

Press Information Bureau
Government of India

September 29, 2011

MoUD deliberates on future course of JnNURM

The Union Minister of Urban Development, Shri Kamal Nath today inaugurated a one-day workshop in New Delhi to discuss the findings of the report on Indian Urban Infrastructure and Services by the High Powered Expert Committee (HPEC) and the way forward towards the next phase of JNNURM. The HPEC was constituted by the Ministry of Urban Development after realising the need for fresh norms and standards for urban infrastructure services and to estimate the future investments required for the same. Minister of Housing and Urban Poverty Alleviation, Kumari Selja, Minister of State, Ministry of Urban Development Shri. Saugata Roy, also participated in the deliberations. States, represented by their secretaries of Urban Development were also present for interaction on present status of urban infrastructure and services and the need for upgradation.

Speaking on the occasion, Shri Kamal Nath said that the HPEC report was well researched and sets the way forward for the next phase of JnNURM. He emphasised the need for developing different models for different sizes of Cities depending upon their specific requirements. He also suggested that a new mechanism of providing loans to States/Cities and then converting them into grants on achievement of certain targeted reforms by States/Cities may be explored. He stressed on need to develop small and medium towns, and increasing bankability of local bodies and develop the capacity of the local bodies.

The Minister of State, Shri Saugata Roy in his address said that as Cities are growth drivers, huge investment is required in urban areas to get the desired eight to ten percent growth in GDP. The Minister for Housing and Urban Poverty Alleviation Kumari Selja while appreciating the HPEC report stressed the need for further capacity building especially at the third tier of government and also expressed the need of supporting the informal sector, which is the major driving force behind the economic growth of a city.

Dr. Isher Judge Ahluwalia, chairperson of HPEC particularly called for feedback from the States and Cities on the report and provide suggestions for way forward for JnNURM Phase II. Dr. Ahluwalia brought out, in a presentation, the major points of the HPEC report, which provides a comprehensive framework of urban policy and planning, all aspects of Service Delivery, Governance, Financing and Infrastructure of urban India. The report stresses on enhancing capacity building of the local bodies and an increased investment in urban infrastructure from 0.7% of the GDP in the current financial year to 1.1% by 2031-32.

The workshop discussed the key issues highlighted in the HPEC report, including the role of cities in the fast-growing urbanisation scenario, infrastructure inadequacies and its inequitable distribution, and the need for efficient and effective management of services at the urban local body level. The workshop also discussed the investment requirements identified by HPEC for creation of physical infrastructure and services as well as operation and maintenance (O&M) and the necessity for capacity building and professionalization of services in urban local bodies. Major highlights of the workshop included discussions on the findings of HPEC on the implementation of JnNURM vis-à-vis the achievements in terms of improvements in service delivery, capacity of local bodies to undertake and implement huge infrastructure projects, and the implementation of reforms. The deliberations from this workshop are expected to pave the way for planning for the second phase of JnNURM.