

MINISTRY OF URBAN DEVELOPMENT

3 years of urban transformation : A paradigm shift for Infrastructure development and reforms

Based on the experience of the past including implementation of Jawaharlal Nehru Urban Renewable Mission (JNNURM)_during 2005-14, a paradigm shift has been introduced for accelerated urban transformation through addressing infrastructure deficit in cities and towns with the objective of inclusive and sustainable urban development.

Salient features of the paradigm shift for urban transformation:

1. One year long extensive stakeholder consultations including with State and City Governments on the launch of new urban missions viz., Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Smart City Mission, Swachh Bharat Mission, Heritage City Development and Augmentation Yojana (HRIDAY) and Pradhan Mantri Awas Yojana (Urban)
2. Citizen participation in urban planning and management
3. Implementation of new urban missions in a convergence mode for targeted outcomes and better resource utilization
4. Competition based selection of cities
5. Objective allocation of central assistance based on urban population and number of statutory Urban Local Bodies in each State/Union Territory
6. Decentralisation of project formulation, appraisal and approval to City and State/UT Governments
7. Preparation of city-wise Service Level Improvement Plans and State Annual Action Plans based on comprehensive assessment of infrastructure deficit
8. Enhancing resource base of Urban Local Bodies through substantially hiked central assistance, 14th Finance Commission grants and other avenues like PPP, Municipal Bonds etc
9. Focussed pursuit of reforms for improving urban governance for better service delivery, transparency and accountability
10. Time specific outcomes targeted with focus on Area Based Development as against open ended and project based approach in the past.

Outcomes of paradigm shift

This new approach has begun to yield results in the form of quick approvals for investments under new urban missions resulting in much better performance than the previous ten years.

A comparison

	2004-14	2014-17
Central Assistance committed (Rs. Cr)		
1. Affordable housing for urban poor	20,920	27,766*
2. Development of other basic urban infrastructure	44,740	1,13,143 (Amrut-50,000) Smart cities- 48,000 Swachh Bharat Mission-14,643 HRIDAY-500)
3. Urban Transport		
Metro Projects	37,438	30,966
Procurement of buses and ancillary infrastructure	2,101	1,652
Total Central Assistance committed	1,05,199	1,73,527
Central Assistance released		
1. Affordable Housing for urban poor	17,989	7,457
2. Development of other basic urban infrastructure	34,228	16,432
3. Urban Transport		
Metro projects	35,705	28,349
Procurement of buses and ancillary infrastructure	1,547	1,264
4. 10% Lumpsum scheme for North-Eastern Region	1,536	350
5. North-Eastern Region Urban Development Region	124	316
6. Skilling of Urban Poor and Employment	4,672	1,195
Total Central Assistance Released (Rs. Cr)	95,801	55,363**

*Central Assistance so far approved as against the actual commitment of providing Rs.1.00 lakh to Rs.2.35 lakh per each beneficiary under PMAY (Urban) which comes to many times more.

**Central Assistance released for urban infrastructure development comes to about Rs.18,500 cr per year during the last three years though major new urban missions were launched only in 2015, as against Rs.9,580 cr per year during 2004-14.

Comparison of outcomes

	2004-14	2014-17
1.Affordable Housing for Urban Poor		
Number of houses sanctioned	13.80 lakhs*	17.68 lakhs*
Number of houses built	7.99 lakhs	4.66 lakhs**
2.Preparation of city-wise Service Level Improvement Plans for targeted outcomes	0	500 AMRUT cities
3.Area Based Development for addressing core infrastructure deficit in identified areas	0	60 cities approved
4.Technology based Pan-city solutions for improving governance, infrastructure use, public information and service delivery	0	60 cities approved
5.Urban Sanitation		
Construction of individual household toilets	3.00 lakhs	31.00 lakhs
Construction of Community and Public Toilet seats	0	1.25 lakh seats
100% Door to Door collection of solid waste	0 wards	39,995 out of total 81,015 urban wards
Waste to Compost conversion	1.50 lakh tons/year	13.13 lakh tons/year
Waste to Power generation	88 MW	25 MW commissioned 415 MW capacity under construction with 56 plants
Waste processing	16%	21.51%
6.Urban Transport		
Preparation of Comprehensive Mobility Plans for cities	9	18
New Metro Projects approved	6 (Delhi, Bengaluru, Kochi,Mumbai,Chennai, Hyderabad)	5 (Ahmedabad, Nagpur, Lucknow,

		Chennai Extension, Pune)
Length of new Metro Projects approved	539 kms	143 km
Length of Metro Projects commissioned	186 kms (Delhi and Bengaluru)	68 km (Delhi, Chennai, Bengaluru, Mumbai, Jaipur)
Cost of Metro Projects approved (Rs. Cr)	1,52,426	41,511
Buses procured	14,405	5,000

*Includes 1.40 lakh houses sanctioned under Rajiv Awas Yojana but no further action taken till 2014.

**Includes houses constructed under the housing components of JNNURM financing for which has been extended till March,2017 though the previous government wound up JNNURM in March,2014.

Urban Infrastructure Development

Ministry of Urban Development

1. Atal Mission for Rejuvenation and Urban Transformation (AMRUT)

-Providing water taps to two crore urban households in 500 mission cities besides augmenting

water supply to the normative 135 litres per capita per day is the top priority

-Expanding sewerage networks and septage management, drainage systems, non-motorised urban transport and development of open and green space being taken up

-City-wise Service Level Improvement Plans and consolidated State Action Plans for almost all mission cities and States/UTs approved with a project cost of about Rs.70,000 cr for the five year mission period concluding in 2019-20 have been approved, much ahead of time to enable advance planning and timely execution of projects

-Under this reform linked mission, five transformational reforms are being focused over the

next three years viz., Adoption of 'Trust and Verify' approach in respect of Registration of births

and deaths, Granting approvals for low risk constructions and Change of property titles

(mutation) that account for about 70% of physical transactions between city governments and

citizens besides adoption of Land Titling Laws, Credit Rating needed for issue of Municipal

Bonds, Adoption of Value Capture Financing Policies and Professionalisation of municipal cadres,

to improve urban governance and service delivery

-Further to launch of the mission on June 25, 2015, projects worth over Rs.10,000 cr have

already been awarded for execution

-Development of basic urban infrastructure in 500 mission under this mission is expected to

benefit about 70% of urban population i.e 280 million

-Central Assistance of Rs.50,000 has been provided for the mission period to support 33% to

90% of project costs based on population of mission cities and their location

2. Smart City Mission

-Area Development Plans for ensuring necessary core infrastructure i.e social, economic, physical and institutional in identified areas in 60 mission cities are under implementation

-Technology based Pan-City Solutions are also being implemented in 60 mission cities for improving governance, delivery of real time public information and services, setting up Command and Control Centres, Intelligent Transport Solutions, improving security etc

-A total investment of Rs.1,33,368 cr has so far been approved in 60 mission cities

-About 150 projects in 20 mission cities with an investment of about Rs.1,600 cr are close to completion. Projects worth about Rs.30,000 would be either under execution or awarded by June 25, 2017 marking the second anniversary of the launch of this mission in June,2015

-This mission enhances the planning and execution capacities of Urban Local Bodies and the experiences gained will be replicated for developing other areas in mission cities over a period of time.

-Smart City Mission to be implemented in 100 mission cities would benefit about 13 cr urban population with enhanced urban governance and quality of life.

3. Swachh Bharat Mission (Urban)

-About 31 lakh Individual Household Toilets, 1.25 lakh Community and Toilet Seats have been so far built under this mission launched on October 2, 2014 and being implemented at an estimated project cost of Rs.62,009 cr

-Andhra Pradesh and Gujarat have declared all cities and towns as Open Defecation free.

-633 cities have been so far declared Open Defecation Free and 531 of them have been independently verified and certified as ODF

-100% Door to Door collection and transport of Municipal Solid Waste has been achieved in 39,995 wards out of the total 81,015 urban wards

-Government has increased assistance to Waste to Wealth Projects from 20% to 35% of project cost as Viability Gap Funding besides announcing Market Development Assistance of Rs.1,500 per ton of compost produced, making purchase of power generated from waste mandatory and fixing tariff for such power generated

-Processing of solid waste has reached 21.50% of the total waste being generated in urban areas.

-Central Assistance of Rs.14,643 cr has been provisioned for the five year mission period during which all the statutory 4,041 cities and towns have to be made Open Defecation Free besides ensuring 100% processing of waste generated in urban areas by October, 2019

-On the implementation of this mission, about 32 cr urban population would benefit from improved sanitation

4. Heritage City Development and Augmentation Yojana (HRIDAY)

-Being implemented in 12 mission cities for development of infrastructure around heritage, religious and tourist assets to enable easy access to such sites besides their enhanced presentation by bringing together urban planning, economic growth and heritage conservation in an inclusive manner.

-Under this Central Scheme launched on January 21, 2015, a provision of Rs.500 cr has been made for the mission ending in November, 2017.

-Works relating to water supply, sanitation, drainage, waste management, approach roads, footpaths, street lighting, tourist conveniences, electric wiring, land scaping etc are being taken up in mission cities under approved City Heritage Plans.

-63 projects at a cost of Rs.412 cr have been sanctioned and are under implementation. Rest of the funds are meant for supporting activities.

-Being implemented in Ajmer, Amaravati (Andhra Pradesh), Amritsar, Badami (Karnataka), Dwaraka (Gujarat), Gaya, Kanchipuram, Mathura, Puri, Varanasi, Vellankini (Tamil Nadu) and Warangal (Telangana)

5. Urban Transport

-During the last three years, five new Metro Projects have been sanctioned by the Ministry of Urban Development for Ahmedabad, Nagpur, Lucknow, Chennai (Extension) and Pune with a total length of 143.36 kms at a total cost of Rs.41,571 cr.

-68.08 km long new metro sections have been opened for commercial operations.

-5,000 buses have been procured.

New initiatives for public transport under consideration

Green Urban Mobility Scheme to promote public transport and non-motorised transport to address the growing problems of congestion and pollution with enhanced private sector participation

New Metro Policy to promote innovative financing models and to ensure thorough examination of alternative modes of transport under Comprehensive Mobility Plans of cities.

New Metro Rail Policy for integrating different metro related laws in force and for promoting 'Make in India' through standardization

Transit Oriented Development to promote dense urban design and development along mass transit corridors to avoid using private vehicles by promoting cycling and walking to transit points.

Ministry of Housing and Urban Poverty Alleviation

1.Pradhan Mantri Awas yojana (Urban)

-17,68,092 affordable houses for the benefit of urban poor have so far been approved for financing with a total investment of Rs.95,671 cr for which Central Assistance of Rs.27,766 cr has been approved.

-Central Assistance of Rs.1.00 lakh to Rs.2.30 lakh has been committed to each beneficiary under four different components of this mission launched on June 25, 2015 which is aimed at ensuring a pucca house to every poor urban poor household by 2022.

-Prime Minister Shri Narendra Modi has announced a Credit Linked Subsidy Scheme for Middle Income Groups on December 31, 2016 and the same has been made effective with effect from January 1, 2017.

-Under this new CLSS(MIG) vertical of PMAY(Urban), those households with an annual income of Rs.12.00 lakh will be provided 4% interest subsidy on a housing loan of Rs.9.00 lakh with a tenure of 20 years or less as preferred by the beneficiary. Those with incomes of Rs.18.00 lakh per year are eligible for interest subsidy of 3% on a loan of Rs.12.00 lakh. This interest subsidy brings down EMI in each case by over Rs.2,000.

2.Stimulating real estate sector with focus on affordable housing

Real Estate (Regulation & Development) Act,2016

-Enacted in March,2016 after a 8 year hiatus and notified on May 1, 2016 to bring transparency and accountability in real estate sector by enhancing investor confidence by putting in place Regulatory Authorities and other institutional mechanisms for redressal of grievances by both the buyers and promoters. This Act has been widely welcomed.

-This Act becomes fully operational by May 1,2017.

-As required, the Ministry of Housing & Urban Poverty Alleviation has notified Real Estate Rules and General Agreement Rules for five Union Territories without legislatures viz., Andaman & Nicobar islands, Chandigarh, Dadra and Nagar Haveli, Daman & Diu and Lakshadweep while the Ministry of Urban Development did so for Delhi.

Infrastructrue status for affordable housing

-The Government has announced 'infrastructure' status to affordable housing sector meeting the long standing demand of promoters which would enhance credit flow to the sector.

-Over the last two years, the Government has announced over 20 incentives and concessions to boost real estate sector and particularly, the affordable housing segment.

3. Urban Poverty Alleviation

-National Urban Livelihood Mission (NULM), launched in September, 2013 in 790 cities and towns has been recast by providing operational flexibility and extended to all the statutory 4,041 cities and towns in the country as Deendayal Antyodaya Yojana-NULM.

-During the last three years, 8,07,187 urban poor have been imparted skill training to improve employment opportunities. Subsidised loans have been provided to 3,57,634 for self-employment. 1,62,285 Self-Help Groups have been formed and 2,69,326 groups have been assisted with loan support for improving incomes of members.

-Street Vendor Survey has been completed in 944 cities and towns. 11,06,929 street vendors have so far been identified and 2,63,524 of them have been given ID cards.

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