

**JNNURM AND METHODOLOGY FOR DEVELOPING ‘CITY
DEVELOPMENT PLAN’**

BACKGROUND

Urban population of India has increased from 23.34 percent in 1981 to 27.8 percent in 2001 (Census of India 1991, 2001). It has been predicted that by 2020, about 50 per cent of India's population will be living in cities. It's mainly the larger urban centres which experienced faster demographic growth as compared to smaller order settlements. With the increase of population, the cities are not able to cope with the pressures of industrial development and the growth of the services economy on one hand. On the other hand, we are unable to address the needs of the poor i.e. basic services like drinking water supply, sanitation, housing and social services are not available to an increasing percentage of urban population. Cities need to be developed on a long-term planning framework to cope up with this problem. All previous efforts in city planning have been limited by “a narrow-focused project approach”. The cities are often facing problems of inadequate service levels and inadequate infrastructure, of inadequate investment and the non-availability of adequate land and housing. The legal systems, lengthy procedures and the inability of local bodies to perform effectively make it difficult to deal with the problems which cities face. The Planning Commission and the Ministries, in consultation with States, have developed an agenda of reform to persuade urban local bodies to look ahead and plan for growth in a sustainable manner.

In many states, cities are seen as ‘wards’ of the State governments. They are not able to look inward and build on their inherent capacities i.e. both financial and technical. Though the cities have the financial as well as technical resources, the need is felt to emphasize the governance related reforms in the Mission which will enable the cities to locate the needed human and financial resources for improving its service delivery. Against this background, the central government has come out with the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), which is a city-based programme, to build the capacity of cities for better urban management.

This programme has been launched for neglected cities willing to undertake time bound reforms to enable them to improve their infrastructure and quality of life that falls short of global benchmarks. An outlay of Rs. 100,000 crores has been provided under JNNURM. It covers 63 cities over a period of seven years starting from 2005-06. Other than 7 mega cities, the mission proposes to cover around 30 other cities with population of over one million while the balance will be important urban centers with crumbling infrastructure and sizeable population. Smaller cities are covered under the Urban Infrastructure



Development Scheme for Small and Medium Towns (UIDSSMT) and Integrated Housing and Slum Development Programme (IHSDP).

JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION

The Jawaharlal Nehru National Urban Renewal Mission addresses the problems created by outdated laws, systems and procedures and aims to align them to the contemporary needs of our cities and towns. The Mission seeks to do away with those statutes that inhibit the functioning of land and housing markets and seeks to bring in the improvements which will enable the city-level institutions to become financially strong and viable.

The JNNURM aims to provide an incentive to large urban areas to undertake institutional, structural and fiscal changes necessary for developing improved service delivery systems that are sustainable, address poverty and enhance local economic performance. The overall objective of the scheme is to improve the economic and physical infrastructure for the rapidly increasing urban population and also to provide essential facilities and services across the fast growing cities using public private partnership. To receive the assistance under the scheme, the states are required to bring reforms in the areas like stamp duty, rent control and repeal of urban land ceiling act and commitments on issues like regulatory framework for civic amenities, accountability standards and e-governance projects for land records, property tax and issues of automobile licenses etc.

While the mission requires several mandatory state and city level reforms, and proposes a range of optional reforms, success depends ultimately on city and state governments achieving the following outcomes:

- Modern, transparent budgeting, accounting, financial management systems designed and adopted for all urban services and governance functions
- City-wide framework for planning and governance established and operational
- All urban residents having access to a basic level of urban services
- Financially self-sustaining agencies for urban governance and service delivery established, through reforms to major revenue instruments
- Development of well functioning, efficient and equitable urban land market
- Local services and governance conducted in a manner that is transparent and accountable to citizens
- e- governance applications introduced in core functions of ULBs resulting in reduced cost and time of service delivery processes

The twin focus of the Mission is (a) improved urban infrastructure and (b) improved urban basic services. The role of governance reform in the Mission is to catalyze a process that enables both these to move forward.



OBJECTIVES OF JNNURM

The JNNURM mission's objectives are to ensure that urban sector is able to achieve the following aspects:

- integrated development of infrastructure services
- linkage between asset creation and its management through a slew of reforms for long term project sustainability
- ensuring fund availability to meet the deficiencies in urban infrastructure services
- planned development of identified cities including peri-urban areas, out growths and urban corridors
- improved delivery of civic amenities and provision of utilities
- urban renewal programme for the old city areas
- providing basic services to the urban poor

This approach to central funding of city restructuring is new and innovative, and requires significant institutional reform at both state and urban local government levels. Cities are expected to articulate their vision, their plans and their commitment through a City Development Plan. The City Development Plan jointly provides the starting point for this process.

CITY DEVELOPMENT PLAN AND ITS OBJECTIVES

A City Development Plan is both a perspective and a vision for the future development. It involves studying the current stage of city's development, setting out the direction for change, identifying the thrust areas and suggesting the alternative strategies and interventions for bringing in the required change. The core objective of CDP is to identify the infrastructure projects to be implemented during mission duration across various urban sectors along with the proposed implementation mechanism including the Private Sector Participation (PSP) strategy. The CDP focuses on the urban reforms measures needed to be implemented to improve the health of ailing municipalities.

THE CDP PROCESS

The process of formulating a CDP as outlined in the JNNURM toolkit is presented in figure 1.



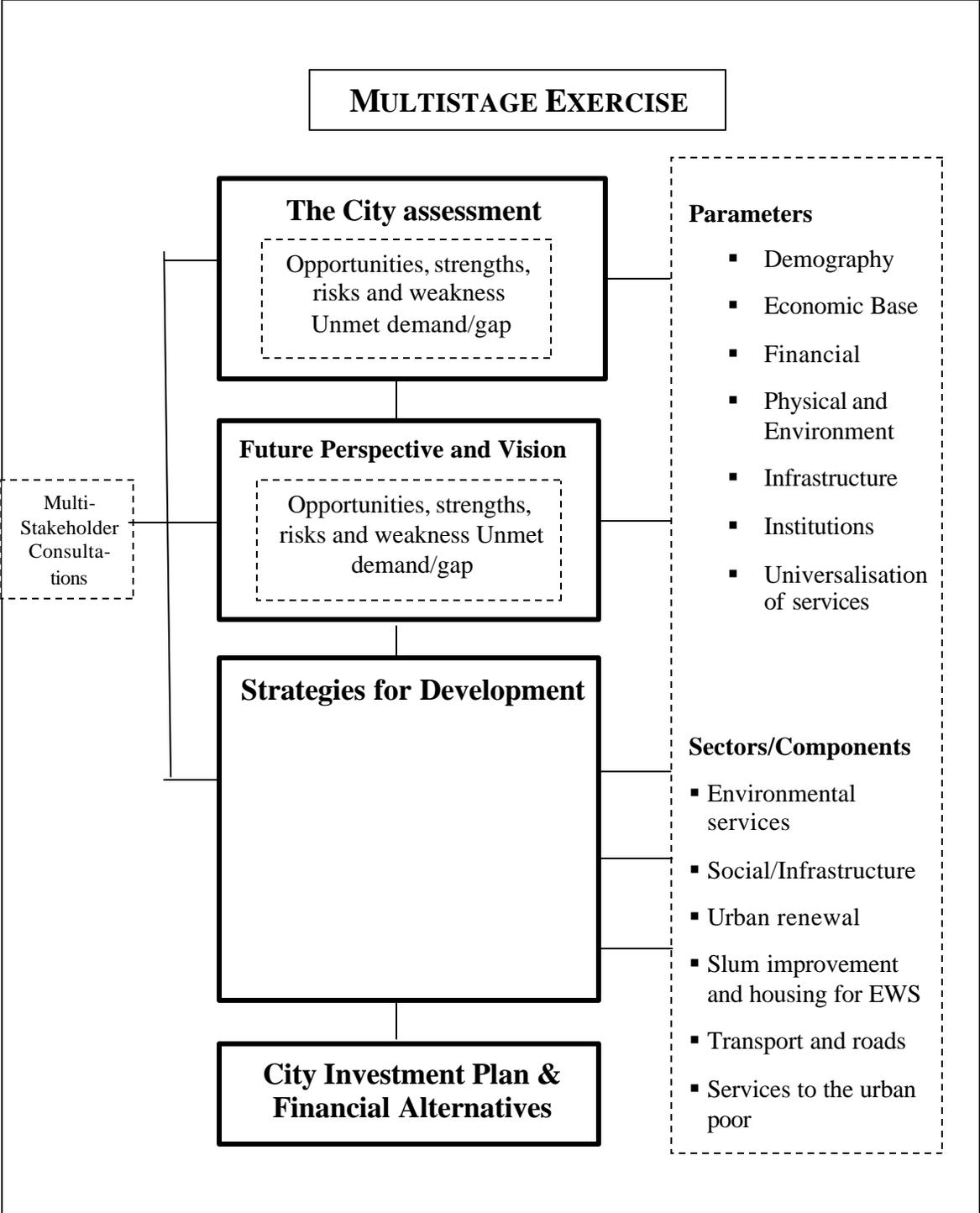


Figure 1: Process of Formulation of CDP



City Development Plan tries to address the following:

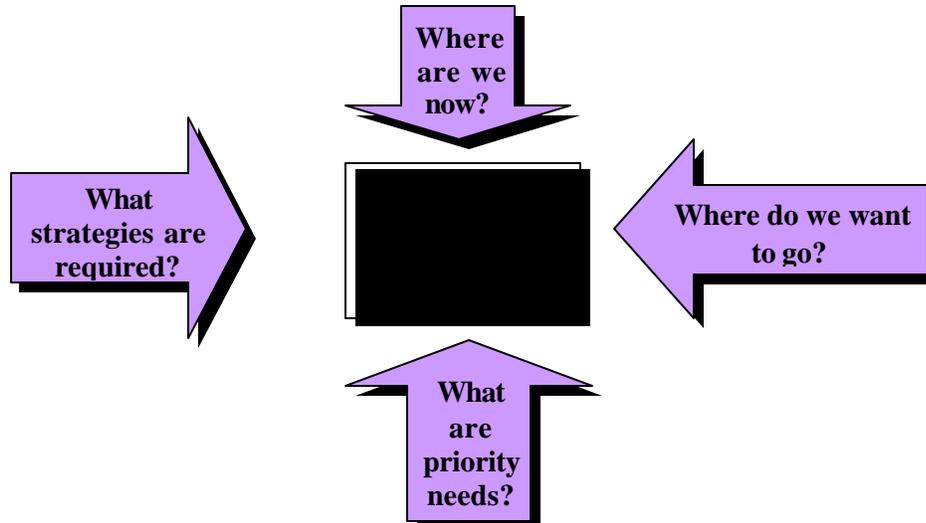


Figure 2: Questions Addressed in CDP

CITY DEVELOPMENT PLAN FOR KANPUR CITY

The objective of preparation of City Development Plan for Kanpur was to identify the infrastructure projects to be implemented in the city during the duration of JNNURM across various urban sectors together with the proposed implementation mechanism including the Private Sector Participation (PSP) strategy. The CDP focused on the urban reforms measures which need to be implemented to improve the health of ailing municipalities and to make them sustainable and financially independent.

OBJECTIVES OF THE ASSIGNMENT

The objectives of the Kanpur CDP were:

- To identify the core city challenges, a perspective and vision for the future development of a city, its present stage of development (current status) and sets out a direction of change
- To focus on the development of economic and social infrastructure, policies and programmes addressing the specific issues of urban poor, strengthening of municipal governments and their financial management and accounting processes, promoting transparency in their functioning etc.
- To provide a direction for cities and state governments to undertake urban sector reforms which will facilitate flow of investments into city based infrastructure.
- To systematically think of the future and to determine how it wishes to shape their future
- Finally, to develop a City Development Plan for Kanpur



The coverage of the CDP was as follows:

- What did the analysis of city's profile show? Where were the opportunities and where are the key constraints?
- Given the opportunities and constraints, where did the city wishes to move in a medium term perspective? While the vision was forward-looking, it was also a realistic vision, achievable within a given time frame.
- What strategic options were available to achieve the vision?
- What was the aggregate investment needed to implement the vision? What were the options for mobilizing resources for implementing the City Development Plan (CDP)?
- What reforms other than those embodied in the JNNURM were necessary for effectively implementing the City Development Plan (CDP)?

SCOPE OF WORK

The scope of work entailed the following three key stages:

- City Assessment
- Development of Strategic Agenda and A Vision for the City
- Evolved Strategies for Development
- Development a City Investment Plan and Financing Strategy
- Stakeholders Consultation

The detailed scope of work as per ToR is enclosed in annexure 1

DELIVERABLE AND TIMELINE

Inception Report: It has outlined the overall approach The report was submitted after 10 days i.e. on 12th May from the commencement of the assignment.

Rapid Assessment Report: Outlining a snapshot assessment of the main issues that need to be addressed while formulating the CDP. The report got submitted within 20 days i.e. on 24th May from the commencement of assignment

Draft City Development Plan Report: The report was submitted within 60 days from the commencement of the assignment i.e. on 10th July from the commencement of the assignment.

Final Comprehensive City Development Plan Report: The report was submitted within 90 days from the commencement of the assignment i.e. on 5th August after incorporating the comments received on the draft city development plan.



APPROACH AND METHODOLOGY

Approach for Preparation of CDP

A fully consultative and participatory approach with local stakeholders and development partners was adopted while developing a city development strategy and development plan for Kanpur. Consultative meetings and city wide workshops were held at critical stages of the process to arrive at a consensus on key issues and to frame optional strategies to address the service delivery and financial issues identified.

The consultations were carried out with officials from departments such as:

- Kanpur Nagar Nigam
- Kanpur Development Authority
- Kanpur Jal Nigam
- Kanpur Jal Sansthan
- U.P. Housing Board
- U.P. Pollution Control Board
- District Urban Development Agency
- Archeology department
- U.P. Tourism Dept.
- KESCO
- Public Works Department
- District Industry Centre etc.

and with other stakeholders such as trade associations, industrialists, hoteliers, Merchant Chamber of Commerce, community development societies etc. The CDP therefore reflects a broadly shared understanding of the city's socioeconomic structure, constraints, and prospects (the analytical assessment) and a shared "vision" for Kanpur city with agreed goals, priorities and requirements (the strategic plan of action).

The steps followed in the preparation of CDP are shown in figure 3

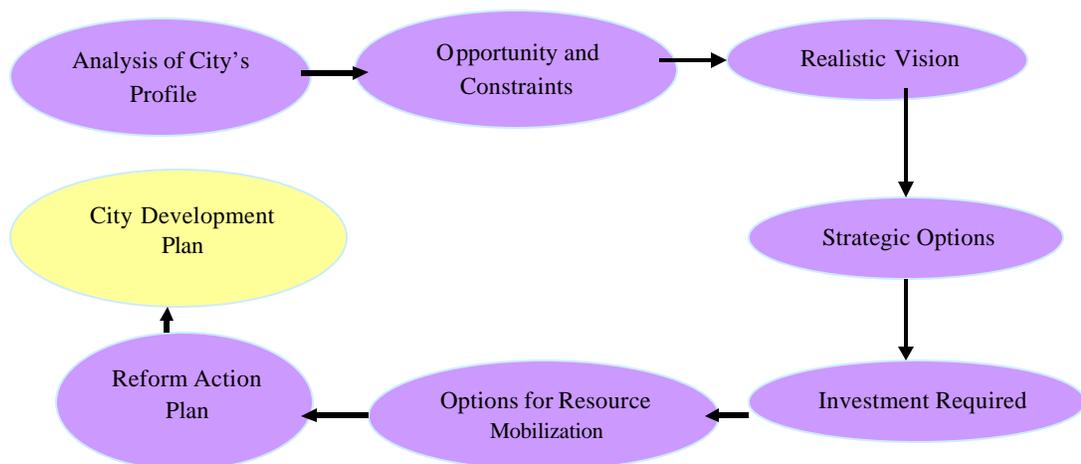


Figure 3 Steps followed in the Preparation of CDP



Methodology:

Mobilization of Team

The team of consultants were mobilized and familiarized with the project. The team was introduced to the officials of Kanpur Nagar Nigam with a view to obtain their perspective on the objectives of the study. The team has fine-tuned its understanding of the assignment, related approach and methodology, and deliverables in consultation with the Client.

A plan for inputs required from different consultants at different times was drawn. A project manager (Dr. Vinita Yadav, urban planner) was appointed from the staff of the company and the overall direction was to be provided by Project Director (Mr. P.Kapur). In addition, highly qualified staff (Mr. D.C. Awasthi, ex Indian Institute of Technology, Kharagpur) was also mobilized to collect data and to analyse the same

City Level Workshop I

Due to excellent initiative taken by KNN, meeting cum workshop was held at Kanpur Nagar Nigam on 19th April 06. The officials from various departments such as Kanpur Nagar Nigam, Kanpur Development Authority, Kanpur Jal Nigam (KJN), Kanpur Jal Sansthan (KJS), Kanpur Jal Nigam, Pollution Control Board, U.P. Housing Board, District Urban Development Authority (DUDA), Public Works Department (PWD), Irrigation Department and Archeology Survey of India attended the meeting. The list of participants, who attended the meeting, is enclosed in Annexure 2. The meeting was organized to brief the government officials about the overall JNNURM Concept, the process involved in the preparation of City Development Plan, their vision about the city, the current state of various infrastructure facilities etc.

In the meeting, the consultant team briefed the government department officials about the JNNURM concept, meaning of City Development Plan (CDP), constituents of City Development Plan, process which consultants will adopt for preparation of CDP. The meeting was attended by the officials from the rank of Executive Engineer, Assistant Engineer, Director, Project Manager etc. The summary of discussions is presented in brief in Annexure 1.



Data Collection

A comprehensive list of data to be collected from secondary sources such as demographic information, socio-economic development, location and connectivity, spatial growth and land use, growth potentials of the city, roles and responsibilities of different institutions, housing stock and housing supply, extent, quality, reliability and level of urban basic services, road and transportation, slums, protected monument, urban services, institutional arrangements and environmental aspects and financial assessment was compiled. The discussions with Kanpur Nagar Nigam officials were held to finalise the checklist. The checklist was finalized after the discussion. The checklist covered the following areas:

- (a) City Profile
- (b) Demography
- (c) Kanpur City Economy
- (d) Urban Planning and Land Use Management
- (e) Poverty and Slums
- (f) Roads and Transportation
- (g) Infrastructure – Sectoral Analysis
 - Water Supply
 - Sewerage
 - Storm Water Drainage
 - Solid Waste Management
 - Street Lighting
 - Housing
 - Social Infrastructure i.e. Education, Medical Facilities etc.
- (h) City Environment Status
- (i) Heritage and Tourism
- (j) Municipal Finance
- (k) Institutional Framework

Analysis of Secondary data

The data collected from secondary sources and through interactive sessions/ interviews was analyzed to make a realistic assessment of where the city was and the direction in which it will move and its strengths and weaknesses. An analysis of the Kanpur City’s existing situation with respect to the followings was carried out to see its implications for service delivery and urban management.

- Demography,
- economic activities i.e. identification of existing nature of commercial and industrial establishments,
- urban land use
- transportation
- urban poverty
- urban infrastructure and services (like transportation, water supply and sanitation, sewerage and solid wastes management, drains etc.)
- physical and environmental aspects and



- institutional aspects

The critical assessment as well as projections of population growth, infrastructure needs and resource requirements was carried out.

This task provided us an initial background about where the city is in context to the demography, economic, historical development, present status of basic infrastructure, financial situation as well as key emerging issues in Kanpur.

Identification of Key Stake holder's

A list of officials from different departments such as Housing Board, District Urban Development Authority, Kanpur Development Authority, Kanpur Jal Nigam, Kanpur Jal Sansthan, Department of Industries, U.P. State Industrial Development Corporation, U.P. Financial Corporation, Pollution Control Board, Traffic cell, Kanpur Police etc. involved in the preparation of urban development plan was also drawn up to carry out detailed discussions.

The list of key stakeholders, who were involved in the urban service delivery, was collected from various government departments i.e. Kanpur Nagar Nigam and other agencies such as Kanpur Development Authority (KDA), District Urban Development Authority, District Industrial Department and Director of Industries etc. and compiled to prepare a final list. They were as follows:

- ex- appointed Elected Representatives
- trade associations
- industries associations
- hotel associations
- builders associations
- non-government organizations
- community development societies (CDS)

Discussions/ Consultations with key stakeholders

The objective of the stakeholder's consultation was to ensure that the CDP reflect ground realities and the needs of the people as articulated by them were incorporated in the CDP.

For this purpose the methodology to be followed was: After identification of stakeholder, consultations with various stakeholders i.e. both officials from departments such as Kanpur Nagar Nigam, Kanpur Development Authority, Kanpur Jal Nigam, Kanpur Jal Sansthan, Housing Board, PWD, KESCO, District Development Authority (DUDA), U.P. State Industrial Development Corporation etc. were carried out to make them aware of city development plan, city's vision and strategy. Besides carrying out discussions with the officials, discussions with discussions with key stakeholders such as Community Organisations, trade associations etc were also carried out to find out their roles in city development, know their perception about the city vision and develop a set of mission statements during different stages of project. The



consultative process through stakeholder consultations formed an integral part of the preparation of City Development Plan.

Areas of Rapid Assessment:

- a) **Rapid Assessment of Infrastructure, Land Use and Environment**
The secondary information was collected and discussions/ consultations with key officials from various government departments, the municipal corporation of Kanpur, civil society organisations were carried out to understand the current situation, identify key issues and critical infrastructure gaps and bottlenecks as well to synthesize suggestions for improvement in the urban service delivery
- b) **Rapid Assessment of Institutional Mechanism**
The assessment of Kanpur Nagar Nigam and other parastatal agencies was carried out with the help of secondary data collected and discussions held with municipal officials in Kanpur Nagar Nigam as well as officials of Kanpur Development Authority, U.P. Housing and Development Board, U.P. Jal Nigam, U.P. Jal Sansthan etc. examining institutional issues and identification of key constraints and points of citizen interface.
- c) **Rapid Assessment of Financial Health of Different Institutions**
The financial status of Kanpur Nagar Nigam and other parastatal agencies dealing with the service provision and efficiency of their institutional framework was also analyzed. The analysis focused on assessing the financial status of city government and also of other parastatal organizations responsible for service provision, status of current assets and liabilities including outstanding debt and analysing the role of inter-governmental transfers in the finances of municipal government.

SWOT Analysis

The Strength, Weakness, Opportunity and Threats (SWOT analysis) of the city government/ parasitical agencies and related government departments will be carried out to have an overall understanding of the factors responsible for inefficient and inadequate production and delivery of urban services, their managerial deficiencies and financial constraints and to highlight critical factors with calls urgent remedial measures at the city and state governments levels.

Stakeholder's Workshops (Workshop II) to discuss the status of City and building consensus on priority issues

Stakeholder Workshops was held on 6th, 8th and 9th June at Kanpur to present the findings of the rapid assessment and also to obtain feedback from the stakeholders, through group discussions, on the priority issues affecting the growth and development of Kanpur. The city vision was also discussed in the workshop.



Methodology for Preparation of Draft Final Report

Developing a Future Vision - What Need to be done & where we want to go

Based on the outcomes of the City assessment and discussions with various stakeholders, a city vision was developed, which provided the direction of change with a specific time frame, to guide the future development of the City.

Mission Strategies or Reforms required to achieve the Vision

Based on the vision, strategies identifying key strategic issues, risks and opportunities facing the city with focus on JNNURM goals, objectives and reform priorities were formulated. Through strategy, the gap between where the city is and where it wishes to go was filled up. The vision and strategies was shared through wide ranging consultations among key stakeholders. This was done by adopting consensus building measures i.e. stakeholder consultation and discussions with KNN officials etc. The action plan was prepared to achieve Mission targets through consultation process.

The milestones and targets, which were measurable and achievable within a timeframe, were identified.

Infrastructure Development Needs

A demand and supply gap analysis for basic infrastructure and services requirements was carried out. This was to ensure that the proposed initiatives and action plans as outlined in the CDP were not only be able to fulfill the critical gaps and bottlenecks but also caters to future demand taking into consideration the population growth and the urban growth.

Infrastructure Financing Plan (City Investment Plan) and Means of Finance

Based on the demand analysis carried out and the issues identified earlier, specific projects were conceptualised. A city investment plan provided the estimate of the level of investment which was required at the city level to implement the City Development Plan. The assessment of the financial status of municipal bodies and other financial institutions was also carried out to determine their creditworthiness to provide funding for identified reforms/ projects/ Programmes.

Workshop III for presentation of findings and building consensus on draft City Development Plan for Kanpur

The workshop was organized on 26th July for key stakeholders from Kanpur where the draft CDP was presented with the objective of obtaining their consensus on CDP. The consensus was arrived at after detailed consultations with various stakeholders in the workshop on the key findings of the draft report. The draft report was also presented on 25th July before Principal Secretary and Special Secretary, Ministry of Urban Development, GoU; Director, Joint Director and Consultant, RCUES; State government and local government officials and officials from parastatal agencies.



Finalization of the City Development Report

Alterations were made to the draft City Development Plan on the basis of feedback obtained from various stakeholders in Workshop III to prepare the final City Development Plan report. The final City Development Plan was prepared on the basis of feedback received from stakeholders in workshop and suggestions received from officials of Kanpur Nagar Nigam, State Resource Centre (RCUES) etc.

