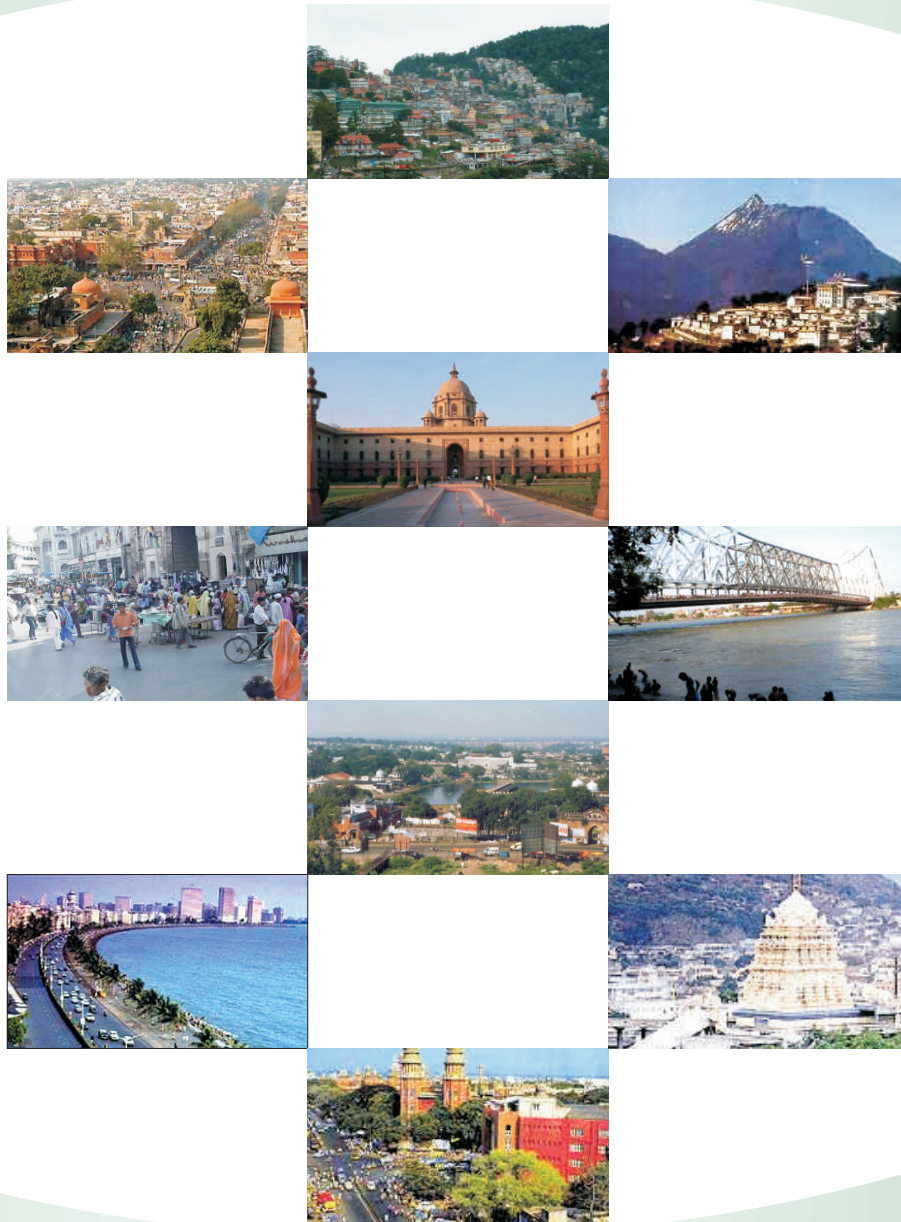


Jawaharlal Nehru National Urban Renewal Mission

Towards better cities...



Preamble

Cities and towns have a vital role in India's socio-economic transformation and change. Host to about 30 per cent of the country's population, they contribute 50-55 per cent of the gross domestic product (GDP). At the same time, most cities and towns are severely stressed in terms of infrastructure and service availability, and their growth and development is constrained by indifferent implementation of the Constitution (seventy-fourth) Amendment Act, 1992, and continuation of statutes, systems and procedures that impede the operation of land and housing markets. As this is incompatible with the country's socio-economic objectives, the Government of India has launched a Jawaharlal Nehru National Urban Renewal Mission (JNNURM) in the current fiscal year. The JNNURM aims to encourage cities to initiate steps to bring about improvement in the existing service levels in a financially sustainable manner. The JNNURM consists of two sub-missions: the Urban Infrastructure and Governance and the Basic Services to the Urban Poor. It believes that in order to make cities work efficiently and equitably, it is essential to create incentives and support urban reforms at state and city levels; develop appropriate enabling and regulatory frameworks; enhance the creditworthiness of municipalities; and integrate the poor with the service delivery system.



Objectives

The primary objective of the JNNURM is to create economically productive, efficient, equitable and responsive cities. In line with this objective, the Mission focuses on:

- Integrated development of infrastructure services ;
- Securing linkages between asset creation and maintenance for long-run project sustainability ;
- Accelerating the flow of investment into urban infrastructure services ;
- Planned development of cities including the peri-urban areas, outgrowths, and urban corridors ;
- Renewal and re-development of inner city areas ; and
- Universalisation of urban services so as to ensure their availability to the urban poor.



Institutional Framework

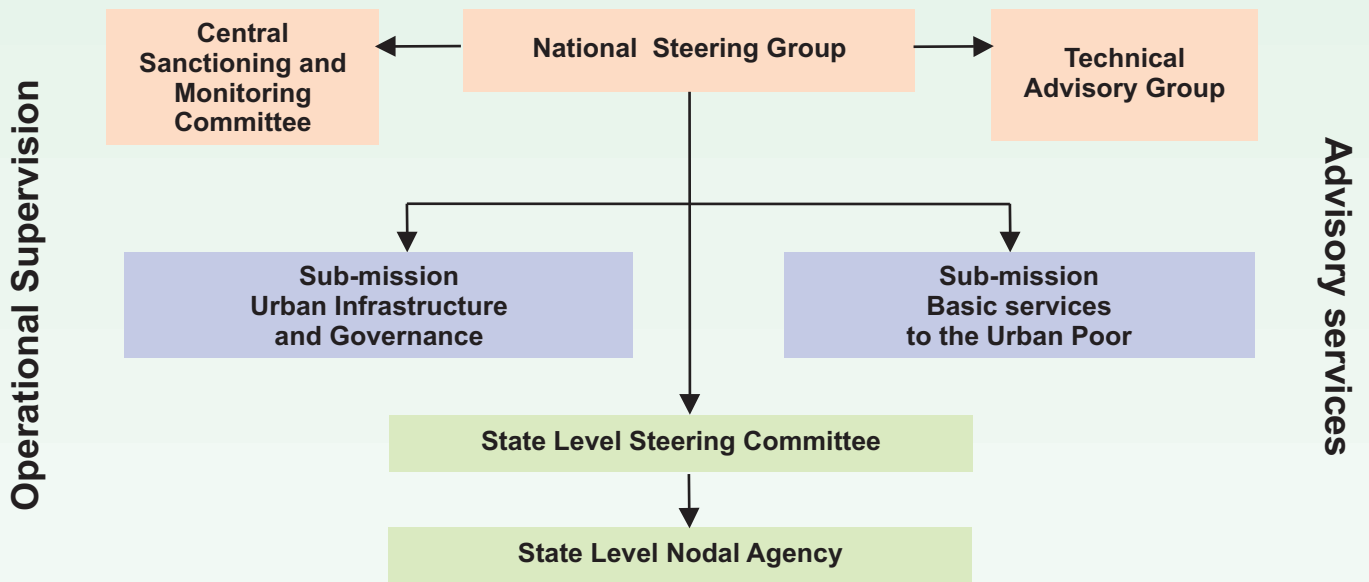
The JNNURM will function under the overall guidance and supervision of a National Steering Group (NSG). To be chaired by the Minister of Urban Development and co-chaired by the Minister of State for Urban Employment and Poverty Alleviation respectively, the NSG will set policies for implementation, monitor and review progress, and suggest correctives where necessary. The NSG will be supported by a Technical Advisory Group (TAG) whose task will be to appraise proposals, and a Central Sanctioning and Monitoring Committee which will be responsible for further appraising and sanctioning proposals.

At the state level, the JNNURM will be co-ordinated by the State Level Steering Committees. To be headed by the Chief Ministers, the State Level Steering Committees will review and prioritise proposals for inclusion in the JNNURM. The State Level Committees will be supported by nodal agencies who will invite project proposals, appraise them, and manage and monitor the JNNURM.



Institutional Framework

Policy monitoring



Appraisal and Sanction of Proposals



Thrust Areas

The JNNURM is designed to support:

- Water supply including setting up of desalination plants ;
- Sewerage and sanitation ;
- Solid waste management including hospital waste management ;
- Construction and improvement of drains and storm-water drainage system ;
- Road network ;
- Urban transport ;
- Construction and development of bus and truck terminals ;
- Renewal and re-development of inner city areas ;
- Development of heritage areas ;
- Preservation of water bodies ;
- Integrated development of slums, i.e. housing and development of infrastructure in slum settlements ;
- Provision of basic services to the urban poor ; and
- Street lighting.



JNNURM Reform Agenda

The Mission requires the state governments and cities seeking assistance to undertake reforms in order to achieve its objectives. The reforms are in two parts: (i) mandatory and (ii) optional.

Mandatory Reforms : State-level

To be undertaken at the state level, the mandatory reforms are:

- i. Effective implementation of decentralisation initiatives as envisaged in the Constitution (seventy- fourth) Amendment Act, 1992 ;
- ii. Repeal of Urban Land (Ceiling and Regulation) Act, 1976* ;
- iii. Reform of Rent Control laws, by balancing the interests of landlords and tenants* ;
- iv. Rationalization of stamp duty to bring it down to no more than 5 per cent within seven years ;
- v. Enactment of a public disclosure law ;
- vi. Enactment of a community participation law, so as to institutionalise citizens' participation in local decision making ; and
- vii. Association of elected municipalities with the city planning function.

* In respect of schemes for basic services to the urban poor and schemes for water supply and sanitation, the two mandatory reforms, viz., repeal of Urban Land (Ceiling and Regulation) Act, 1976 and reform of rent control laws will be treated as optional.



JNNURM Reform Agenda

Mandatory Reforms : Municipal-level

To be undertaken at the level of municipalities, the reforms comprise:

- i. Adoption of a modern, accrual-based, double entry system of accounting ;
- ii. Introduction of a system of e-governance using IT applications, GIS and MIS for various urban services ;
- iii. Reform of property tax with GIS, and arrangements for its effective implementation so as to raise collection efficiency to 85 per cent ;
- iv. Levy of reasonable user charges, with the objective that full cost of operation and maintenance is collected within seven years ;
- v. Internal earmarking of budgets for basic services to the urban poor ; and
- vi. Provision of basic services to the urban poor, including security of tenure at affordable prices.



JNNURM Reform Agenda

Optional Reforms

- i. Revision of bye-laws to streamline the approval process for construction of buildings, development of sites etc ;
- ii. Simplification of legal and procedural frameworks for conversion of agricultural land for non-agricultural purposes ;
- iii. Introduction of property title certification ;
- iv. Earmarking of at least 20-25 per cent developed land in housing projects for economically weaker sections and low income groups with a system of cross- subsidisation ;
- v. Introduction of computerised registration of land and property ;
- vi. Revision of byelaws to make rainwater harvesting mandatory in all buildings, and adoption of water conservation measures ;
- vii. Byelaws for reuse of recycled water ;
- viii. Administrative reforms including reduction in establishment cost by introducing voluntary retirement schemes and surrender of posts falling vacant due to retirement ;
- ix. Structural reforms ; and
- x. Encouraging public private-partnership.



Expected Outcomes

The JNNURM expects that proper application of the reform agenda combined with effective implementation of its programmes and projects will lead to:

- Universal access to a minimum level of services ;
- Establishment of city-wide frameworks for planning and governance ;
- Modern and transparent budgeting, accounting, and financial management system at municipal levels ;
- Financial sustainability for municipalities and other service delivery institutions ;
- Introduction of e-governance in the core functions of municipal governments ; and
- Transparency and accountability in urban service delivery and management.



Coverage and Pattern of Funding

The JNNURM will, in the first phase, extend to 60 cities comprising all those with population exceeding one million, state capitals and 20 other cities of religious and tourist importance. State governments have the flexibility of substituting the designated cities, with others.

With an estimated provision of Rs. 50,000 crore for a period of seven years, the JNNURM is the single largest central government initiative in the urban sector. To be given as grants-in-aid, the Mission expects that these will be used to leverage additional resources for financing urban development.



Toolkits

JNNURM funds can be accessed by eligible urban local bodies and parastatal organisations by application, to the Ministry of Urban Development, comprising:

- A City Development Plan (CDP) ;
- Detailed Project Report (DPR) ; and
- Timeline for implementation of the urban reform agenda.

A CDP provides both a perspective and a vision for the development of a city. DPRs are specific proposals in areas that are to be supported under the JNNURM, with details of the project's feasibility and compatibility with other norms and standards. The Timeline shows the schedule for the implementation of the urban reform agenda.

The Government of India will provide toolkits to enable the urban local bodies and other parastatal organisations to formulate CDPs, DPRs, and Timeline for implementation of the urban reform agenda.



Delhi Greater Mumbai Ahmedabad Bangalore Chennai Kolkata
Hyderabad Patna Faridabad Bhopal Ludhiana Jaipur Lucknow
Madurai Nashik Nagpur Pune Kochi Varanasi Agra Amritsar
Vishakhapatnam Vadodara Surat Kanpur Coimbatore Meerut
Jabalpur Jamshedpur Asansol Allahabad Vijaywada Rajkot
Dhanbad Indore Guwahati Itanagar Jammu Raipur Panaji
Shimla Ranchi Thiruvananthapuram Imphal Shillong Aizawl
Kohima Bhubaneswar Gangtok Agartala Dehradun Bodhgaya
Ujjain Ajmer-Pushkar Puri Nainital Mysore Pondicherry
Chandigarh Srinagar Nanded Mathura Haridwar Delhi Greater
Mumbai Ahmedabad Bangalore Chennai Kolkata Hyderabad Patna
Faridabad Bhopal Ludhiana Jaipur Lucknow Madurai Nashik Nagpur
Pune Kochi Varanasi Agra Amritsar Vishakhapatnam Vadodara Surat
Kanpur Coimbatore Meerut Jabalpur Jamshedpur Asansol Allahabad
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