India is moving away from villages and is set to become more urban. To meet this demographic transition, experts say that we need to build 22 new megacities to meet the expected population rise by 2050. This is a task that would require the redefinition of urban India.

The rediscovery of urban India

After long years of neglect and alienation, cities are feeling empowered under the rewritten rules of urban planning. The early results are already visible.

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Ahmedabad is set to issue municipal bonds very soon. Release of funds is now linked to progress of mandated urban reforms and in all new urban missions including the housing mission. Online integrated single-window clearance for construction permits is being put in place. Cities are now looking at private-public partnerships and value capture financing with a changed mindset.

Results on the ground

Involvement of citizens, increased sense of ownership of new urban missions by city and State governments coupled with delegation of powers are yielding results. Under the Pradhan Mantri Awas Yojana (Urban), construction of about 15 lakh affordable houses is being financed as against only about 12.50 lakh during 10 years of UPA rule. Under AMRUT, 86 per cent of mission investments stand approved and a large number of projects are of the ground. Since the announcement of the first batch of smart cities in January this year, a large number of projects have already come to be implemented. Over 500 cities and towns have already become open defecation-free. Andhra Pradesh, Gujarat and Sikkim have already declared all cities and towns as open defecation-free as the Swachh Bharat Mission gains momentum as a people’s movement.

The Jhawar Bharal Nehru Urban Renewal Mission (JNNURM) launched in 2005 was no doubt the first concerted effort to make a difference to the urban chaos. However, by the time it was wound up by the United Progressive Alliance (UPA) government in March 2014, the JNNURM fell short of its intentions. Out of the total of 1,631 projects sanctioned under this for improving urban infrastructure in the 12 regions, only about Rs.30,000 crore, only 710 projects, i.e., 35 per cent, were completed during the 10 years. Why was it so?

Of the 22 JNNURM projects sanctioned during 2012-14, a huge chunk of around 35 per cent went to just one State from where the Bharat Urban Development Mission hailed. It was clearly with an eye on the 2014 general election. Such an approach did not get the votes expected but only wrecked the mission. A clear case of political expediency with disastrous long-term consequences.

Participatory urban planning

Prime Minister Narendra Modi said in 2014 that there would be no more playing of politics with development. Under the new paradigm shift set in motion, clear and objective ground rules have been laid down. Objectivity and transparency in selection of cities and allocation of central resources under new urban missions are now the rule of law. This is based on urban population and the number of statutory urban bodies in each State. The Prime Minister’s home State of Gujarat or the two States where my mother tongue Telugu is spoken can’t get even a rupee over and above their entitlement.

Till 2014, every project needed for a city was being approved and approved in New Delhi. With this ‘top-down’ planning, there was no sense of involvement in and ownership of new schemes by city and State governments. Consequently, project and investment approvals were being accorded in the last two quarters of a financial year causing implementation delays. Citizen participation in urban planning and project prioritisation are now made mandatory. About one crore citizens contributed to the making of ‘smart city’ plans. Urban planning is now made ‘bottom up’ and the results are showing.

Rules of urban planning have now been rewritten. States just can’t send half-baked and shoddy projects to Delhi as the financial year draws to a close. Under the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) and Smart Cities Mission meant for improving urban infrastructure, there shall be a comprehensive assessment of infrastructure deficit before drawing up city-level action plans. Cities have been empowered to add to their technical capabilities. And now there is clear evidence that cities are rising to the occasion by rediscovering themselves.

The first priority under AMRUT is to ensure water supply connection. 2.25 crore urban households that are deprived of them, followed by improving sewerage networks, drainage and non-motorized urban transport. Developing one park in each city every year is mandatory. The Smart Cities Mission seeks to ensure core infrastructure, including health care and education, in an identifiably area besides improving service delivery across the city through information and communications technology-based solutions. The focus has shifted from a project-based approach to area-based outcomes.

Since the fund entitlements of each State and city-wise infrastructure deficits are known in advance, why should we wait to approve projects till the last quarter of the fiscal? With city governments rising to the occasion over the last and this fiscal, the Ministry of Urban Development has started approving investments for the next three financial years under AMRUT during this year. With this, projects for five years of 14 States stand approved and this would be done for the remaining in a month or so. This enables city and State governments to plan their actions for the stipulated time through advance planning.

After long years of neglect and alienation, cities are now vying for credit rating, which encompasses the entire gamut of urban governance, including the mindset of politicians and the city officials. Over 90 big cities have almost completed this exercise. Pune and Ahmedabad are set to issue municipal bonds very soon. Release of funds is now linked to progress of mandated urban reforms and in all new urban missions including the housing mission. Online integrated single-window clearance for construction permits is being put in place. Cities are now looking at public-private partnerships and value capture financing with a changed mindset.

Results on the ground

Involvement of citizens, increased sense of ownership of new urban missions by city and State governments coupled with delegation of powers are yielding results. Under the Pradhan Mantri Awas Yojana (Urban), construction of about 15 lakh affordable houses is being financed as against only about 12.50 lakh during 10 years of UPA rule. Under AMRUT, 86 per cent of mission investments stand approved and a large number of projects are of the ground. Since the announcement of the first batch of smart cities in January this year, a large number of projects have already come to be implemented. Over 500 cities and towns have already become open defecation-free. Andhra Pradesh, Gujarat and Sikkim have already declared all cities and towns as open defecation-free as the Swachh Bharat Mission gains momentum as a people’s movement.

For the resource-starved cities, investment of over Rs.2.75 lakh crore has been approved in just a year. As against the UPA government’s Rs.30,000 crore of central assistance for basic urban infrastructure, this government has committed Rs.50,000 crore under AMRUT, Rs.30,000 crore for smart cities and Rs.14,643 crore for making cities clean. Besides, Central assistance of Rs.150-250 lakh is being given for each house for urban poor under the Pradhan Mantri Awas Yojana (Urban). The resource killy of cities has been given a further boost by earmarking Rs.83,000 crore for urban local bodies under the 14th Finance Commission recommendation for as against only Rs.72,000 crore earlier. States have also been empowered to spend more on cities further to devolution of 42 per cent of divisible resources, a hike of 10 per cent over earlier sharing.

The early shoots of urban renaissance are quite visible with a new churning among cities that are thinking and acting differently. Making a perfect urban future is a daunting task but a definite beginning has been made over the last two and a half years. The new year shall see even more happening on the ground.

M. Venkataiah Naidu is Minister of Urban Development, Housing & Urban Poverty Allieviation, and Information & Broadcasting.