National Workshop on Independent Review of JNNURM

The National Workshop on Independent Review of JNNURM was held at Board Room, Tata Institute of Social Sciences, Mumbai on 27th November, 2012. The participants were welcomed by Prof. Amita Bhide. The Workshop got underway after a round of introductions from the participants.

On the project

Kirtee Shah explained the idea of Independent Review Project of JNNURM. He felt that there was a need to increase the pace of work as discussions on the project between SOHS and INHAF and had begun almost nine months earlier on March 2012. He thanked SOHS for hosting the workshop and finding internal funds for the initial phase. He thanked other participants for participating and contributing to the deliberations in the workshop. He said the basic premise for this review was that as civil society, professionals and concerned citizens it was our duty to modify and improve the structure of JNNURM-2. He explained the necessity for undertaking this exercise.

JNNURM -2 is expected to have an outlay of around Rs.2,00,000 crores. JNNURM-2 would end around 2020, when it is time for next census. If programme does not make an impact it is expected to lead to rise in problems of cities and urban agglomerations which are expected to more people towards them. The underlying assumption of the project is that JNNURM-2 is not based on learning from JNNURM-1. According to him, JNNURM-1 was not a glaring success it was meant to be.

The project will put together individuals and organisations in a loose coalition, weld them together and work together and do some kind of organisation building. It will look into JNNURM in a systematic and scientific manner through a 5 step process.

5-Step Process for the Project

1. The first process is to study whatever material is there on JNNURM-1 from government, private sector, academic institutions and civil society groups. Studying everything in detail would require a lot of resources so we have to learn from what exists.

2. The second process is to undertake spatial fill gap studies that throw light on areas where we have not been able to learn from secondary literature.

3. The third process is to organise public hearings, workshops, seminars, discussion groups, involve wide group of stakeholders and learn from them and take strategic decisions.

4. The fourth process is to build a project support constituency consisting of MPs, MLAs, academic

institutions and media.

5. The fifth process is to undertake systematic and strategic suggestions for improving design of JNNURM-2 by carrying out advocacy at Central government, Planning Commission, state and local government level.

Our ambition should be to make good impact through sustained advocacy. It should generate dialogue and bring concerned professionals and NGOs together. This process should be build a nucleus of people as a think tank for urban issues as urban areas are going to be critical in future of India.

The challenges to the project include developing a proper focus and strategies to achieve the objectives, building a team of professionals, ensuring quality work and raising resources in form of funds.

Discussion

Immediate Intervention

Initial questions were asked by Uma and Sharad about timing and scope of the project. Both Uma and Sharad felt that JNNURM-2 was going to be launched soon and intervention through advocacy will have to be made immediately before the design of JNNURM-2 is frozen.

Kirtee felt that we will be heard if we bring good quality of work, build a network and carry states and cities with us, that we should attempt to make an impact as no one wants another report. Sharad enquired about being a part of TAG so as to be heard by policy makers.

Uma cautioned the participants that in JNNURM-1 things that came later had no impact, advocacy impact you can make only when the programme is structured.

Prasad felt a major issue with JNNURM-1 was rigid structure of funding.

Alternative Hypothesis

V.Phatak felt that as appraisal of JNNURM was over (Grant Thorton Report), we need to develop a hypothesis from existing material. JNNURM is neo-liberal in its underpinnings. Do we want to change this?

Process of preparation of CDP's have not been participatory, Do we want more participatory processes? Do we want a vision driven or problem solving investment process? In his own opinion, a problem solving investment process is more effective.

He also advocated for a finance commission model, let states and cities decide on how to spend to achieve certain outcomes.

He felt that we need to develop some concrete hypothesis on alternatives so that we can quickly do the

empirical work which can develop as ideas for JNNURM-2.

Neelima said that we need to intervene timely and strategically, otherwise it will not serve purpose, Can we evaluate what was not there in a larger structured way, how it can be enhanced, only investment support is that enough?

Souvanic Roy said that we need to bring first all reviews of JNNURM done so far together. Further, he felt that critical gaps have been identified such as UIG projects leading to dislocation of people and fragmentation of different components of BSUP. UIG is considered as investor friendly and BSUP is considered as people friendly. However, Investment friendly can be people unfriendly.

He felt that we have collective wisdom to bring out concrete suggestions right away. He pointed out that RAY has boiled down to pilot projects. We need to share information across email and share our findings with media to create a pressure group.

Amita felt that regarding scope, timeline and processes followed, questioning the investment programme and move to alternatives, an understanding of insights from the different roles that participants in JNNURM had would be useful.

Advocacy driven Project

Subodh after hearing the initial set of comments felt that nature of activities in the project will have to be changed. It should be a advocacy driven project with 2 or 3 months of research. We still needed to define our advocacy objectives.

Secondly, he said that we needed to argue that government cannot cast anything in stone in JNNURM-2 because it did not do groundwork and must pressure it to keep design fluid. We must accept that JNNURM-2 will be announced as 2014 elections is a fait accompli. Another point was that there were several weak points in JNNURM-1 which have to be answered in JNNURM-2.

He felt that processes outlined by Kirtee Shah can run in parallel. Since, social audit process was botched, a nation wide social audit project can be undertaken. He suggested the name of India Urban Equity Alliance for the network which would carry out social audit and public events. Organisations like TISS can use internal funds for assessment.

He felt that there was no need to wait for centralised funding. Some agencies would give money for social audit and public campaign. Lot of work has already been done at level of academia, policy and civil society organisations. He emphasised that content must be comprehensive, indepth and analytically sound which cannot be wished away or sound rhetorical. He pointed out that using same neo-liberal language does not force you to compromise on your values.

Sulakshana Mahajan said that sector wise her experience was limited to Thane. They quickly grabbed funds but outcome is doubtful. Project was of 30 crores, not a single appraisal has taken place, Thane municipal corporation did not listen to us and pushed a ready made project.

Amita pointed out that there were different ways to look at alternatives. One was as a grand design with a response to the processes. Other is looking at different sectors, alternatives within sectors, we are still grappling with this issue. Amita felt that it was better to look at processes rather than sectors. Neeta also felt that we need to question the process and same was elaborated in the concept note.

Experience of JNNURM

Prasad said that from his experience of a JNNURM nodal agency and 90 projects of JNNURM UIG, some hooking at state level nodal agency (SLNA) will be much more useful especially with regard to access to data and width you have with key agents.

In terms of experiences with JNNURM, competitive framework of resource allocation, first cum first serve and consultant driven process meant that focus was on approvals rather than on content of the projects. Due to unprepared projects, there was an increase in costs.

In terms of capacity building, it is clear that short training models do not work and the intervention had to be at cultural level of cities. Capacity building has to be structured at city level. Institutions and academia can intervene here effectively.

He also highlighted the need to review the idea of urban agglomeration, smaller local bodies lose out when funding is provided for the urban agglomeration as a whole. The capacities of urban local bodies to manage finances must be reviewed. For example, Nanded which was having a budget of 20 crores, received Rs,300 crores for spending in one year.

Experience of JNNURM Reforms

In terms of reforms, reforms like e-gov, property taxes were easier to implement rather than those related to land. The first four reforms were easier to implement, others were difficult to implement because no thinking had gone into this prior to JNNURM, need to be rethought.
He also pointed out that policy framework gets specificities at state and city level, From a research point of view, It would be good to ask SLNA officers about two or three structural issues with the policy framework.

Regarding reforms as stated in MoA, reforms were not taken seriously, Can you imagine reform

of property tax in a city like Ulhasnagar? Government of Maharashtra found various shortcuts and refused to implement the reform on land titling. Mission was used to get money quickly, helpers were there at all level to help this process. Reforms were considered as paperwork and sabotaged from the beginning with no intention of doing them using various loopholes. An example of reforms not being implemented meaningfully is earmarking of budget funds for urban poor and land for housing urban poor in every project. reforms which required tendering like e-governance happened while those reconfiguring structures never happened. Buzzwords were being thrown around overnight such as slum free and TOD.

Uma added that proper assessment of urban local bodies ability to spend was not done and implementation of projects suffered. The sanctioning of large number of projects across country overnight meant scarcity of contractors and materials. Financial capacity of ULBs was not discussed and reforms were treated like trivia questions. If cities which are already covered in JNNURM are covered again, they will be doomed because they have exhausted capacity. There has been diversion of funds meant for social spending for developing physical infrastructure. There is need for freedom within reforms.

Also, reforms within Government of India is required not just at level of states and cities. Information flows even about funds transfer were not happening in the present system, it may be better if fund flows to agency that matters like the local body.

Phatak felt that implementation of reforms by offering money is not an efficient of getting them done. Uma further added that role of consultants was shameful. People were paid money to see that projects were not awarded to other cities. It was very unhealthy.

Adolf Tragler felt that in practical terms there was confusion. Delhi cannot prescribe what happens in Mumbai and Maharashtra, they should be helpful but not lay down the rules. Land titles is laughed away. Slum-free cities are going down the drain. RAY has not taken off at all. No high expectations that things will change for better. Superficial information and laying down rules will not help. Local governments are not forthcoming, seems to be scared of how Delhi will react. CRZ needed to be made workable. JNNURM in Mumbai is not visible. We had great dreams of RAY, it is all gone.

Amita asked about differences in scale between metros and small and medium towns, we are keen to learn about what works at different levels and stories that emerge from smaller and medium towns.

Sharad felt that state governments don't want to contribute money but are for granting TDR and

FSI. In Pune, housing stock has been created but no one has entered the houses. We have an example of an in-situ housing project of Rs. 120 crores beneficiaries also contributed with support of 4 NGOs. There have been different type of models- multi storied, various efforts for site and services, in-situ redevelopment and SRA. 500 houses have been created in SRA. VAMBAY. We are meeting on December 17-18 where slum dwellers and representatives of political parties will discuss building a political agenda for housing. In Yerwada, model using deliberation of slum dwellers has been used. Neeta felt that we needed to strengthen democratic processes where each city has different options.

Amita asked the participants how politicians have involved and responded to JNNURM.

Sharad said that we keep ourselves away from politicians, but somewhere they need feedback, it is possible to develop a rapport and get their help. Pawar spoke about Hamal Panchayat's role in JNNURM. They have a huge network in unorganised sector. Sharad added that JNNURM did not create spaces for unorganised sector. SJSRY, Hawking policy and RAY were some of the issues being discussed with unions.

Neelima said that livelihood was neglected in JNNURM. National Urban Livelihoods Mission is to be launched soon as another seperate mission which raises the question about convergence. In Chandigarh, families in BSUP houses were not allowed to keep anything they used for their livelihoods at home. Dhobis are not allowed to keep iron carts in houses as per strict DCR and bye laws. This is a very major issue with BSUP housing. Town planning reforms have not been touched as local bodies are under Local Administration department of the state. BSUP projects are currently violating town planning norms. She asked for correcting town planning norms if they are wrong, but not bypassing them for projects.

Another point from her was that land issue has not been addressed. Land Acquisition for urban development is going to be difficult. As a part of DFID project, she was involved in RAY capacity building for 6 states. She found that reforms are distorted in implementation at ground level. Rajasthan BSUP is used for resettlement on outskirts. Slum de-notification in Ajmer is high as 65 per cent . State bureaucrats did not come for capacity building programmes unless high level central secretary also attends it. One-time input is not enough for meaningful capacity building. However, she found councillors seemed to be very responsive. However, presentations and talks to them while useful were too short. Neeta further added that if mayor is involved, councillors are also involved. Capacity building programmes are highly skewed.

Amita felt that it will be useful to compare experiences across states and scales of cities.

Capacity Building

Neelima said that in Jaipur and Ajmer, consultants had decided to resign. Money was not paid on time to them. The consultant for Highways was also the consultant for RAY. Data is fudged so it is not reliable, RAY consultants were not appointed. In Shimla, nobody was there to coordinate which led to many operational issues. In Leh because of the climatic issue, consultants did not want to come, and with other political sensitivites involved, they were allowed to do what they wanted. In Shimla, land is simply not available. Land which is not built is also considered as forest which means ulb requires clearance from forest department for any project in such lands. Amritsar does not have town planning department. There are no GIS maps within town planning departments and there is a lack of willingness to lead. Rae Bareli was good maybe because of the VIP status it has. Standardised models do not work across states and cities. It becomes a professional adventure.

Prasad added a footnote that where cities themselves prepare their CDP and projects, their implementation is better. Perhaps, we need to have a reform plan which is voluntary for cities and states. Some urban local bodies are aware of what needs to be done and need a platform to push this. It means centre does not need to drive this process.

Amita said would like to know Maharashtra Nagarottan Abhiyan (MNA) which was supposed to follow the JNNURM model. Uma noted that MNA was seen as a mechanism for taking care of price escalation for projects in small cities. Further, a lot of cities had a PMU staffed by consultants thrust on them which meant that municipal engineers lost pride of their posts. ILFS has such a hold on Nanded today, they have even given loans to Nanded MC.

Banashree gave example of the states like Andhra Pradesh and Madhya Pradesh were an incremental capacity building programme was undertaken which helped them in carrying out BSUP projects successfully.

Anjali Mohan spoke about experience of Karnataka. According to her, Karnataka has been a precursor for JNNURM reforms. It came out as reforms for entire state in 2002-2003, In small and medium towns, the programme was launched in 57 ULBs, a preparedness plan to do reforms was rolled out for e-governance, environment and sanitation. Municipal Reforms Cell was created and Cadre and Recruitment rules were reformed by Directorate of Municipal Administration (DMA). There are examples of ULBs incorporating this capacity to implement reforms. Difference was seen in ULBs which had implemented preparedness plan to bring in structural changes before reforms were launched. There are cases one can look at which can be pointers to what can be taken up. A major question is, Do

we need to follow a centralised route to decentralisation? Building capacities and local politicians have not been bought into the picture. At ULB level, reform is not functioning, Corporator is running a parallel system of service delivery. She gave the example of a public grievance redressal cell situtated at municipal level whereas corporator has a helpline at the local level. In JNNURM there was a gap in recognising political state especially at the local level.

Souvanic felt that JNNURM was against 74th CAA. In West Bengal, 126 ULBs of Kolkata agglomeration had developed Detailed Development Planss through their own exercises that were participatory. Ultimately CDP for KMA area did not recognise these DDPs. ILFS has prepared KMA CDP without taking these in account so the entire DDP exercise has gone to the drains. Councillors and municipal officials are frustrated as they have no stake in JNNURM and they have to maintain the assets created under it.

Kirtee felt that even if we do not intervene now, we need to strategise, He outlined some of the strategies. Reach out to those designing JNNURM 2 with a letter asking pointed questions with substantive content with signatures of all the participants. The letter could also include discussions of the meeting in Chennai also. Do we ask questions of government and say that we are concerned that issues are not being answered and spaces for interaction has to be created. He felt that there was a need to design an incremental process.

Amita felt that we need to look at outcomes at local level with regard to JNNURM spending in context of rapid urbanisation, Are we planning to question the investment pattern.

Uma felt that there was a need for renewal of city development plans.

Dunu pointed out that there were very clear indications of growth poles based planning. Kirtee also raised the question that if JNNURM -2 was ending in 2020 with aim of inclusive urbanisation, how is there going to be a growth of jobs without manufacturing?

Prasad felt that JNNURM provides a good position to understand the changes in urbanisation patterns. We must make use of this position to think about this pattern and to understand cities.

Neelima felt that we are in a better situation than JNNURM-1in terms of preparation.

Banashree raised a question about whether we needed to talk about projects in cities.

Prasad felt we needed to develop a strong research agenda

Kirtee added that advocacy activities must have the goal to influence change.

Phatak felt that JNNURM operationally did not look at new growth centres as say the Delhi-Mumbai corridor. Very simple operational things could be useful. For eg every city participating in this must

achieve 1 hour daily supply of safe drinking water, every slum has to have water connection and toilet in the house, 24x7 electricity, and connectivity to 4 lane highway. JNNURM also did not look at local economic development. We need a different kind of strategy.

Kirtee added that if the major investment is going to come through JNNURM in urban sector, therefore that connection is important. We need to look at larger policy paradigm in reforms in JNNURM . We need to do a presentation before designers of JNNURM.

Anjali shared that her own sense after discussions with people in Delhi is that they recognise the problem of consultants and ownership of their work by urban local bodies. We need to think how do we create a space for engaging with designers of JNNURM-2.

Nithya argued that the issue is not about awareness but that officials are okay with such problems.

Banashree felt that we should look at things that have happened in JNNURM-2 and what they need to do to take things forward. They are going to look at urban agglomerations, transit oriented development, urbanisation is happening through various ways, we also need to see the link between the economy and JNNURM.

Adolf said that appearances were shocking which the government assessment will not reflect. Merely relying on government. reports will not help. We must develop sharp criticisms.

Souvnik felt that the entire process of selection of cities for JNNURM, CDP preparation and DPR preparation had a disconnection with urban local governments. We need to relook at the process of CDP preparation and DPR and question the focus on transit oriented development and urban agglomerations.

Kirtee felt that we need to question why big cities require subsidisation under JNNURM.

Dunu felt that we must position ourselves as the National voice on JNNURM, a consensus within the group must be established. There is a difference between investment friendly and people friendly reforms. Can we look at JNNURM in isolation? It is based on growth pole model, JNNURM-2 is going to invest in second tier cities.

NULM is concerned with self-employment and bankability, Inclusion really means helping trickle-down. There is buy in of these ideas by consultants and corporations and large scale conversion of public funds to private profits.

We have had 5 meetings held since 2005 on JNNURM. Associations of urban poor have a sense on these issues and livelihoods, but the government does not want to negotiate. There is a polarisation between bureaucrats and associations,

Another issue is that we have not negotiated with political parties. This needs to take place, also intellectual support is not coming. There are fragmented voices. If we can bring these voices together, then we will have some strength. There may be differences among people here, on certain points we need to have consensus with certain people especially on issues of private investmeny

Neeta felt that trade union leaders have been active and their voices need to be strengthened.

Kirtee felt that some amount of private investment would be required.

Neeta had a question about how we resolve fundamental contradictions and oppositions in JNNURM

Amita suggested that with Irreconcilable oppositions, we frame in them in reconcilation, Setting benchmarks for infrastructure for which we have sufficient evidence, we can advocate that private investment in projects can be bought down and start with a bottom up process that can be scaled up gradually.