

Jawaharlal Nehru
National Urban Renewal Mission
Government of India

REVISED GUIDELINES
(SUB-MISSION FOR URBAN
INFRASTRUCTURE AND
GOVERNANCE)
GOVERNMENT OF INDIA

JOURNAL



सत्यमेव जयते

GOVERNMENT OF INDIA
Ministry Of Urban Development

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**REVISED GUIDELINES FOR PROJECTS OF JAWAHARLAL NEHRU
NATIONAL URBAN RENEWAL MISSION ON URBAN INFRASTRUCTURE &
GOVERNANCE**

1. Need for Jawaharlal Nehru National Urban Renewal Mission (JNNURM)

As per 2001 population census 285.35 million people reside in urban areas. It constitutes 27.8% of the total population of the country. In post-independence era while population of India has grown three times, the urban population has grown five times. The rising urban population has also given rise to increase in the number of urban poor. As per 2001 estimates, the slum population is estimated to be 61.8 million. The ever increasing number of slum dwellers causes tremendous pressure on urban basic services and infrastructure. In order to cope with massive problems that have emerged as a result of rapid urban growth, it has become imperative to draw up a coherent urbanization policy/strategy to implement projects in select cities on mission mode.

2. Mission Statement

Reforms driven, fast track, planned development of identified cities with focus on efficiency in urban infrastructure/services delivery mechanism, community participation and accountability of Urban Local Bodies (ULBs)/Parastatals towards citizen.

3. Mission Strategy

- i. Planned urban perspective frameworks for a period of 20-25 years (with 5 yearly updates) indicating policies, programmes and strategies of meeting fund requirements would be prepared by every identified city. This perspective plan would be followed by preparation of

Development Plans integrating land use with services, urban transport and environment management for every five year plan period.

- ii. Cities/Urban Agglomerations/Parastatals will be required to prepare Detailed Project Reports for undertaking projects under identified areas.
- iii. Private Sector Participation in development, management and financing of Urban Infrastructure would be clearly delineated.
- iv. Funds for the identified cities would be released to the designated State Nodal Agency, which in turn would leverage, to the extent feasible, additional resources from the financial institutions/private sector/capital market.
- v. Funds from Central and State Government will flow directly to the nodal agency designated by the State, as grant. The nodal agency will disburse central assistance to ULBs or para-statal agencies as the case may be, as soft loan or grant-cum-loan or grant.
- vi. A revolving fund will be created to meet the operation and maintenance costs of the assets created under the Mission.

4. Mission Objectives

- a) Focussed attention to integrated development of infrastructural services in the cities covered under the Mission.
- b) Secure effective linkages between asset creation and asset management so that the infrastructural services created in the cities are not only maintained efficiently but also become self-sustaining over time.

- c) Ensure adequate investment of funds to fulfill deficiencies in the urban infrastructural services.
- d) Planned development of identified cities including peri-urban areas, outgrowths, urban corridors, so that urbanization takes place in a dispersed manner.
- e) Scale up delivery of civic amenities and provision of utilities with emphasis on universal access to urban poor.
- f) To take up urban renewal programme, i.e., re-development of inner (old) cities area to reduce congestion, and

5. **Duration of the Mission**

The duration of the Mission would be seven years beginning from 2005-06. During this period, the Mission will seek to ensure sustainable development of select cities. An evaluation of the experience of implementation of the Mission would be undertaken before the commencement of Eleventh Five Year Plan and if necessary, the programme calibrated suitably.

6. **Scope of Mission Programme**

The main thrust of the sub-Mission on Urban Infrastructure and Governance will be on major infrastructure projects relating to water supply including sanitation, sewerage, solid waste management, road network, urban transport and redevelopment of inner (old) city areas with a view to upgrading infrastructure therein, shifting industrial/commercial establishments to conforming areas, etc.

7. **Mission Components**

Mission on physical infrastructure development will cover the following:-

7.1 Admissible Components

- i. Urban Renewal i.e redevelopment of inner (old) city areas [this would include items like widening of narrow streets, shifting of industrial/commercial establishments from non-conforming (inner-city) to 'conforming' (outer-city) areas to reduce congestion, replacement of old and worn-out water pipes by new/higher capacity ones, renewal of sewerage/drainage/solid waste disposal systems, etc].
- ii. Water Supply (including de-salination plants) and sanitation
- iii. Sewerage and Solid Waste Management
- iv. Construction and improvement of drains/storm water drains
- v. Urban Transport, including roads, highways/expressways/ MRTS/metro projects.
- vi. Parking lots/spaces on Public Private Partnership basis
- vii. Development of heritage areas
- viii. Prevention & rehabilitation of soil erosion/landslides only in case of Special Category States where such problems are common and
- ix. Preservation of water bodies.

NOTE: Land cost will not be financed except for acquisition of private land for schemes/ projects in the North Eastern States & hilly States viz Himachal Pradesh, Uttaranchal and Jammu & Kashmir.

7.2 Inadmissible Components

Projects pertaining to the following will not be considered :

- i. Power
- ii. Telecom
- iii. Health
- iv. Education
- v. Wage employment programme & staff component

8 Mission Coverage

Following cities/ Urban Agglomerations (UAs) as per 2001 Census will be taken up under the Mission, as per norms/criteria mentioned below:

A	Cities/UAs with 4 million plus population as per 2001 census	07
B	Cities/UAs with 1 million plus but less than 4 million population as per 2001 Census	28
C	Selected Cities/UAs (State Capitals and other cities/UA of religious/historic and touristic importance)	30

Complete list of cities/Urban Agglomeration/towns covered under the Mission are given at Annexure – I.

8.1 The cities should have elected bodies in position.

9. Urban Reforms

9.1 The main thrust of the revised strategy of urban renewal is to ensure improvement in urban governance so that Urban Local Bodies (ULBs) and para-statal agencies become financially sound with enhanced credit rating and ability to access market capital for undertaking new programmes and expansion of services. In this improved environment, public-private participation models for provisioning of various services would also become feasible. To achieve this objective, State Governments, Urban Local Bodies and para-statal agencies will be required to accept implementation of an agenda of reforms. The proposed reforms shall broadly fall into two categories:-

- i) Mandatory reforms
- (ii) Optional reforms

List of mandatory and optional reforms is at Annexure-II.

9.2 All the mandatory and optional reforms shall be implemented by the State/ULB/Para-Statals within the mission period.

9.3 However, for schemes relating to water supply and sanitation, the following State level mandatory reforms may be treated as optional reforms:-

- a. Repeal of Urban Land Ceiling and Regulation Act;
- b. Amendment of Rent Control Act;

10. Memorandum of Agreement (MOA)

The State Governments and the ULBs including para-statal agencies where necessary would execute Memorandum of Agreement (MoA) with Government of India indicating their commitment to implement identified reforms. MoA would spell out specific milestones to be achieved for each item of reform. Signing of MoA will be a necessary condition to access Central assistance. This tripartite MoA would be submitted along with Detailed Project Reports (DPRs). The central assistance will be predicated upon the State Governments and the ULBs/Parastatals agreeing to the reforms platform.

11. National Steering Group

11.1 To steer the Mission objectives, a National Steering Group will be constituted. The composition of the National Steering Group will be as follows:

- | | | |
|------|--------------------------------|-----------------|
| i. | Minister of Urban Development | Chairman |
| ii. | Minister for UEPA | Co-Chairperson |
| iii. | Secretary (UEPA) | Member |
| iv. | Secretary, Planning Commission | Member |
| v. | Secretary (Expenditure) | Member |
| vi. | National Technical Advisor | Member |
| vii. | Secretary (Urban Development) | Member-Convener |

11.2 National Steering Group may add additional reforms to the identified reforms.

11.3 National Steering Group may consider addition or deletion of cities/towns under Category-C (other than State capitals) based on the suggestions received from State Governments. The number of cities under the Mission shall, however, remain around 60.

12. Mission Directorate

There shall be a Mission Directorate under the charge of Joint Secretary in Ministry of Urban Development for ensuring effective coordination with State Governments and other agencies for expeditiously processing the project proposals. The Joint Secretary (UD) would be the Mission Director. National Technical Advisor shall be one of the Members of Directorate. The Mission Directorate will process the project proposals received from State Governments and place them before Central Sanctioning and Monitoring Committee for consideration.

13. Appraisal of Projects

Detailed Project Reports would be scrutinized by the Technical wings of the Ministry or specialized/technical agencies to be outsourced for the purpose before placing such proposals for sanction by Central Sanctioning and Monitoring Committee.

14. Sanction of projects under the Mission

14.1 There would be a Central Sanctioning & Monitoring Committee in the Ministry of Urban Development for sanctioning the projects submitted by

identified states, which would comprise-

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|-----|--|------------------|
| 1. | Secretary (UD) | Chairman |
| 2. | Secretary (UEPA) | Member |
| 3. | Secretary, Ministry of Finance
(Department of Expenditure) | Member |
| 4. | Principal Adviser (HUD),
Planning Commission | Member |
| 5. | Secretary, Ministry of Environment
and Forests | Member |
| 6. | Secretary, Ministry of Social Justice
and Empowerment | Member |
| 7. | Joint Secretary & FA, Min. of U.D | Member |
| 8. | Chief Planner, TCPO | Member |
| 9. | Adviser, HUDCO | Member |
| 10. | CMD, HUDCO | Member |
| 11. | Secretary, Deptt. Of Information
Technology or his representative | Member* |
| 12. | Secretary, Heavy Industries or
his representative | Member** |
| 13. | Secretary, Min. of Home Affairs
or his representative | Member |
| 14. | Joint Secretary & Mission Director (JNNURM) | Member-Secretary |

*While considering e-governance projects **While considering bus proposals

14.2 Central Sanctioning and Monitoring Committee as mentioned above is authorized to appraise and sanction projects costing upto Rs.500 crore under the Sub-Mission for Urban Infrastructure and Governance, without further reference to the Expenditure Finance Committee (EFC)/Cabinet Committee on Economic Affairs (CCEA). However, projects costing above Rs.100 crore will require approval of Minister of Urban Development and Finance Minister, in each case.

