Role of Regional Development Institutions in creating an enabling environment towards shared prosperity: the case of Mumbai Metropolitan Region

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Mumbai Metropolitan Region: The Location
MMR : Basic facts

- 4312 sq.km. (Mumbai X 10)
- 22.8 M people in 2011
- 17 Municipalities (30% area, 91% population)
- 1029 Villages (70% area, 9% population)
- 38 Planning Authorities
- 14 Infrastructure Agencies

**Mumbai :**
- Commercial and financial capital of India
- Generates 6% of India’s GDP
- Accounts for 33% of Income Tax, 60% of customs duty, 20% of central excise tax and 40% of India’s foreign trade
- Handles 70% of total Indian transactions
- Contributes > US$ 650m annually as Corp. taxes

Issues in the Development of MMR

**The issues**

- MMR losing its competitive advantage
- Declining secondary sector economy
- Slow growth, informalisation and concentration of employment
- Urban-rural imbalance
- Lack of affordable housing
- Inadequate public transportation and other infrastructure
- Peri-urban developments without governance
- Sporadic developments spread across the region –inadequate infrastructure
- Data paucity for planning
Objectives for MMR

What is desirable?

- **Realistic** population and employment projections and distribution
- Land use planning for **economy** and balanced growth of region
- Dispersal of employment to the rest of the region
- Promotion of Industry and Warehousing
- **Compact** urbanisation with increased **governance**
- **Regional** infrastructure projects
- **Data** availability for informed choices

What is being proposed/done?

- Population 2031 rationalised to 29M, area for urbanisation not under pressure
- Review of city plans, local economic development centres for rural areas
- Development of new **growth centres** as integrated complexes
- Zoning and **regulations** for facilitating growth in secondary sector
- Expansion of city limits, creation of new municipal areas
- **Regional** transportation, water resource development and solid waste management
- **Regional Information System**

Recent Studies on MMR

**Background Studies – 1998 to 2013**

- Water Resource Development Study
- River Studies for Flood Control and Environmental Management
- Comprehensive Transportation Study
- Business Plan
- Economic Development of MMR study
- Concept Plan
- Environmental Status Report

**Statutory Regional Plan for MMR : 2014-2034**
# Infrastructure Investment Needs 2008-2021

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Sectors</th>
<th>Investment Needs US$ B</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Port Development</td>
<td>3.79</td>
</tr>
<tr>
<td>2</td>
<td>Airport Development</td>
<td>2.88</td>
</tr>
<tr>
<td>3</td>
<td>Water Resource Development</td>
<td>2.62</td>
</tr>
<tr>
<td>4</td>
<td>Transit Development</td>
<td>22.66</td>
</tr>
<tr>
<td>5</td>
<td>Metropolitan Road Development &amp; Terminals</td>
<td>10.21</td>
</tr>
<tr>
<td>6</td>
<td>Drainage</td>
<td>0.40</td>
</tr>
<tr>
<td>7</td>
<td>Power</td>
<td>10.90</td>
</tr>
<tr>
<td>8</td>
<td>Local Municipal Infrastructure</td>
<td>5.51</td>
</tr>
<tr>
<td>9</td>
<td>Public Housing</td>
<td>2.44</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>61.61</strong></td>
</tr>
</tbody>
</table>

Total Excluding Ports, Airport and Electricity: 44.04

Expectation on PPP Mode: 28%

<table>
<thead>
<tr>
<th>Item</th>
<th>Investment Needs US$ B</th>
<th>Inter Govt. transfers</th>
<th>Own Resources</th>
<th>Borrowings</th>
<th>Private / PPP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>44.04</td>
<td>22%</td>
<td>29%</td>
<td>21%</td>
<td>28%</td>
</tr>
</tbody>
</table>

## Administrative Boundaries

[Administrative Boundaries Map]

- **Big Cities**
- **Small Towns**
- **Cities**
- **Urbanising rural areas**
MMRDA established in 1975 for development of MMR

In 4 decades, it specialised in:
- Spatial planning at Regional and Micro levels,
- Land development and development control,
- Regional Institution building,
- Regional co-ordination,
- Infrastructure financing,
- Design & execution of Regional projects (regional in nature or spread)
- Structuring & execution of PPP projects
- Handling rehabilitation issues

Powers:
- to direct other institutions towards actions,
- to levy betterment charges,
- to acquire lands for public purpose
Focus till 2003 on policy planning for the region

Moved to implementation of regional projects of:
- transportation
- water resource development
- solid waste management
- Housing

Undertaking mission mode projects to clear regional backlog (slum sanitation & skywalks)

Strategies Used by MMRDA

Projects by MMRDA

MMRDA’s Initiatives

Road Infrastructure
- ROBs
- Elevated Roads
- Flyovers

Transport Infrastructure
- MUTP
- Metro
- Mono Rail

Pedestrian Safety:
- FOBs
- Skywalks

Housing
- For infrastructure dishoused
- Rental Housing

Regional Projects
- Regional water resource dev.
- Regional Landfill

New Ventures
- Multimodal corridor
- Growth Centers

Social Initiatives
- Slum toilets
- Livelihood Cell for rehabilitated
Enabling environment for shared prosperity in MMR

Role of Regional Development Institutions

Mechanisms considered important in MMR:

1. Creation of regional policy, finance and relevant institutions towards improving quality of infrastructure
2. Public-Public Partnerships towards execution of projects
3. Regional governance and conflict resolution
4. Balancing rural and urban development
5. Regional Information Systems
Regional Policy

Regional Spatial Development Policy in MMR includes:

- Direction and extent of urbanisation
- Program of transformation or rural areas into urban
- Environmental safeguards and management
- Efforts for improving regional economy and employment
- Allocation of regional water resources
- Regional flood management

Regional Financing

- Own funds + National and State level funds parked in MMRDA
- A combination of grants and loans provided
- 30 agencies, 190 projects, nearly US$ 1B funds
- Allows tech appraisal of project, appraisal of finances of borrower
- Opportunity for reform, improvement of quality thro monitoring
- No defaults in 25 years

### Projects funded (60% for urban projects)

<table>
<thead>
<tr>
<th>No.</th>
<th>Level of Projects</th>
<th>Sanctioned</th>
<th>Disbursed</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Amount US$ M</td>
<td>Share</td>
</tr>
<tr>
<td>1</td>
<td>Regional</td>
<td>373</td>
<td>39%</td>
</tr>
<tr>
<td>2</td>
<td>Urban</td>
<td>565</td>
<td>59%</td>
</tr>
<tr>
<td>3</td>
<td>Rural</td>
<td>19</td>
<td>2%</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>957</td>
<td>100%</td>
</tr>
</tbody>
</table>
Regional Institution Building

- MMR-Heritage Conservation Society and MMR-Environment Improvement Society
- Maharashtra Urban Infrastructure Fund (MUIF) to address the infrastructure needs of Municipalities in the state
- Mithi River Development and Protection Authority (MRDPA)
- Unified Mumbai Metropolitan Transport Authority (UMMTA) to focus on design, financing, integration, safety, co-ordination, R&D aspects of mass transportation
- NAMMTRI to address the mass rapid transport training needs
- Mumbai Metro Rail Corp. (MMRC) to execute metro rail projects

Multiple agencies engaged in planning, financing, dev. and governance make it more necessary to co-ordinate and manage rather than just plan.
Regional Conflicts and Alliances

- Mumbai and 4 M+ cities exist, 4 more M+ cities emerging
-Govt. committed to dev. of MMR as a spatial unit
-Regional dev. demands pooled capacities
-Results in both conflicts and strategic alliances

Conflicts:

- City vs City
- Big cities vs Small towns
- Urban vs Rural
- Slum dwellers vs Rest of cities
- Enviro NGOs vs Social NGOs
- NGOs vs City govt.

- Special Plng. interventions vs City govt.
- Infra agencies vs City govt.

Partnerships in MMR

- Geography demands multi city connections
- Fiercely independent old towns
- Mumbai in proximity raises expectations

- History of Public-Public Partnerships
  - MMRDA with Cities
  - Infra Agencies with Cities
  - Cities with other Cities
  - Special Planning Agencies with Cities
  - Special Planning Agencies with villages

- History of Public Private Partnerships
  - PPPs working in transportation and housing projects
  - Emerging in water and sanitation sectors
Increasing Municipal areas

Regional Information System

Issues:
Jurisdictions, parameters covered, periodicity, timing, ease of access, authenticity.

Information requirements
• Demographic, employment and economic growth characteristics
• spatial development trends,
• Infrastructure levels and investments,
• housing supply and demand, and real estate trends,
• environmental parameters, and
• institutional arrangements

Immediate steps:
• needs assessment and readiness assessment – both going on
• identify roles for various institutions
• establish protocols for information gathering, storage and dissemination

The RIS can serve the needs of all government agencies operating in the region and provide authentic data for facilitating market research as well.
Investments required for quality infrastructure

- 435 km of metro rail
- 248 km of new sub-urban rail
- 540 km of highways
- 6 new intercity train terminals
- 10 truck terminals, 13 intercity and 4 interstate bus terminals
- Sewer & Storm Water networks, Sewage Treatments Plants, Sanitary Landfills
- 4.5 b new homes – mostly in private domain
- Development of 3 green field growth centres (300 ha. each)
- Development of Local Development Centres for rural clusters
- Establishment of Regional Lab for Information System, research and training

- All before 2031

Thank you
Regional Plan 1996-2011

- 29% area for development,
- 39% area for low development,
- 32% area for conservation

<table>
<thead>
<tr>
<th>No.</th>
<th>Use Zone</th>
<th>Code</th>
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<tbody>
<tr>
<td>1</td>
<td>Urbanisable Zone 1</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Urbanisable Zone 2</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Industrial Zone</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Recreation Zone</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Green Zone 1</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Green Zone 2 (sensitive)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Forest Zone</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Wetlands</td>
<td></td>
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</table>