** Unlike MDGs, which are largely aid driven, SDGs have three sources of finance: domestic in-country resources, traditional aid and private finance. Domestic in-country resources, which include domestic revenues from taxes committed to development priorities, are the recommended source of financing under SDGs. Additionally, private financing has been recognised as a crucial source for developing countries. However, foreign aid will remain important, especially for the least developed economies.

- **Wider in scope:** SDGs are wider in scope as compared to MDGs because they emphasise new dimensions like urban planning, innovation, human rights, peace, security and strong systems. For instance, SDGs recognise the growing influence of urban areas on human well-being and have dedicated Goal XI to making cities inclusive, safe, resilient and sustainable. Goal XI promotes urban planning as one of the recommended methods for achieving sustainable development and includes a new focus on participatory and integrated planning for cities; development of inclusive, green, and public spaces; climate change resilience; and resource efficiency.

Goal XI

To make cities inclusive, safe, resilient and sustainable

- By 2030, ensure access for all to *adequate, safe and affordable housing and basic services and upgrade slums*
- By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding *public transport*, with special attention to the needs of those in vulnerable situations: women, children, persons with disabilities and older persons
- By 2030, enhance inclusive and sustainable urbanisation and *capacity for participatory, integrated and sustainable human settlement* planning and management in all countries
- Strengthen efforts to protect and safeguard the *world's cultural and natural heritage*
- By 2030, significantly reduce the number of deaths and the number of people affected and substantially decrease the direct economic losses relative to global gross domestic product caused by *disasters, including water-related disasters*, with a focus on protecting the poor and people in vulnerable situations
- By 2030, reduce the adverse per capita *environmental impact of cities*, by paying special attention to air quality and municipal and other waste management
- By 2030, provide universal access to safe, inclusive and accessible *green and public spaces*, in particular for women and children, older persons and persons with disabilities
- Support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening *national and regional development planning*
- By 2020, substantially increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters, and develop and implement, in line with the *Sendai Framework for Disaster Risk Reduction* 2015-2030, holistic disaster risk management at all levels
- Support *least developed countries*, through financial and technical assistance, in *building sustainable and resilient buildings, and utilising local materials*

- **Comprehensive approach:** The new global goals have also adopted a more holistic and comprehensive approach and delve deeper into the root causes of poverty and inequality. For example, MDG2 focussed on 'achieving universal primary education' by targeting quantitative indicators like high enrolment rates. However, this approach did not address the 'learning' dimension and ignored the aspect of quality of education. Consequently, SDG4 attempts to rectify this by aiming to achieve 'inclusive and quality education for all and to promote lifelong learning'. In fact, one of the targets under SDG4 focusses on learners acquiring the knowledge and skills needed to promote sustainable development, including education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and of culture's contribution to sustainable development.

- There is also improved organisation and segregation of goals under SDGs as compared to MDGs. For instance, MDGs are criticised for placing poverty and hunger under one overhead, thereby greatly underestimating the importance of nutrition and food security. SDGs recognise that there is no common solution for both and have divided the goals based on their multi-layered structure.

<div style="background:red">

SDGs vis-à-vis MDGs

- MDGs were halfway goals and set the base for SDGs, which are zero goals.
- SDGs are applicable to all countries: developed, developing or least developed.
- SDGs comprise more goals (17 as compared to 8) and targets (169 as compared to 21) than those prescribed under MDGs.
- SDGs are wider in scope and emphasise additional issues such as peace, security and urban development.
- SDGs are more comprehensive in approach and delve into the root causes behind issues.
- SDGs have better organisation and segregation of goals.

</div>

SDGs and India's development agenda

As a signatory to the Millennium Declaration adopted at the United Nations General Assembly in September 2000, India has remained committed to ending poverty and other such deprivations. The country's progress in achieving the MDG targets has been notable. According to UNDP India and official estimates,[5] the country has already reduced poverty by half (MDG I) and has also already achieved gender parity in primary school enrolment. India is also set to achieve the targets of reducing hunger by half (MDG I) and reducing maternal mortality by three-quarter (MDG V) by the end of 2015. However, like the rest of the world, the progress in India has been uneven both across goals and within the country. Further, on issues like gender equality in wage employment and political participation (MDG III) and access to adequate sanitation (MDG VII), India is lagging behind the desired targets.

As the global development focus shifts from millennium goals to sustainable goals, it is important that India's key development programmes and policies are in harmony with UN's SDGs. Given that approximately 17% of the world's population is Indian (Census of India, 2011), the nation will play an important role in achieving the targets set by SDGs.

In this context, it will be interesting to analyse the complementarity between SDGs and India's key development programmes. The table below presents a snapshot of the development programmes of the Government of India, which are in line with the goals and targets covered under SDGs.

'India is to the SDGs what China was to the MDGs, i.e. the world could not have achieved its poverty reduction targets without China coming through; the world will not achieve many of its SDGs targets without India coming through.'

– Bill Gates

5. This includes the progress made by India from the 1990 baseline (in terms of the percentage of the target achieved from the 1990 baseline) till the latest count, and the additional distance likely to be traversed till 2015.

Development programmes of the Government of India which are in line with the goals and targets covered under SDGs

Goal no.	Theme	Key schemes and programmes
I.	No poverty: To end poverty in all its forms everywhere	**National Urban Livelihoods Mission (NULM):** Access to gainful self-employment and skilled wage employment opportunities
		Ajeevika—National Rural Livelihoods Mission (NRLM): Create efficient and effective institutional platforms for the rural poor, enabling them to increase their household income through sustainable livelihood enhancements and improved access to financial services
		Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA): Guaranteed wage employment to enhance livelihood security
		National Social Assistance Programme (NSAP): Social assistance for the poor and ensuring a minimum national standard for social assistance
		Pradhan Mantri Jan Dhan Yojana (PMJDY): Access to various financial services like availability of a basic savings bank account, need-based credit, remittances facility, insurance and pension to the excluded sections
II.	Zero hunger: To end hunger, achieve food security and improved nutrition and promote sustainable agriculture	**Integrated Child Development Scheme (ICDS):** Promotion of maternal and child health and nutrition
		National Food Security Mission (NFSM): Increase production of rice, wheat, pulses and coarse cereals in a sustainable manner, restoring soil fertility, and productivity at the individual farm level and enhancing farm-level profits
		Mid-Day Meal Scheme: Serving hot cooked mid-day meals to schoolchildren studying in classes I–VIII of government and government-aided schools, special training centres (STC), and madrasas and *maktabs* supported under the Sarva Shiksha Abhiyan (SSA)
		Public Distribution System (PDS): Availability of foodgrains at affordable prices
		Krishonnati Yojna: Umbrella scheme to cover various development programmes in agriculture and its allied activities, including sustainable agriculture

Goal no.	Theme	Key schemes and programmes
III.	Good health and well-being: To ensure healthy lives and promote well-being for all at all ages	**National Health Mission (NHM):** Comprises NHM and National Urban Health Mission (NUHM) to enable universal access to equitable, affordable, and quality healthcare services that are accountable and responsive
		Pradhan Mantri Swasthya Suraksha Yojana (PMSSY): Correct the imbalances in the availability of affordable healthcare facilities in different parts of the country
		Rashtriya Swasthya Bima Yojna: Provide health insurance coverage for below poverty line (BPL) families
		Other goal-specific programmes and schemes:
		Communicable diseases: Revised National Tuberculosis Control Programme (RNTCP), National Vector Borne Disease Control Programme (NVBDCP) and Integrated Disease Surveillance Project (IDSP)
		Non-communicable diseases, trauma and injuries: National Iodine Deficiency Disorders Control Programme, National Mental Health Programme (NMHP), National Programme for Prevention and Control of Deafness (NPPCD), Universal Immunisation Programme (UIP), National Programme for Control of Blindness(NPCB) and the Pulse Polio programme
IV.	Quality education: To ensure inclusive and quality education for all and promote lifelong learning	**Elementary education** **SSA:** Universalisation of elementary education **Infrastructure Development of Minority Institutes (IDMI):** Quality education to minority children **Mahila Samakhya, Prarambhik Shiksha Kosh:** Women's empowerment through education **Secondary education** **Rashtriya Madhyamik Shiksha Abhiyan (RMSA):** Enhance access to secondary education and improve the quality of education **Inclusive Education for Disabled at Secondary Stage (IEDSS):** Provides assistance for the inclusive education of disabled children in classes IX–XII **Higher education** **Saakshar Bharat:** Adult education, including literacy, skill development and vocational studies **University education** **Rashtriya Uchchatar Shiksha Abhiyan (RUSA):** Strategic funding for higher education institutions in the state based on issues of equity, access and excellence in higher education. Further, there are plans for (1) the establishment of new central universities, (2) the establishment of 14 world-class central universities, (3) setting up of 374 degree colleges in educationally backward districts, and (4) a scheme for incentivising state governments for the expansion of higher education institutions, among others. **Technical and vocational education:** Sub-Mission on Polytechnics under the Coordinated Action for Skill Development, Scheme of Apprenticeship Training, Support for Distance Education & Web Based Learning (NPTEL), Indian National Digital Library in Engineering, Science & Technology (INDEST-AICTE)

V.	Gender equality: To achieve gender equality and empower all women and girls	**Mission Poorna Shakti** **National Mission for Empowerment of Women (NMEW):** Provide a single-window service for all programmes run by the government for women under the aegis of various central ministries **Key women empowerment schemes:** **Beti Bachao Beti Padhao:** Ensure survival and protection of the girl child, ensure education of the girl child **Support to Training and Employment Programme for Women (STEP):** Provide competencies and skills that enable women to become self-employed/entrepreneurs **Ujjawala:** Prevention of trafficking and commercial sexual exploitation **One Stop Centre Scheme:** Provide integrated support and assistance under one roof to women affected by violence **Women Helpline Scheme:** Provide 24-hour emergency response to all women affected by violence both in the public and private sphere **Kishori Shakti Yojana:** Increase self-confidence, boost morale and give dignity to adolescent girls by improving their nutritional status, literacy, vocational skills and decision-making capabilities **Nirbhaya:** Strengthen safety and security of women in the country
VI.	Clean water and sanitation: To ensure access to water and sanitation for all	**AMRUT:** Urban infrastructure development programme particularly aimed at water supply and sewerage **National Rural Drinking Water Programme:** Emphasises water supply systems which are planned and managed by the community at the village level **Sanitation** **SBM (urban and rural):** Ensuring hygiene, waste management and sanitation across the nation **Water resources** **Jal Kranti Abhiyan:** Consolidate water conservation and management in the country through a holistic and integrated approach involving all stakeholders and making it a mass movement **National Water Mission:** Conservation of water, minimising wastage and ensuring more equitable distribution both across and within states through integrated water resources development and management Repair, Renovation & Restoration (RRR) of Water Bodies, Ganga Action Plan, Flood Management Programme, Dam Rehabilitation and Improvement Project (DRIP)

VII.	Affordable and clean energy: To ensure access to affordable, reliable, sustainable and modern energy for all	Ujwal Bharat: Umbrella mission with an overall objective of providing 24x7 power to all citizens

Ujwal Bharat: Umbrella mission with an overall objective of providing 24x7 power to all citizens

Rural

Deendayal Upadhyaya Gram Jyoti Yojana (DDUGJY): Initiatives towards feeder separation, strengthening of sub-transmission and distribution system and rural electrification

Remote Village Electrification Programme: To provide basic lighting facilities in remote un-electrified areas through renewable energy sources

National Biogas and Manure Management Programme (NBMMP): Setting up of family type biogas plants mainly for rural and semi-urban households

Urban

Integrated Power Development Scheme (IPDS): Extend financial assistance against capital expenditure to address gaps in the sub-transmission and distribution network and metering in urban areas

Solar Cities programme: Aims at a minimum 10% reduction in projected demand of conventional energy at the end of five years

Energy efficiency

National Mission for Enhanced Energy Efficiency (NMEEE): Market-based approaches to unlock energy efficiency opportunities

National Programme for LED-based Home and Street Lighting: Distribute and install LED bulbs for domestic use and street lighting in order to enhance energy use efficiency

Modern and sustainable energy services: Development of the Green Energy Corridor, National Smart Grid Mission (to plan and monitor implementation of policies and programmes related to smart grid activities in India)

VIII. Decent work and economic growth:
To promote inclusive and sustainable economic growth, employment and decent work for all

Make in India: Facilitate investment, foster innovation, enhance skill development, protect intellectual property and build best-in-class manufacturing infrastructure

Shrameva Jayate: Promote industrial peace, harmony and development

National Policy for Skill Development and Entrepreneurship 2015: Create an ecosystem of empowerment by encouraging skilling on a large scale and promote a culture of innovation-based entrepreneurship

MNREGA: Guaranteed wage employment to enhance livelihood security

National Child Labour Project (NCLP): Rehabilitate working children in 12 child labour endemic districts of the country

Unorganised Workers' Social Security Act, 2008: Act to provide for social security and welfare of unorganised workers

Grant-in-aid scheme for the welfare of women labour: To provide legal aid to working women and raise awareness about problems faced by women labour

---

IX. Industry, innovation and infrastructure:
To build resilient infrastructure, promote sustainable industrialisation and foster innovation

Digital India: Digital infrastructure, digital governance and digital empowerment

Delhi Mumbai Industrial Corridor (DMIC) project: Develop a logistics corridor between major Indian cities that will increase the share of manufacturing in GDP and create smart sustainable cities where manufacturing will be the key economic driver

Industrial Infrastructure Upgradation Scheme (IIUS): Enhance the competitiveness of the industry located in clusters by providing quality infrastructure through PPP

SCM: Promote cities that provide core infrastructure and give citizens a decent quality of life and a clean and sustainable environment, and apply 'smart' solutions

X.	Reduced inequalities: To reduce inequality within and among countries	**National Institute for Empowerment of Persons with Multiple Disabilities:** To serve as a national resource centre for the empowerment of persons with multiple disabilities such as those with two or more disabilities
		Special assistance to tribal sub-plan and umbrella scheme for education of scheduled tribes (ST) children: Support rapid economic development of these sections and fill the gaps in the education of ST children
		Multi-sectoral development programmes for minorities: Aims at improving socio-economic conditions of minorities and providing basic amenities to them, reducing imbalances in the identified minority concentration areas
		Pradhan Mantri Adarsh Gram Yojana (PMAGY): A centrally sponsored pilot scheme for integrated development of selected villages, including elimination of disparity between SCs and other communities
XI.	Sustainable cities and communities: To make cities inclusive, safe, resilient and sustainable	**SCM:** Promote cities that provide core infrastructure and a decent quality of life to their citizens; also promote a clean and sustainable environment and application of 'smart solutions'
		Housing for All (HFA): Provision of affordable housing, rehabilitation of slum dwellers, credit-linked subsidy
		HRIDAY: Supports development of core heritage infrastructure projects, including revitalisation of urban infrastructure for areas around heritage assets
		Metro project: Rapid transport and low carbon transport for efficiency across major cities of India
XII.	Responsible consumption and production: To ensure sustainable consumption and production patterns	**Corporate responsibility for environmental protection charter:** Prevent and control pollution through various measures, including waste minimisation, in-plant process control and adoption of clean technology
		National Air Monitoring Programme (NAMP): Determine the present air quality status and trends, and control and regulate pollution from industries and other sources to meet the air quality standards
		Programme on Energy from Urban, Industrial and Agricultural Wastes/Residues: Promote projects for the recovery of energy from urban, industrial and agricultural waste and create conducive conditions to develop, demonstrate and disseminate utilisation of wastes and residues for recovery of energy
		Credit Linked Capital Subsidy Scheme (CLCSS): Assist in the technology upgradation of micro and small enterprises
		National Mission for Sustainable Agriculture (NMSA): Sub-mission on agricultural mechanisation to promote farm mechanisation and provide financial assistance to farmers for procurement of farm machinery and other implements
XIII.	Climate action: To take urgent action to combat climate change and its impacts	The eight national missions include: Jawaharlal Nehru National Solar Mission (JNNSM), National Mission for Enhanced Energy Efficiency (NMEEE), National Mission on Sustainable Habitat (NMSH), National Water Mission (NWM), National Mission for Sustaining the Himalayan Ecosystem (NMSHE), National Mission for a Green India (GIM), National Mission for Sustainable Agriculture (NMSA) and National Mission on Strategic Knowledge for Climate Change (NMSKCC)
XIV.	Life below water: To conserve and sustainably use the oceans, seas and marine resources	**Integrated Ocean Drilling Programme:** Develop a long-term science plan for initiating integrated marine geological studies through deep drilling in the Arabian Sea and Bay of Bengal
		Integrated Coastal and Marine Area Management (ICMAM): Apply scientific tools and techniques in addressing problems like erosion and ecosystem changes
		Coastal Ocean Monitoring and Prediction System (COMAPS): Monitor the levels of marine pollutants in the seas around India

XV.	Life on land: To sustainably manage forests, combat desertification, halt and reverse land degradation, and halt biodiversity loss	**National Action Programme to Combat Desertification (NNAP-CD):** Community-based approach to development, awareness building, drought management and strengthening self-governance and empowering local communities
		National Afforestation Programme (NAP): Participatory approach to sustainable development of forests
		Conservation and Management of Wetlands, Mangroves and Coral Reefs: Conservation and management of mangroves, biosphere reserves and assistance for regional botanical gardens
XVI.	Peace, justice and strong institutions: To promote just, peaceful and inclusive societies	**Integrated Child Protection Scheme (ICPS):** Building a protective environment for children in difficult circumstances, as well as other vulnerable children, through government-civil society partnership
		Panchayati raj institutions (PRI): Empowerment, enablement and accountability of PRIs to ensure inclusive development with social justice and efficient delivery of services
		Right to Information Act (RTI): Empower citizens, promote transparency and accountability in the working of government, and control corruption
		Unique Identification Authority of India (UIDAI): Collect biometric and demographic data of residents, store them in a centralised database, issue a 12-digit unique identity number called 'Aadhaar' to each resident
		In addition, there are several government welfare schemes for ST/SCs, other backward classes (OBCs), and persons with disabilities, senior citizens and victims of substance abuse.
XVII.	Partnerships for goals: Revitalise the global partnership for sustainable development	**South Asia:** South Asia Association for Regional Cooperation (SAARC)
		South East Asia: Association of South East Asian Nations (ASEAN)
		Africa: Common Market for Eastern and Southern Africa (COMESA) and Southern African Development Community (SADC)
		Developing countries: BRICS, G-20, G-77
		Neighbouring countries: AID Nepal, AID Bhutan

The information mentioned above has been taken from the websites of the respective ministries as of November 2015. The status of these schemes may undergo a change subsequently.

A quick review of India's flagship programmes/schemes reinforces the view that the country's development priorities are in line with the global goals proposed under the current development agenda. It is good to observe that even before the implementation of SDGs, the Indian government is emphasising issues like sanitation, health, education, financial inclusion, security and dignity of all, especially women. This is crucial because implementation of relevant programmes can gain institutional support with the launch of SDGs.

However, one of the biggest challenges ahead of SDGs will be to complete the unfinished agenda of MDGs. India's achievement of SDGs will require focussed acceleration of inclusive economic growth, guaranteed access to comprehensive social services, vast investment in basic infrastructure and women empowerment.

Conclusion

SDGs are expected to institutionalise an environment of broad-based and sustainable development encompassing economic, social, and environmental aspects. India is expected to play an important role in the achievement of SDGs and it is good to note that the Government of India has already embarked upon the development goals prescribed by SDGs.

To ensure fast progress towards achieving the objectives set under SDGs, India is required to identify and stimulate key drivers of sustainable development. These key drivers exist within the intersections of economic, social and environmental dimensions of sustainable development. Some of the key drivers that will influence both completion of the MDGs agenda and help drive the SDGs are (1) creation of employment opportunities that drive inclusive economic growth; (2) creation of infrastructure to ensure adequate allocation of resources and access to basic services; (3) renewed emphasis on equality, especially women's empowerment; and (4) strong monitoring of the environmental impact of human actions. However, strong programme designs and their effective implementation are fundamental for ensuring the achievement of these goals. The imperative will be to align the interventions under the various ongoing schemes to get the best value for money.

Round the corner

Govt unveils winners of 20 smart cities

The Financial Express, India: 29 January 2016

The Government of India unveiled the names of the first 20 smart cities that will get 50,802 crore INR over a period of five years to turn them into 'Smart Cities'. The cities will be given funds to solve problems from power cuts to poor sanitation to traffic. The cities chosen are Pune, Jaipur, Surat, Bhubaneswar, Kochi, Ahmedabad, Jabalpur, Visakhapatnam, Solapur, Davangere, Indore, the New Delhi area, Coimbatore, Kakinada, Belgaum, Udaipur, Guwahati, Chennai, Ludhiana and Bhopal.

Source: http://www.financialexpress.com/article/economy/smart-cities-list-winners-released-all-you-need-to-know/203918/

Swachh Bharat: Maharashtra govt reaches out to corporates for funds

The Indian Express, Pune: 11 December 2015

In a bid to make Maharashtra free of open defecation by 2019, the cash-deficient government is seeking support from corporate sector in the form of cash from their corporate social responsibility (CSR) funds to improve the sanitation facilities in the state. In order to achieve this, the government has announced a Swachh Maharashtra Fund— raised through the corporate sector—which will make it possible to reach out to the needy in the above poverty line sector as well.

Source: http://indianexpress.com/article/cities/pune/swachh-bharat-now-cash-strapped-maharashtra-govt-reaches-out-to-corporates-for-funds/

In 4 months, projects for 272 cities cleared under AMRUT

Indian express, India: 27 November 2015

Four months after the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) was launched, an inter-ministerial apex committee has cleared projects for more than half of the 500 cities identified for the mission. Most of the projects under AMRUT are for ensuring universal water supply and sewage connections, since the mission focuses primarily on these two areas. A few projects are for improving drainage networks, non-motorised urban transport such as cycling and walkways for pedestrians, and development of open spaces.

Source: http://indianexpress.com/article/business/business-others/in-4-months-projects-for-272-cities-cleared-under-amrut/

Evaluating preparedness of Smart City contenders: Smaller towns take early lead

Financial Express, India: 28 October 2015

As the 98 selected Smart Cities lay their initial groundwork for the mission, smaller towns seem to have outperformed metros when it comes to using online forums to disseminate data and engage with citizens. On a scorecard of 100 on web-based indicators, Tiruchirappalli and Mangaluru have been rated at above 90 with the other leading performers being Tumakuru, Indore, Raipur, Jaipur, Surat, Ujjain, Haldia and Kalyan-Dombivali. None of the metros figure in the top-twenty list. The cities have been ranked based on the extent to which they have communicated and taken public feedback on their Smart City plans through three basic online platforms: the urban local body (ULB) websites, Facebook page and the Union government website mygov.in.

Source: http://www.financialexpress.com/article/economy/evaluating-preparedness-of-smart-city-contenders-smaller-towns-take-early-lead/157901/

Water and sewerage plans worth INR 2,786 crore in 89 AMRUT cities

Financial Express, India: 22 October 2015

Aiming at ensuring water supply and sewerage facilities in urban households, The Ministry of Urban Development (MoUD) has cleared plans worth over 2,700 crore INR in 89 cities under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT). The Central Government will provide an assistance of 50 per cent of project cost for cities with a population of up to 10 lakhs each and one third of project cost for cities with a population of above 10 lakhs each under the mission. Rest of the project cost has to be borne by the states and urban local bodies. Ensuring water supply of 135 litres per capita per day in urban areas besides providing water supply and sewerage connections to all urban households is the national priority, which AMRUT seeks to achieve.

Source: http://www.financialexpress.com/article/economy/water-and-sewerage-plans-worth-rs-2786-crore-in-89-amrut-cities/155285/

Linking of user charges to inflation for Smart Cities proposed

Financial Express, India: 6 September 2015

The Ministry of Urban Development (MoUD) has proposed linking of user charges in urban areas to inflation for financing the Smart Cities Mission. The MoUD pointed out that user charges were way below cost recovery in urban areas, leading to a huge gap between the cost of

providing urban services and cost recovery. Hence, the MoUD suggested that the levying of user charges should be structured in a way to meet at least operation and maintenance costs and need to be partially indexed to inflation for improved quality of services.

Source: http://www.financialexpress.com/ article/economy/linking-of-user-charges-to-inflation-for-smart-cities-proposed/131206/

The urban cleanliness index and what it says about cities in India

Indian Express, India: 18 August 2015

Swachh Bharat Mission's aim is to clean up the country's 4,041 statutory towns over the next five years and envisages an investment of INR 62, 009 crore, of which INR 14, 623 crore will be provided by the Centre. The rest is expected to be raised by the states, urban local bodies, and from private players.

The Ministry of Urban Development (MoUD) has released cleanliness rankings for all Class 1 cities with a population of over one lakh — 476 in all. The MoUD graded all the Class 1 cities on the basis of (1) efforts to end open defecation and (2) solid waste management practices. Karnataka, Tamil Nadu and Kerala were ranked as the cleanest cities, whereas Madhya Pradesh, Haryana and Rajasthan were ranked as the dirtiest.

Source: http://indianexpress.com/article/ explained/simply-put-the-urban-cleanliness-index-and-what-it-says-about-cities-in-india/

ISRO to map 4,041 towns as it teams up with Urban Development ministry

Firstpost, India: 13 August 2015

The Indian Space Research Organisation (ISRO) has tied up with the Ministry of Urban Development for mapping over 500 towns and cities, to make a base plan for

better planning and management. This base plan will further help the town planners to prepare a master plan for many fast urbanising local bodies. The mapping is currently being done for municipal local bodies with a population of more than a lakh. The space agency will also map and provide management plans for heritage sites and monuments of national importance.

Source: http://www.firstpost.com/india/ isro-map-4041-towns-teams-urban-development-ministry-2390800.html

Paper releases

India - Understanding India's urban frontier: What is behind the emergence of census towns in India?

Working Paper from the World Bank Group, August 2015

In India, settlements are grouped into villages, statutory towns, and census towns. This paper aims to provide a better understanding of the nature of census towns (CTs). It is important to study CTs because they account for 15% of the urban population. According to the latest census of 2011, the urbanisation level in India has increased from 27.8 % in 2001 to 31.2 % in 2011, and for the first time, the absolute increase in urban population exceeded the increase in rural population. India has different administrative arrangements for rural and urban areas, which are based on the 73rd and 74th amendments to the Constitution of India respectively. Since the CTs continue to be governed by rural administrative arrangements, this situation raises an additional set of questions, in addition to the nature of economic transformation, related to the trade-offs between rural and urban status. This paper delves into the spatial and economic effect of governance on

settlements, economic dynamics of these settlements, the drivers of change in land use and the nature of relationships, if any, between agglomeration of settlements and economic and social and governance processes. This paper further identifies areas of inquiry which will help in a better understanding of the role of migration and the manner in which it is influenced by policies in the larger cities, and its feedback to smaller settlements.

Source: http://documents.worldbank.org/ curated/en/2015/08/24970719/india-understanding-india's-urban-frontier-behind-emergence-census-towns-india

Women workers in India: Why so few among so many?

Working Paper from IMF, March 2015

This paper examines the determinants of female labour force participation in India, against the backdrop of India having one of the lowest participation rates for women among peer countries. Using extensive Indian household survey data, this paper models the labour force participation choices of women, conditional on demographic characteristics and education while simultaneously looking at the influence of state-level labour market flexibility and other state policies. The main finding of this paper is that a number of policy initiatives can help boost female economic participation in the states of India, including increased labour market flexibility, investment in infrastructure, and enhanced social spending.

Source: https://www.imf.org/external/pubs/ft/ wp/2015/wp1555.pdf

Potpourri

Key urban development schemes of the Government of India

Smart Cities Mission (SCM)

- Sustainable and inclusive development of cities to improve the quality of life of citizens
- Application of smart solutions, enabling cities to use technology, information, and data to improve infrastructure and services
- Key infrastructure elements of smart cities: Adequate water supply, electricity supply, sanitation, public transport, affordable housing, digitalisation, health and education

Swachh Bharat Mission (SBM)

- Provision of public, household and community toilets
- Central incentive of 4,000 INR per household for construction of household toilets; 40% grant/VGF for each community toilet block
- Improvement of SWM and generation of awareness regarding public health
- Eradication of manual scavenging

HRIDAY

- To preserve, conserve, and revitalise heritage cities and facilitate urban development in such cities
- Includes provision of better infrastructure and services in heritage cities, including toilets, water taps, roads, street lights, modern surveillance and security apparatus like CCTVs
- Also covers components like local capacity building, conservation of natural and built heritage, urban heritage adaptive rehabilitation and maintenance
- Covers 12 cities: Ajmer, Amravati, Amritsar, Badami, Dwarka, Gaya, Kanchipuram,Mathura, Puri, Varanasi, Velankanni and Warangal

AMRUT

- Aims to provide basic services to households, including water supply, sewarage and urban transport
- Includes developing greenery and well-maintained open spaces in cities, and reducing pollution by switching to public transport
- Other thrust areas include: storm water drains, parking spaces and recreation centres
- 500 cities to be covered
- Planned outlay of 50,000 INR crore for 5 years (2015-16 to 2019-20)

Housing for All

- Aims at constructing more than 2 crore houses across the nation during 2015-22
- Target beneficiaries: Women, economically weaker section of society (EWS), ST, SC
- Involves: (1) in-situ rehabilitation of slum dwellers using land as a resource through private participation, (2) credit-linked subsidy, (3) affordable housing in partnership with the public/private sector, and subsidy for beneficiary-led individual house construction/enhancement
- Subsidy amount: Expected to be between 1 lakh to 2.30 lakh INR per beneficiary
- Coverage: Entire urban area consisting of 4,041 statutory towns with an initial focus on 500 Tier I cities in three phases

National Urban Livelihoods Mission (NULM)

- Aims at creating opportunities for skill development leading to market-based employment for the urban poor and helping them to set up self-employment ventures by ensuring easy access to credit
- Also focusses on providing shelter equipped with essential services to the urban homeless in a phased manner
- Addresses livelihood concerns of urban street vendors
- Funding pattern: Centre (75%) and state (25%); for NE and special category states: Centre (90%) and state (10%)

PwC updates
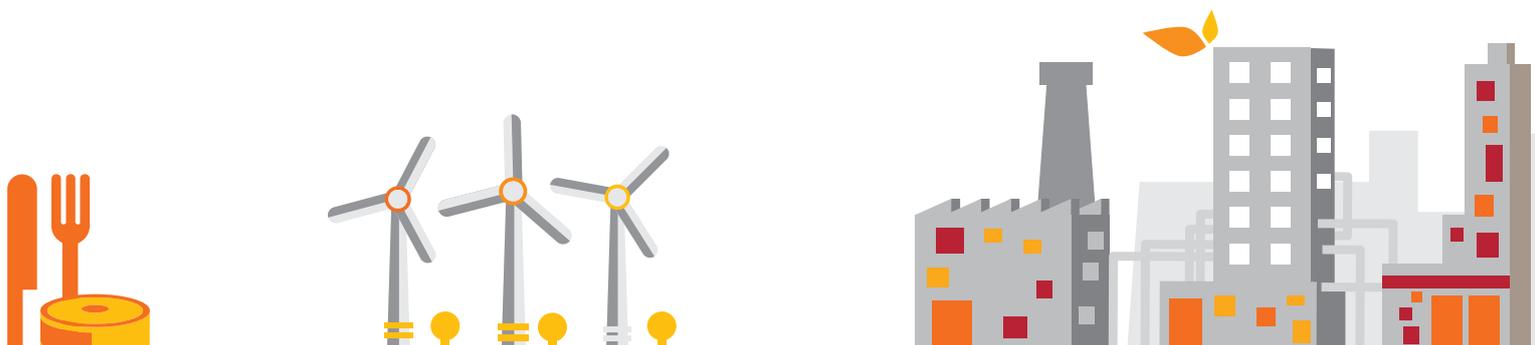
Mid-term Review of Support Program for Urban Reforms (SPUR), Bihar

SPUR is a six-year programme being implemented by the Government of Bihar in partnership with the Department for International Development (DFID) in 29 ULBs of Bihar (accounting for roughly 60% of the state's urban population). Interventions under SPUR are classified into the following five thematic areas:

| Governance and planning | Municipal finance and procurement | Municipal infrastructure | Local economic development | Social development and poverty alleviation |

PwC's role was to conduct a mid-term review of the programme for DFID with the objective of

- assessing the performance of the programme against its logframe indicators;
- identifying non-performing areas (if any) based on progress till date; and
- recommending course correction

Our team visited six ULBs of Bihar—namely Patna, Bettiah, Katihar, Munger, Bodh Gaya and Chhapra—and conducted detailed discussions with implementing and executing agencies, ULBs, and beneficiaries. We undertook extensive secondary research and a multi-pronged analysis for drawing conclusions, and suggested measures to improve the overall performance of the programme.

We used an evaluation matrix that defined the indicators to be assessed to answer the key evaluation questions pertaining to the programme's mid-term performance. The performance of the programme was assessed on three key aspects: (1) programme efficiency, (2) value for money (VfM) and (3) sustainability.

As part of assessing the programme efficiency, the review analysed issues in the DFID-state partnership related to frequency of staff changes, process delays, deviations from design in programme implementation, and trends in utilisation of finances.

The VfM assessment was based on a strategic balancing of five factors, namely comparative spending, measurability, achievement against planned targets, data availability and comparability.

Sustainability was assessed based on (i) institutions created and strengthened under SPUR (including state-level institutions, community-led institutions), and (ii) ULB-level interventions such as SWM operations and capacity improvement in ULBs. The assessment took into account several factors that defined the progress of interventions and led us to draw conclusions on whether these would be sustainable beyond the programme duration.

Based on the findings of the review, we proposed our recommendations to overcome issues that appeared to constrain optimal performance of the programme across the thematic areas. Our final report was well received by the client and acknowledged for its comprehensive coverage, evidence-based analysis and practical approach for proposing the way forward.

Nidish Nair

Designation: Director, Public Sector and Governance, GRID

Age: 40 Years

Education:

- Masters in Urban and Regional Planning, CEPT University, Ahmedabad, 2003
- Bachelor in Architecture, MS University, Vadodara, 1998

Work experience: More than 15 years

Worked in: India, the UAE, Sri Lanka, Maldives, Bangladesh, Nepal

Nidish Nair is a director with the Public Sector and Governance Team of the Government Reforms and Infrastructure Development (GRID) SBU of PwC India. He has over 15 years of work experience and has successfully managed many prestigious infrastructure clients in seeking new markets, developing business plans and undertaking urban development activities. He has worked in the areas of urban infrastructure and development, capacity development, project management, regional planning, demand assessment and risk management.

Nidish is leading a team of urban and infrastructure professionals to provide capacity development and technical support to the Government of Rajasthan and Asian Development Bank (ADB) as part of the Rajasthan Urban Infrastructure Development Project (RUIDP). From 2006 to 2014, he worked closely with the Ministry of Urban Development (MoUD), Government of India, on the conception, roll-out and programme management of the JNNURM, a 25-billion USD urban renewal programme covering 65 cities in India. He is also managing a team of professionals to support the Ministry of Housing and Urban Poverty Alleviation (MoHUPA), Government of India, on the recently launched Housing for All mission. He led a team of specialists undertaking an urban sector assessment in Jharkhand for the World Bank and demand-gap assessment for municipal infrastructure for the city development plan (CDP) for Pushkar, Ajmer.

Nidish has assisted the Government of Tamil Nadu in formulating strategic plans for the effective conversion of city corporate plans into real business plans for the city. He anchored the preparation of the project framework and recommended strategies for implementing the same. Nidish was also seconded to PwC Abu Dhabi to undertake business process re-engineering for three municipalities and the Department of Municipal Affairs for the Government of Abu Dhabi.

Recently, Nidish was involved in the end term and project completion review of the Madhya Pradesh Urban Infrastructure Investment Program (MPUIIP) for DFID. Under this project, Nidish led the team on the review of the programme, development of the review framework based on the criteria set by the Organisation for Economic Co-operation and Development (OECD), VfM assessment, assessment of the effectiveness of the investments made, review of capacity of the government counterpart team/departments to sustain the benefits of investments made and development of a set of recommendations to align the programme priorities towards the upcoming priorities of the Government of India. On another such evaluation for DFID, Nidish led a team of specialists on the mid-term evaluation of the Support Programme for Urban Reforms in Bihar. Nidish has been working closely with DFID, Government of UK, on undertaking fiduciary risk assessments for the urban sector in several states in India.

In addition, Nidish has worked extensively with various donor agencies across Indian states, including Rajasthan, Karnataka, Madhya Pradesh, Jharkhand, Assam, Bihar, Gujarat and Maharashtra.

About us

The Public Sector and Governance (PS&G) practice of the Government Reforms and Infrastructure Development (GRID) SBU of PwC in India has been working closely with clients in the public sector and at all levels of the government as well as key donors such as DFID, JBIC, World Bank and ADB. A large team of full-time dedicated professionals and associates provides services to governments, multilateral and private sector clients in the area of public finance and urban infrastructure development.

In public finance, the work has broadly included budget reforms, revenue augmentation strategies, performance improvement, institutional strengthening, accounting and financial management systems, debt management and automation or computerisation. In addition, the team has gained traction in the public expenditure and financial accountability (PEFA)/fiduciary risk assessment (FRA) areas with assignments across South Asia. Our economics sub-group focusses on applied economics services related to macro- and microeconomics, competition, impact assessment and business forecasting.

In urban infrastructure development, our team provides advisory services from planning to implementation, including programme management, business plans and strategies, institutional strengthening, financial management and accounting, and municipal project development, including through PPP, transaction advisory and contract management.

Most of our projects include training and capacity building of government counterparts working with the project team on specific modules.

Field visit: PwC team evaluating the progress of a waste management facility in Lucknow as part of technical assistance provided for JNNURM

Contacts

Ranen Banerjee
Partner, PwC India

Building no. 10, 17th Floor
Tower C, DLF Cyber City
Gurgaon, Haryana 122 002

Tel: + 91 124 3306 009
Fax: +91 124 3306999

Mobile: + 91 9818886207
Email: ranen.banerjee@in.pwc.com

Editorial team

Aashima Verma
Email: aashima.verma@in.pwc.com

Gunjan Bansal
Email: gunjan1.bansal@in.pwc.com

Contributors for this issue

Antara Ray
Gunjan Bansal
Janki Soneja
Neha Gupta
Nidish Nair
Pooja Singh
Rahul Mallik
Soumitra Banerjee

About PwC

pwc.in