



AMDA NEWS

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EDITORIAL

AMDA NEWS, the newsletter of Association of Municipalities and Development Authorities (AMDA), disseminates information to its members and several professional organisations and others in the field of urban development on current and emerging issues. This is the last issue of AMDA NEWS programmed for the year 2006. Our esteemed members are requested to send us information which they wish to share for the next AMDA NEWS issue of January-February, 2007.

The title of the Association changed from Association of Urban Management and Development Authorities to Association of Municipalities and Development Authorities, with acronym remaining the same as AMDA, on November 17, 2006 has been reported in this issue. In the first section on policy and strategy, we report on our National Seminar on 'Urban Governance in the Context of Jawaharlal Nehru National Urban Renewal Mission (JNNURM)' and its core and theme-wise recommendations. Some major issues of Special Economic Zones (SEZs), such as land acquisition, need for land use planning, resettlement and rehabilitation besides a brief summary of Human Development Report 2006 and first Indian Disaster Management Congress have also been reported in this section. The Union Tourism Ministry's advice to state governments to create land banks to facilitate growth in accommodation for tourists and allow for commercial use of land also finds place in this section.

In the second section on state initiatives, the initiative by Tamil Nadu government on training for elected representatives in urban local bodies governance, and new guidelines for the MLA's Local Area Development Scheme approved by the NCT of Delhi have been reported.

In the third section on city initiatives, a new management system of Greater Bangalore i.e., a more decentralised system of zone-wise management and a new law proposed to be enacted by the Karnataka State Government for Bruhath Bangalore Mahanagara Palike (BBMP) are reported. The initiative by the Cooperative Department of Delhi for multi storeyed houses for slum dwellers and the initiative by the private sector to maintain Mumbai city also find place in this section.

The final section highlights on the plan of the central government to declare the year 2007 as 'Water Year - Year for More Crop and Income per Drop', the proposed metro routes for Ghaziabad and urban population scenario projected by the United Nations for the year 2008.

We hope this issue will provide our members and other readers with valuable information on current issues of urban development. We look forward to comments and suggestions in improving the newsletter.

The AMDA NEWS is a publication of the Association of Municipalities and Development Authorities - an apex body active in providing information and capacity building support to its members.

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CHANGE OF TITLE OF "AMDA"

The Association of Municipalities and Development Authorities (AMDA) has seen many transformations since its establishment on 6 January, 1983. The Association was registered on 4 June, 1983 as Association of Metropolitan Development Authorities. The title was changed as Association of Urban Management and Development Authorities on 7 March, 2005 and finally as Association of Municipalities and Development Authorities on 17 November, 2006. The title was changed in view of the conferment of the constitutional recognition of Municipalities as defined under Article 243-P under 74th Constitution Amendment Act and to reflect the same explicitly in the title of the Association.

AMDA has been a focal point for exchange of ideas on urban planning and development. Today, AMDA is recognized for its national stature and provides partnership of municipalities with development authorities for innovative and excellence in urban research, advocacy and capacity building. At present, there are 22 municipal corporations, municipalities and councils as members of AMDA, besides 40 development authorities.

1. POLICY AND STRATEGY

1.1 URBAN GOVERNANCE IN THE CONTEXT OF 'JAWAHARLAL NEHRU NATIONAL URBAN RENEWAL MISSION (JNNURM)'

The Association of Municipalities and Development Authorities (AMDA) in collaboration with the Union Ministry of Urban Development, UN-HABITAT, HUDCO and the Development Authorities of Bangalore, Chennai, Delhi, Haryana, Punjab and Mumbai organized a two days National Seminar on 'Urban Governance in the Context of Jawaharlal Nehru National Urban Renewal Mission (JNNURM)' in Delhi on 24-25 November, 2006.

Dignitaries who graced the occasion were the Union Minister of Urban Development, Shri S. Jaipal Reddy; the Chief Minister of NCT Delhi, Shrimati Sheila Dikshit; Member Planning Commission, Shri Anwarul Hoda; Member Secretary, Planning Commission, Shri R.R. Shah; Secretary, Ministry of Urban Development, Shri M. Ramachandran; and Secretary, Ministry of Housing and Urban Poverty Alleviation, Shri Ranjit Issar.

Over 160 participants from municipalities, development authorities, policy makers, administrators and experts from national and international organisations and NGOs attended the Seminar.

The National Seminar addressed five sub-themes: Urban Planning and Governance; Cities in the JNNURM Framework – Some Case Studies; Decentralisation and Framework of Partnerships; Urban Transport and Urban Environment, Water, Sanitation and Informal Sector, besides a NGO-Interface.

The Core Recommendations of the National Seminar are as follows:

I. National Land Policy and Regional Planning and Finance Board

It is of vital importance to *develop a National Land Policy in the context of systematic regional planning, approval of a large number of SEZs*, proposals to develop new townships as well as plans to extend the territorial limits of various Urban Local Bodies and Development Authorities. The need for such a policy assumes additional significance by virtue

of the Prime Minister's emphasis on excluding prime agricultural land from acquisition for urban/industrial development as far as possible and for preparing suitable Rehabilitation Plans for the affected population where it is absolutely necessary to do so. Further, there is a vital need to develop a suitable instrument to implement this policy at the State level. It was the considered view of the National Seminar that *there should be a Regional Planning & Finance Board (RPF) at the State level for preparing a Regional Plan for the entire territory of each State, laying-down land uses for the said territory in a harmonious manner keeping in view the interests of different segments of the economy; and raising financial resources in the capital market for financing key infrastructure projects.*

II. Roles of District Planning Committee and Metropolitan Planning Committee

In keeping with the 73rd and 74th Constitution Amendment Acts, a District Plan is to be prepared at the district level by a District Planning Committee (DPC) incorporating the aspirations of both urban citizens' staying in towns and rural citizens staying in villages. Similarly, under the 74th Constitution Amendment Act, 1992, a Metropolitan Planning Committee (MPC) has to be set-up for preparing a Metropolitan Plan for the entire metropolitan area which may consist of multiple ULBs and/or development authorities. A lone Metropolitan Planning Committee has been set up in Kolkata and Kolkata Metropolitan Development Authority (KMDA) is acting as the technical arm of the Kolkata Metropolitan Planning Committee. Similar Metropolitan Planning Committees need to be set-up in other Metropolitan cities.

III. Delimitation of Functions of ULBs and Development Authorities

There is a critical need to delimit the area of activities of both Urban Local Bodies (ULBs) and Development Authorities. *In fact AMDA seeks to bridge the gap between the two organizational forms.* It is the considered recommendation of the National Seminar that *there should be one State level urban development authority with the advantage of cross subsidizing development of small townships with resources generated by sale of land in prime metropolitan cities.* The National Seminar, further, came to the conclusion that each urban local body should focus on provision of basic services within its territorial limits, whereas development authorities should develop new urban extensions as well as new townships. After a period of 15 years, each extension area should revert to the urban local body concerned and a new urban local body should be constituted in each new township developed by the State level development authority. In this manner, *development authorities should focus on development of new urbanisable areas whereas urban local bodies should administer existing townships.*

IV. In Situ Slum Upgradation

It is of vital importance to develop two specific *strategies for the socio-economic upliftment of the urban poor: one relating to inner city areas and the other relating to peri-urban areas as well as other low income neighbourhoods.* It is the considered recommendation of the National Seminar that *in situ slum upgradation combined with an incentive package for redevelopment* is the answer to converting slums into liveable areas.

V. Professionalisation of State Municipal Cadre and Urban Financial Reforms

There was a consensus at the National Seminar that there should be a State level Municipal Cadre of Officers working in different urban local bodies in each State and concerted efforts should be made for *enhancing the capacity of the said Cadre through systematic training at critical stages of each officer's career cycle*. It was also felt that various technical departments at the State level should provide some key personnel on deputation to urban local bodies for providing technical services. Further, the participants of the National Seminar highlighted *the need for systematic financial reforms in the ULBs and promotion of public-private partnerships for implementation of key infrastructure projects* by developing detailed guidelines for private involvement through a transparent bidding system.

VI. Integrated Transport Systems

Rapid transportation is the vital force of modern society. There was a consensus at the National Seminar that *there are different solutions to the transport needs of different cities but the primacy of public transport is vital for all cities*. Origin-Destination transport studies segmented according to the socio-economic profile of users, peak hour peak direction traffic (PHPDT), daily configuration of traffic demand and analysis of traffic demand in the sub-regional context are various means of developing appropriate transport systems for different cities and their rural hinterland. There is also a dire need to define and earmark transport corridors in a regional context and to develop an integrated transport system for the entire States/UTs.

VII. Urban Development Regulator

The National Seminar took note of the existence of multiple bodies at the City and State levels: District Planning Committee/Metropolitan Planning Committee, Urban Local Bodies, State level Development Authority with outposts in different parts of a State, State level Jal Nigam, Regional Planning and Finance Board and Infrastructure Corporations. It is the considered recommendation of the National Seminar that there is a critical need to create a State-level Urban Development Regulator for conflict resolution amongst the aforementioned bodies and promote harmonized land use development in each State.

The Theme-wise Recommendations are given below:

Theme – I: Urban Planning and Governance

- *The process of preparing Master Plans must be participative since it affects the lives of people staying in the city*. The norms should be sensitive to their needs and aspirations as far as possible. They should not be intrusive but supportive. However, once these norms are framed, the government agencies must have the will to implement them.
- The process of preparation of City Development Plans (CDPs) must be more inclusive with emphasis on discerning the felt need of the poor. This is only possible when Ward Plans are prepared first in consultation with RWAs and neighbourhood groups and the City Plan thereafter. In a nut-shell, planning should move from the base to the apex.
- At the Urban Local Body level, *'spatial, economic and social planning'* must be made a function of the city governments as per the

74th Constitution Amendment Act, 1992. The District Planning Committee (DPC) and Metropolitan Planning Committee (MPC) envisaged under the 74th Amendment are useful instruments for integrating the works of ULBs and *Panchayati Raj institutions* with Development Authorities. In short, there must be a confluence of two streams: macro Regional Planning and infrastructure focussed Functional Planning by a State level Regional Planning and Finance Board (RPF) on the one hand and preparation of District Plans and Metropolitan Plans by DPCs and MPCs respectively and preparation of Master Plans/ Project Plans by ULBs on the other.

- A comprehensive land policy should be developed with alternate models relating to land assembly and disposal, and private and cooperative.
- There is a need for inclusion of disaster management plan of cities in the CDPs under JNNURM.

Theme – II: Cities in the JNNURM Framework – Some Case Studies

- *Urban reforms are intrinsic for the success of the JNNURM* since urban infrastructure must be made financially sustainable.
- The JNNURM is going to facilitate a massive investment in basic infrastructure development. This investment must be made in the context of environmental impact assessment and other spatial implications.
- One of the significant deficiencies of the JNNURM is that it looks at cities as independent entities and not in the context of the urban agglomerations and surrounding villages. There was general consensus that Regional Planning must be taken on board and there should be symbiotic development

between the city and its rural hinterland. This will be possible if Regional Plans are prepared at the State level by an appropriate State level authority – perhaps a State Planning and Development Board – and macro concerns of plans are undertaken by this body.

- The CDPs must be seen as an evolving instrument and entails progressive revision. This will have implications for revising the toolkits. There must be a close relationship between CDP preparation and Master Plan design in order to strengthen CDPs with the legal backing of Master Plans. While revisions are made in the toolkits, the Urban Development Plan Formulation and Implementation (UDPFI) Guidelines of the Ministry of Urban Development must be kept in view.
- It is essential to link the potential of NGOs both in social mobilization and in the field of analysis for preparing CDPs.

Theme – III: Decentralisation and Framework of Partnerships

- The 12th schedule of the 74th Amendment refers to Water supply, Public Health, Fire Services, Slum Upgradation, Poverty Alleviation, Parks and Playgrounds, promotion of culture and aesthetics and maintaining vital statistics besides urban planning. These elements must be integrated into the JNNURM.
- The nature of the Modern State in terms of functional specializations is quite complex and the role of municipalities and organizations that dot the urban landscape was discussed in this context. A suggestion was made that the Mayor-in-Council System of Municipal Governance may be examined. The consensus which emerged was that the 74th Constitution Amendment Act, 1992 provides an excellent basis for urban reforms which

should strengthen the will to implement it effectively and should be promoted amongst all tiers of government and civil society.

- The role of Urban Development Authorities, Jal Nigams, unbundled power provision bodies and other parastatals was discussed. The view that emerged was that a State level urban development authority, unbundled power bodies, a State level Jal Nigam and a State level unified transport body have a useful role to play in terms of bulk supply and transmission for the whole State and transport planning and development of inter-state, inter-district and inter-city transport corridors. It was felt that there should be one State level Urban Development Authority with the advantage of cross subsidizing development of 'new areas' located in the interior of the State by income from 'new areas' located in the proximity of large cities. It was also felt that there should be a State level Regional Planning and Finance Board (RPF) for preparing a Regional Plan and Functional Plans relating to infrastructure development on the one hand as well as tapping the capital market with view to raising financial resources for large infrastructure projects on the other hand. Further, there should be a State level Urban Development Regulator for conflict resolution amongst the aforesaid bodies.
- In relation to local government finance, the participants of the National Seminar expressed concern over the low devolution of finance from the State level to the local level. Further, it was emphasized in the National Seminar that such finances are devolved only in the 3rd and 4th quarter of the financial year. There was a consensus that urban local bodies must improve their collection capacity with reference to Property Tax and other levies to at least 80 per cent. Moreover, user charges should be increased gradually and the incidence should be use-range-based with, for example,

guzzlers water like hotels paying a higher tariff. Further, the issue of continuance of octroi in Maharashtra and Gujarat and its beneficial effect on their finance was examined and it was felt that the abolition of octroi should be re-examined. In case, octroi was abolished only for making our goods more competitive in the international market, a way for providing tax remission benefit can be examined. Similarly, it was felt that most of the levies at the ULBs level do not have the potential to grow rapidly with development. It was felt that in case Service Tax can be put exclusively in the ULB fold, necessary buoyancy of ULB revenues can be developed.

Theme – IV: Urban Transport

- Emphasis should be laid on the Public Transport System as distinguished from transportation system for private vehicles. Public transport system should integrate different modes like BRT, NMT, MRT and light rail/mono rail.
- The urban roads spatial system should be equitable providing space for all stakeholders.
- There should be a unified Metropolitan Transport Authority.
- Special emphasis should be laid on the capacity building of service providers.

Theme – V: Urban Environment, Water, Sanitation and Informal Sector

- The NIUA study of 300 cities and towns conducted in 1999 shows that per capita water supply availability ranges from moderate to low beginning with largest city and moving towards smallest city. There was a consensus that provision of basic services should be equitable. Emphasis should be laid on urban reforms in relation to 100 per cent recovery of

O&M charges earmarked for developing plans for EWS and services for all.

- Sectoral reforms are required in the water, sanitation and sewerage, solid waste management and power sectors. These should be integrated with the JNNURM. Environmental Protection Act in the amended form should be properly implemented.
- Rational market based policies and regulator and administrative policies and programmes should be framed for environmental management.
- Cooperative based approach to provision of dwelling units to the urban poor should be followed. The community mortgaged system of Philippines is a useful example.
- Water demand management in terms of control of leakages and action against illegal connections is very essential since water losses in many cities are around 50 per cent.
- Public-private participation should be encouraged *in situ* slum upgradation. Cooperative Group Housing is also a very fine instrument for provision of housing to EWS, LIG and MIG groups.

NGO Interface

- NGOs can play a vital role in urban development by serving as a bridge between the government and the poor. The JNNURM stipulates active public participation in the preparation of CDPs. Good NGOs can ensure this active participation on account of their links with the people in general and the urban poor in particular.
- In the process of providing basic services to the urban poor, the legal status of the colonies in which the urban poor live is of critical

importance. Detailed guidelines need to be included in the toolkit of the JNNURM for laying down the road map and process whereby an unauthorized colony can be converted into an authorized one.

- NGOs can play a significant role in mapping the socio-economic characteristics of the urban poor living in inner city areas, peri-urban areas and other areas. An analysis of the socio-economic background of the urban poor is vital for designing appropriate strategies for their socio-economic upliftment.
- NGOs can also play a significant role in the implementation of various specific projects under JNNURM.

1.2 SPECIAL ECONOMIC ZONES (SEZS) – SOME ISSUES

Land Acquisition

Till the end of October, 2006, 237 formal and in-principle approvals for SEZs were accorded including 63 notified and 164 in-principle approvals. Translated into physical term, the approvals would require over 1,10,000 hectares of land. SEZs are no longer points of academic discussion. Land acquisition for SEZs is already a contentious issue. Acquisition of farmland for developing SEZs in recent past has faced strong opposition. The case for a uniform land acquisition policy with resettlement and rehabilitation aspect has appeared very strongly than before.

At a recently concluded Congress Chief Ministers' conclave in Nainital, Congress President, had cautioned against the diversion of farm land for non-agricultural uses. Prime agricultural land should not normally be diverted to non-agricultural uses, she said. Prime Minister has said to workout a suitable rehabilitation policy.

The Union Minister for Commerce and Industry has written to State Chief Ministers to set up SEZs only on waste land and non-agriculture land. If fertile land had to be converted into SEZs, it should not form more than ten per cent of the total area while the balance 90 per cent must be single crop, waste and barren land. Since land is a state subject, state governments have to decide the mix. The Board of Approval (BoA) for SEZs has made it mandatory that no proposal for setting up of SEZs on prime agricultural land be cleared.

Resettlement and Rehabilitation

The Ministry of Rural Development has put together a model resettlement and rehabilitation (RR) policy. The Table below indicates how some of the states go about rehabilitation policy.

REHABILITATION POLICY IN SOME STATES			
MAHARASHTRA	MADHYA PRADESH	UTTAR PRADESH	ORISSA
<ul style="list-style-type: none"> • An Act formulated for rehabilitation of affected people in 1976, amended in 1986 • Compensation must be completed before a project takes off at or marginally lower than market rates • Compensation for the displaced is at replacement costs with housing rights • Nineteen amenities for the displaced are assured • 5% reservation in all new government jobs • Has set up a special task force under the RR Minister for SEZs which are paying cash compensation sans resettlement benefits 	<ul style="list-style-type: none"> • No separate rehabilitation policy but under the Gujarat funded package for the Sardar Sarovar Project, the state provided cash for land and civic amenities in resettlement colonies • Following Narmada tribunal award, provides both compensation and land rights to the displaced. Landless farm labourers get 2 hectares, joint holders and major sons are co-sharers of compensation • No indication of a separate policy on SEZs but the Chief Minister is reportedly against acquisition of farm land for industrial projects 	<ul style="list-style-type: none"> • Since August 2004, has been following Centre's National Policy on Rehabilitation and Resettlement 2003 • Makes one-third payment equal to 750 days' minimum wages to those who lose entire land, 500 days' minimum wages to those rendered marginal farmers due to partial acquisition • Gives dwellings and other rehabilitation benefits until the full payment of compensations • Has suspended the earlier policy of land-for-land or land-for-house due to non-availability of land 	<ul style="list-style-type: none"> • Its rehabilitation policy, which was introduced in April 2006, is said to be the best in the country • The policy is modelled around the advice of United Nations Development Programme • It ensures job for at least one person from every displaced family, Rs.1.5 lakh for building a new house, Rs.10,000 as shifting costs and compensation in lieu of job • One of the radical features of the state's rehabilitation policy is that those displaced can also opt for shares in the company

Need for land use planning for the right SEZ

'Prime agricultural land' is a national asset. It is termed as 'prime land' precisely because it has the inherent capacity to produce more than other land. The reason why agricultural land is used for non-agricultural purposes should be examined carefully. The land use policy guidelines approved by the 'National Land Use and Waste Land Development Council' in 1986, have a clause that states, urban policy must be restructured so as to ensure that highly productive land is not taken away. Town planning should also provide for green belts.

Kerala is the first state to have a Land Use Act, empowering the government to prevent the holder of land from using it to cultivate anything other than food crops, or for any other purposes. This was necessitated because of the large-scale conversions of paddy lands to plantation crops for economic gain. Similarly there are legislations like the Karnataka Act 31 of 1974, which deal with the issue of the conversion of land use from agriculture to non-agriculture. But its approach is largely revenue-oriented. It may be useful to state that not all land in India is cultivable. Therefore, if cultivable land is put to industrial use, we lose out on the chance of ever using it for agricultural purposes again. That is why it is important that SEZs should not take away more cultivable land but instead be used as a tool for creating more town centres in the hinterland and thereby encouraging more balanced and sustainable economic development. The prime agricultural land around our cities need to be identified through scientific survey and be declared as protected land.

Source: *Hindustan Times*, September 26, 2006, *Indian Express*, Nov. 16, 2006 and *India Today*, Feb. 5, 2007 Issue.

1.3 HUMAN DEVELOPMENT REPORT 2006

The Human Development Report (HDR) 2006 of the United Nations Development Program (UNDP), entitled 'Beyond Scarcity: Power, Poverty and the Global Water Crisis', gives India a pat on the back for being on track to meet the Millennium Development Goal (MDG) of halving the number of people without access to clean water by 2015. However, as the report points out, India is behind its target for halving the number of people without access to sanitation by that date. Lack of clean water and sanitation facilities is not only a result of poverty, but they also perpetuate and exacerbate poverty. For instance, water-related

diseases lead to a loss of productive workdays and result in heavy expenditure on health services. The extent of the problem can be gauged from the fact that at any given time, nearly one in three Indians suffers from water-borne diseases. The report said 30 per cent of Indian children in the 0-6 age group died because of water-borne diseases.

SPECIAL TOURISM ZONES AND ENERGY SEZ

The Government is borrowing the SEZ idea to plan Special Tourism Zones (STZs). The National Tourism Advisory Council of Tourism Ministry, has made some strong recommendations on the lines of SEZs. Some states including Haryana and Kerala, have already evinced interests for STZs. The concept includes:

- *STZs be located in tourist destinations, cities, along the coastline*
- *Government should provide single window clearance*
- *100 per cent tax exemption for a period of 10 years*
- *Each STZ should be able to provide 2,000 to 3,000 hotel rooms*
- *Facilities for shopping, entertainment*
- *Exemption from import duty on capital goods*
- *Withdrawal of luxury tax, lower VAT etc.*
- *Exclusive NRI tourism zones or elite world zones for high end global tourists.*

Likewise the Ministry of New and Renewable Energy will soon approve the country's first dedicated special economic zone (SEZ) for renewable energy and expects an investment of \$2 billion in the first phase of the project. States that have evinced interest in the Energy SEZ are Maharashtra, Tamil Nadu, Karnataka, Andhra Pradesh and Madhya Pradesh. The potential of an Energy SEZ (ESEZ) is due to increasing demand for equipment and other material required for tapping renewable energy sources. Besides, ESEZ would create world-class infrastructure and provide a platform for technology providers and manufacturers to showcase renewable energy products to potential customers around the world.

Source: *Indian Express*, November 7, 2006.

HDR 2006 speaks of Delhi's sordid underground. A large proportion of the city's 5,600 km of feeder sewers are silted and less than 15 per cent of the trunk sewers are functioning. The 17 sewerage plants that serve the city have the capacity to process less than half the waste produced, and most operate far below their capacity. The result is less than a fifth of the city's waste is processed before it is dumped into Yamuna, transmitting risks down stream. HDR-2006 points out that almost half of Mumbai's population lives in slums and these residents do not even figure in municipal data. Similarly, in Chennai, the average supply of water is 68 litres a day, but areas relying on tankers use as little as 8 litres.

The sanitation facilities in various towns and cities of the country need to put in place a system that delivers. It is crucial that the country in terms of public policy internalises the value of sanitation and focus immediately on the category of people most vulnerable to poor sanitation, namely, children.

To break the vicious cycle of poverty and water/sanitation deficit, governments need to invest in better water/sanitation facilities. To make the most of its favourable demographics, it must also ensure adequate human resource development and an enhanced standard of living, for which provision of clean water and sanitation are prerequisites. The report recommends an annual expenditure of 1 per cent of the GDP, and also calls for enhanced international aid. Further, it urges governments to make water a human right, and to systematically integrate water/sanitation into overall development policies. This, however, requires a paradigm shift at the policy level. For instance, India's prevailing subsidies structure and general infrastructure deficit, which entail the poor spending much more on water than the rich, will have to be changed. Overdrawing of groundwater as a consequence of free or subsidised power needs to be checked.

The Union Minister for Water Resource has proposed to give financial incentives to the states to update the age-old water purification technology with the best global practices, in a bid to provide safe drinking water. Money for improving water quality is being provided under different schemes of the ministries of urban development, environment and forests, health and rural development.

Source: *Hindustan Times*, Editorial, November 10, 2006, *Hindustan Times*, November 15, 2006 and *Indian Express*, Nov. 15, 2006

RE-CLASSIFICATION OF INCOME GROUPS

The Union Housing and Urban Poverty Alleviation Ministry has proposed re-classifying the income limits to define various economic groups. According to the new classification:

- Economically Weaker Section (EWS): less than **Rs. 3,200** (earlier Rs. 2,500)
- Low Income Group (LIG): **Rs. 3,200 - Rs. 7,000** (earlier Rs. 2,500-Rs. 5,400)
- Middle Income Group (MIG): **Rs. 7,000 - Rs. 11,000** (earlier Rs.5,400 -Rs. 9,920)
- High Income Group (HIG): above **Rs. 11,000** (earlier above Rs. 9,920)

The rationale of this re-classification is the government's desire to provide affordable housing to the millions of urban poor without a home of their own. To turn this into reality, the government plans to offer housing loans at low interest rates to those with an annual income of less than Rs 1 lakh. Under the new categorisation, all EWS and LIG families would be eligible for such loans. The Ministry, while acknowledging that no bank offers home loans to EWS and LIG households and the prevailing interest rates were in any case out of reach of the poor, proposes to give an interest subsidy of 5-6% on home loans for these sections.

According to government estimates, the scheme will cost around Rs 15,000 crore during the 11th Plan period and it will be implemented through nationalised banks across the country. The proposal, if it gets the finance ministry's approval, will benefit some 39 million poor families living in slums in cities around the country. Out of the total housing shortage of 24.71 million expected at the beginning of 2007, 17.9 million will be in the EWS category followed by 6.29 million in LIG category. For the MIG class, shortage will be 0.45 million while the HIG category has zero requirement.

Source: *Times of India*, December 17, 2006

1.4 FIRST INDIA DISASTER MANAGEMENT CONGRESS

The Prime Minister called for a paradigm shift in disaster management from a 'relief-centric' and 'post-event' response, to a regime that lays greater emphasis on preparedness, prevention and mitigation while inaugurating the first Indian Disaster Management Congress at New Delhi on November 29, 2006. He declared the Government's commitment to develop a robust disaster management system, in close collaboration with the corporate sector, community-based organisations and the scientific and academic community. He emphasised the need for better support structures, which could make the responses to disasters more efficient, rapid and effective. He stressed the need to further strengthen and empower local administration with information, experience, logistics and other support in dealing with disasters.

He highlighted that the passage in Parliament last year, of the first ever national legislation on Disaster Management was an important step that represented India's resolve and determination to respond in a more scientific manner to disaster-related problems. This legislation has put in place a dedicated and exclusive mechanism at all levels - National, State and District - to engage in a holistic, integrated and continuous manner with the process of Disaster Management. This mechanism is extremely useful in developing capacities to cope with disasters, prepare plans for disaster prevention and management and keeping all systems in readiness for a rapid and quick response. He said that there is a need to further strengthen and empower local administration with information, experience, logistics and other support in coping with disasters.

He further stressed that disaster management should also be humane, apart from being efficient.

Such a humane policy must pay due attention to the needs of children, senior citizens, women, disabled persons and weaker sections of society. Equally, it must ensure that in a post-disaster situation, the affected communities are assured sustainable livelihoods, and they are assured of a reduced vulnerability to future disasters. Accountability, people's participation, predictability and transparency will, therefore, have to be key features of such a policy.

Source: Spatio-Economic Development Record, Vol. 3, No. 6, November-December, 2006

1.5 GOVERNMENT ASKS STATES TO CREATE LAND BANKS

The Union Tourism Ministry has advised state governments and land owning agencies to create land banks to facilitate growth in accommodation and allow for more commercial use of land, in view of insufficient hotel rooms for tourists and business travellers. The Centre is advocating land banks and amendments in land policies to allow for higher floor area ratio. The model that the Ministry is considering is to buy land from these agencies at a nominal rate and give it to the private sector on lease.

The railways have a system by which they give land on long lease and the private player who has the responsibility of running the venture must ensure that it earns profit every year. The profit must increase by 10 per cent every year failing which the lease stands cancelled. India has a poor inventory of hotel rooms. The poor accommodation status is one of the major reasons for turning away tourists during the peak season. Foreign tourists also complain that unless booked well in advance, a visit to India proves far too expensive as hotel rooms are booked several months ahead.

The Ministry also plans to simplify procedures by having a single-window clearance for such projects. State governments have also been advised to lease assets like accommodation units, catering and other tourist facilities.

The plan gains urgency in Delhi as the Ministry must create accommodation to the tune of 1.4 lakh rooms for Commonwealth Games in 2010. Under the land bank scheme, Centre plans to enter into public-private partnerships with state governments and land owning agencies like Delhi Development Authority (DDA) and Land and Development Office (L & DO) in Delhi.

Source: Times of India, December 19, 2006

2. STATE INITIATIVES

2.1 TRAINING FOR ELECTED REPRESENTATIVES IN URBAN LOCAL BODY GOVERNANCE

The Municipal Administration Department of Tamil Nadu has launched an orientation programme for elected representatives and officials at different levels to effectively meet the challenges of decentralised, democratic and participatory urban local body governance under the 74th Constitution Amendment. The three-phase training began on December 4, 2006 assumes importance, since many of the 4000-odd newly elected representatives are first-time councillors. The first phase will conclude in March 2007. One of the objectives of the programme is to make them aware of the constitutional provisions and the relevant Acts, rules, government orders, directions, guidelines and circulars related to governance.

Local Administration Minister released four training manuals for mayors, deputy mayors and councillors of corporations, chairpersons and vice-chairpersons of municipalities, municipal councillors and women representatives.

The Tamil Nadu Institute of Urban Studies in Coimbatore has completed the orientation programme for mayors and deputy mayors and chairpersons and vice-chairpersons. For others, the training is conducted in Chennai, Madurai and Tiruchi. Aspects including the background of local self-governments in the State, evolution of municipal administration, acts and regulations, the 74th constitution amendment empowering the urban local bodies, powers and responsibilities of municipal councils and elected representatives, finances and functions of the local bodies are highlighted. The importance of municipal service, new and innovative approaches, e-governance, solid waste management, good governance, environment protection, poverty alleviation and the Right to Information Act are also stressed.

For 1,600 women representatives, the training is extended for one more day to sensitise them to their socio-economic status, gender ideology, legal protection, child labour, decision-making and government schemes.

Source: The Hindu, Chennai edition, December 25, 2006

2.2 MLAs' LOCAL AREA DEVELOPMENT (LAD) SCHEME

New guidelines for the MLAs' Local Area Development Scheme were approved by the NCT of Delhi Cabinet on December 11, 2006. Following the Cabinet meeting, the Chief Minister announced that the earlier guidelines had been revised to make them more workable and enhance the pace of developmental works recommended by the MLAs. With this, the scheme can now also be converged with the central government, state government and local body plan schemes.

The meeting also decided to permit 15 per cent of the MLALAD funds on maintenance work. Apart from this, the earlier restriction on use of plan schemes has also been dispensed with. The MLALAD Scheme was started in 1994-95 when the fund under the scheme amounted to Rs.1 crore per MLA per year. The limit was increased to Rs. 2 crore in the year 2004-05.

Source: *The Hindu*, December 12, 2006

3. CITY INITIATIVES

3.1 DECENTRALISED ADMINISTRATION

Greater Bangalore will see 'a more decentralised' system of zone-wise management. It will have eight zones as against the present three - East, South and West. Each zone will be headed by a Deputy Commissioner.

Enforcement in respect of violation of building or advertisement bylaws, encroachment of footpaths, vacant properties etc., is given special emphasis. The enforcement wing in the zones will be headed by an officer of the rank of Superintendent of Police. Besides enforcement, issues with respect to some 15 other services too will be addressed at the zonal level. This implies that there will be no need for the citizens to contact the head office with respect to these issues.

The new zones are i) Byatarayanapura, ii) Mahadevapura, iii) Bommanhalli, iv) Rajarajeshwari Nagar and v) Dasarahalli. Each zone will have following departments: Engineering, Revenue, Health, Sanitation, Public Grievance Cell, Accounts, Horticulture, Electrical, Town Planning, Enforcement, Welfare, Advertisement and Market, Estate, IT, Law.

Source: *Deccan Herald*, Bangalore edition, Dec. 14, 2006

3.2 A NEW LAW FOR GREATER BANGALORE

The Karnataka State Government has decided to enact a legislation exclusively for the proposed Bruhath Bangalore Mahanagara Palike (BBMP), under which seven City Municipal Councils. One Town Municipal Council and 111 villages in the periphery of the city will be merged with the existing 100 wards of Bangalore Mahanagara Palike (BMP).

The existing Karnataka Municipal Corporation (KMC) Act, which governs the administration of all municipal corporations in the State, including Bangalore Mahanagara Palike will not be applicable to the proposed BBMP.

As the administrative set up under Greater Bangalore will be entirely different from other city corporations, there is a need for a separate Act as there are many problems that are confined to Bangalore alone. The government through the new legislation is planning to address many of the problems that are in the way of BBMP, in one go. It may be increasing the number of wards, from 100 in BMP to 148 in BBMP or fixing the service charges, fixing property tax rates etc.

Source: *Deccan Herald*, Bangalore edition, December 14, 2006

3.3 MULTI-STOREYED HOUSES FOR SLUM DWELLERS

The Cooperative Department of Delhi on December 7, 2006 registered four separate group housing societies for the slum dwellers. They would be provided accommodation in multi-storeyed housing societies. The initiative is part of the "Beautify Delhi" campaign. Four slum clusters were picked up for the new scheme. Two of these are located in Chanakya Puri, where the cost of real estate is one of the highest in the country. The other two are located at Kirti Nagar

in West Delhi and behind Fleet Street at 1TO.

There would be 150-200 members in each of these societies and the cost of each one-room flat would come to around Rs 1.55 lakh. The work would be entrusted to the Delhi State Industrial and Infrastructure Development Corporation (DSIIDC) as it has shown its competence in constructing low-cost houses. 41 slum clusters for relocation have already been identified. A six-member sub-committee has also been constituted to locate the slum dwellers for rehabilitation in other such cooperative group housing societies to be registered in due course. Of Rs.1.55 lakh, Rs. 55,000 will be provided by the government (both central and state), Rs.10,000 by the beneficiary and Rs.75,000 by HUDCO through a soft loan of 20-year duration. The Delhi government is trying to convince the Centre for the payment of the remaining amount.

To make Delhi slum-free, the Urban Development Department has already written to the Centre for permission to construct 26,000 flats in one year and around 1.5 lakh flats in the next five years. The government plans to carry out its construction on *gram sabha* land on the outskirts of the city through the DSIIDC.

Source: *The Hindu*, December 8, 2006

3.4 PRIVATE SECTOR WANTS TO MAINTAIN CITY

Corporate social responsibility is set to become a reality, as private firms with offices in Mumbai get ready to adopt the city's 24 wards and help with their upkeep. The first to benefit from the Corporate Ward Adoption Programme (CWAP) will be the K-East ward in Andheri (East). JP Morgan has decided to partner United Way of Mumbai (UWM), a non-governmental organisation, to help maintain this locality. Companies like Lotus Mutual Fund, Ernst & Young, Franklin Templeton, Kuoni Travels, Tata AIG Life Insurance, 1CICI Bank, Citibank, AT

Kearney, Barclays Bank, and Hyatt have taken interest to maintain the city.

In the initial stage, the CWAP entails setting up a ward office, which will act as an information hub. Here, citizens can get or give information on civic issues like traffic pollution, sanitation, gardens, waste management, broken pavements, and slum cleanliness. The office will act as the nodal agency in coordinating efforts to mitigate the problems of the ward.

When the city was flooded last year, the CWAP helped with disaster management. The CWAP has decided for a long-term and systemic approach.

Source: *DNA*, Mumbai, December 15, 2006

4.0 NEWS IN BRIEF

4.1 2007 AS WATER YEAR

The Centre plans to declare 2007 as 'Water Year'- 'Year of More Crop and Income per Drop of Water'. The Union Ministry of Water Resources has accepted a suggestion to this effect and will soon approach the Union Cabinet for approval.

This was a recommendation of the Advisory Council on Artificial Recharge of Ground Water. The suggestion came from a Council Sub-Committee in its report in October 2006. The idea was to create awareness about the uncommon opportunities available with the technologies on the shelf for increasing the productivity and profitability of agriculture. It is proposed that starting with *kharif* of 2007, about 5,000 Farmer Participatory Action Research Programme be initiated with appropriate agricultural universities, Indian Council of Agricultural Research Institutes and International Crops Research Institute for



Semi-Arids. Fifty such institutions will be responsible for jointly organising with farm families 100 Action Research Programmes each. They will together demonstrate how to increase yield and income per drop of water through generating synergy among water, variety agronomic practices, particularly relating to macro and micronutrients in the soil, and implements.

Each programme will cover a minimum of one hectare and is estimated to cost about Rs. 50,000. The total cost of the 5,000 Farmer Participatory Action Research Programme is, thus, estimated at Rs. 25 crore, for which the Ministry will seek budgetary provision in 2007-08. The programme will be implemented in a participatory mode with the farm family having a sense of ownership of the programme. Well-planned Water Literacy Drive will also be undertaken as part of the programme.

Source: *The Hindu*, December 27, 2006

FIFTY PER CENT PEOPLE IN CITIES BY 2008

The world's urban population is poised to surpass the rural total for the first time in history. One UN estimate says August 16, 2008, will be the day the shift will happen, with the urban population expected to overtake the rural total. Officials admit that the data is based on projections and incomplete censuses. More and more people are moving to the world's cities and this population shift promises to usher in an urban age - 6,000 years after the first cities emerged in Mesopotamia and the Indus Valley.

By 2030, two-thirds of people will live in cities. By that year, more than half of all Africans will live in cities, making up a larger population than the whole of Europe. The date of the overall shift may still be under debate but experts say the change is inevitable. This population shift will lead to a new kind of city - mega cities with more than 10 million people will soon be eclipsed by hyper cities with more than 20 million people.

Source: *Times of India*, December 13, 2006

4.2 METRO ROUTES FOR GHAZIABAD

The Ghaziabad Development Authority (GDA) and the district administration have finalised three corridors for the Metro rail, totalling 33 km. The cost of the entire project will be about Rs 3,300 crore. The three proposed routes are:

Route I: From Anand Vihar to Vaishali, the Metro will also run from Vaishali via Indirapuram to Noida's Sector 62.

Route II: From Sector 62, the Metro rail will go to the upcoming Hi-Tech city and Integrated city.

Route III: From Shahdara to Ghaziabad's new bus terminal

A new road is being built on the Grand Trunk Road, connecting the Hindon Bridge to NH-24 via Indirapuram. Private investment is also being sought for development of scientific and aesthetically pleasing dividers on the city roads and crossings.

Source: *Times of India*, December 2, 2006

*AMDA wishes a very
warm and prosperous
New Year to
all its members and
readers*

GUEST HOUSE AND CONFERENCE FACILITIES

AMDA has a Guest House in its building at 7/6, Sirifort Institutional Area, August Kranti Marg, New Delhi 49. The basic aim of running the guest house is to provide accommodation facilities to the officers of Member organizations who visit Delhi. The Guest House has 10 Air-Conditioned rooms i.e. 3 single bedded, 5 double bedded, 1 tripple bedded and 1 four bedded. All the rooms have attached bathrooms with 24 hour hot/cold water supply. There is one common sitting/dinning lobby where a Colour T.V. has been provided. The Guest House also has one Kitchenette to provide bed tea/coffee to the occupants. Breakfast / lunch / dinner can be arranged on request. Good quality restaurants are situated at 5-minute walkable distance. The **REVISED TARIFF** for the Guest Rooms (w.e.f. August 1. 2006), is as under :-

GUEST HOUSE TARIFF

S. No.	Category of Members	Occupancy			
		Single	Double	Triple	Quadraple
1	External Guests (subject to availability of accommodation)	650	900	1050	1170
2	AMDA members and their staff on duty and authorised guests	325	450	525	585
3	ASRTU members (while on official duty)	490	675	790	880

CONFERENCE ROOM TARIFF

S. No.	Category	Full day (09.00 hrs to 19.00 hrs)		Half day (09.00 to 14.00 hrs) or (14.00 hrs to 19.00 hrs)	
		Working days	Holidays	Working days	Holidays
1	Non-member organisations	2,000/-	2,500/-	1,335/-	1,670/-
2	AMDA members	1,000/-	1,250/-	675/-	835/-
3	ASRTU	1,500/-	1,875/-	1,000/-	1,250/-

CONFERENCE ROOM FACILITY

Overhead Projector : Rs. 500/- per day L.C.D. Projector : Rs. 2,000/- per day
 Not : The damages, if any, caused to OHP Projector and the LCD Projector will be got rectified by the user/organisation concerned.

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