



Technical Assistance Report

Project Number: 39645
February 2006

Proposed Technical Assistance India: Support for the Jawaharlal Nehru National Urban Renewal Mission Project

CURRENCY EQUIVALENTS

(as of 27 February 2006)

Currency Unit	–	Indian rupee/s (Re/Rs)
Re1.00	=	\$0.0225
\$1.00	=	Rs44.44

ABBREVIATIONS

ADB	–	Asian Development Bank
CDP	–	city development plan
DPR	–	detailed project report
EA	–	executing agency
JNNURM	–	Jawaharlal Nehru National Urban Renewal Mission
MIS	–	management information system
MOA	–	memorandum of agreement
MUD	–	Ministry of Urban Development
TA	–	technical assistance
ULB	–	urban local bodies

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sector	–	Multisector, water supply, sanitation, and waste management, transport and communications
Subsector	–	Integrated water supply and sanitation, multimodal transport and sector development
Themes	–	Governance, private sector development, and capacity development
Subthemes	–	Policy/regulatory reforms, public-private partnerships, and institutional development

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. The Government of India (Government) has undertaken several initiatives to encourage sustainable urban development in the country, including the recent declaration of a national incentive-linked fund, the Jawaharlal Nehru National Urban Renewal Mission (JNNURM). The JNNURM is expected to invest approximately \$11 billion equivalent for urban infrastructure development in 63 of the largest cities in India. The Ministry of Urban Development (MUD) has been designated as Executing Agency (EA) for the infrastructure and governance component of the JNNURM.¹ The Government requested the Asian Development Bank (ADB) to provide technical assistance (TA) to the MUD Mission Directorate to successfully implement the JNNURM.²

2. The ADB Mission visited India on 6–13 December to discuss with the Government the proposed TA. The Mission met with MUD and the Department of Economic Affairs, and also held a workshop with senior MUD officials to develop the scope, implementation arrangements, terms of reference for consulting services, and financing arrangements of the TA. The project design and monitoring framework is in Appendix 1.

II. ISSUES

3. According to India's 2001 population census, more than 285 million people (27.8% of the total population) live in urban areas. With this large base, which is growing at the rate of around 2.7% annually, India has the world's second largest urban population. Given the current trends in population growth and migration, India's urban population is estimated to reach 575 million by 2030.³ The importance of India's urban sector is indisputable. The urban sector contribution to India's net domestic product is estimated to be 50–52%. In India, 64.7% of employment in trade, commerce, and financial services; 65% in manufacturing; and 68% in the transport sector are concentrated in urban areas.⁴

4. Despite the significance of India's urban sector, however, India's cities are characterized by widespread poverty, inadequate urban infrastructure, and environmental degradation. The 2001 population census found that although 91% of India's urban dwellers had access to drinking water, only 49.7% of households had tap water on their premises. Similarly, only 57.4% of urban households had sanitation facilities on their premises. It must be noted that existence of the service does not imply its adequacy or quality, so the effective situation may be worse. Slums, another highly visible manifestation of urban poverty, housed approximately 40 million people, representing around 14.12% of the total urban population in India in 2001. Urban poverty in urban areas has declined from 52% in 1972–1973 to 23.6% in 1999–2000, but this percentage represents 65 million people who live in absolute poverty.⁵ Poor urban development and management is not only undermining India's ability to deliver quality of life to its citizens, but also constraining potential local and national economic growth. The need for a strong focus and accelerated investment in urban development is clear.

¹ MUD, Government of India, has been designated as Executing Agency (EA) for the "infrastructure and governance" subcomponent under the JNNURM, and the Ministry of Urban Employment and Poverty Alleviation has been designated EA for the "basic services to the poor" subcomponent. Both ministries will be setting up their own mission directorates.

² The TA first appeared in *ADB Business Opportunities* on 3 January 2006.

³ United Nations. 2002. *World Urbanization Prospects: The 2001 Revision*. New York.

⁴ Mathur, Om Prakash. 2005. *India's Urban Sector: An Assessment*. India: National Institute of Public Finance and Policy.

⁵ Classified as those who do not have income to secure 2,100 calories/day.

5. In recognition of the critical importance of rapid urban development, India's Prime Minister launched the JNNURM on 3 December 2005.⁶ The JNNURM is a "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/Parastatals towards citizens."⁷ The JNNURM will be for 7 years, starting in 2005–2006, and includes a central outlay of approximately \$11 billion.⁸ Sixty-three cities are designated as eligible for investments through the JNNURM. Each city will enter into a memorandum of agreement (MOA) with the Government and the parent state and commit itself to a range of mandatory and optional reforms related to urban governance. City development plans (CDPs) will be developed. They will consider each city's unique needs in an integrated and participatory manner, and prioritize investments that need to be made during the JNNURM period and beyond. From the prioritization in the CDPs, the cities will prepare detailed project reports (DPRs) for investments seeking JNNURM funding. Funding for physical improvements will be based on an appraisal of the DPRs. Five percent of the overall JNNURM funding will finance consulting services and technical assistance to urban local bodies (ULBs) and state governments to prepare their CDPs and DPRs. The JNNURM will finance, on a grant basis, between 35% and 90% of the costs associated with urban infrastructure investments, depending on the classification of the city.⁹ Part of the remaining financing will be provided through state governments, and the remainder is expected to be financed through external funding agencies, the private sector, and India's capital market.

6. MUD has been designated as the ministry to launch the JNNURM; it will also be the EA for the infrastructure and governance subcomponent under the JNNURM. The Ministry of Urban Employment and Poverty Alleviation has been designated as EA for the basic services to the poor subcomponent. The Government of India is in the process of establishing a Mission Directorate within MUD to spearhead all efforts under the infrastructure and governance component of the JNNURM.

7. While significant staff are being assigned to the Mission Directorate,¹⁰ their capacity to independently manage and implement the complex array of tasks associated with the JNNURM, especially in the initial stages where many of the technical details and procedures need to be refined, is of concern. Guidelines for developing and appraising CDPs and DPRs, although outlined, need significant refinement to ensure that JNNURM resources are allocated efficiently and transparently. Systems to track JNNURM funding commitments and expected project cash flows, and monitor individual project indicators and overall JNNURM performance need to be put in place. Significant support is also needed to enable MUD to effectively guide state and city governments through the process of defining individual reform agendas; preparing CDPs, DPRs, and other reports necessary to access JNNURM funds; attracting private sector participation in the development efforts; and setting up means to transparently account for and monitor individual project investments among others. The proposed TA is designed to provide MUD with the support it needs to ensure effective ramping up and implementation of the JNNURM, and transfer of knowledge to MUD staff for efficient management of the JNNURM.

⁶ The Cabinet approved the JNNURM on 17 November 2005.

⁷ JNNURM mission statement, guidelines for JNNURM, Government of India, December 2005.

⁸ An equal amount would be contributed by the states as well. The total outlay is for Rs100,000 crores, (1 crore=Rs10 million).

⁹ Financing will be 35% for cities with 4 million population and over, 50% for cities between 1 and 4 million population, 90% for cities in northeastern states and Jammu and Kashmir, and 80% for select cities other than those included above.

¹⁰ See implementation arrangements.

III. THE PROPOSED TECHNICAL ASSISTANCE

A. Impact and Outcome

8. The proposed TA will provide technical assistance to the MUD Mission Directorate for effective implementation of the JNNURM and technical support to ULBs for accessing JNNURM funds. The underlying goal of the TA is to leverage and mobilize the substantial resources allocated by the Government for urban development through the JNNURM, and to help ensure maximum impact of the program in terms of reforms at the state and local level,¹¹ as well as in terms of physical development of urban infrastructure. As such, the primary impact of the TA will be the effective management and disbursement of JNNURM funds, significant governance reforms at the state and ULB levels, efficient processing and implementation of JNNURM-funded interventions at the ULB level, and overall improvement in the urban environment of India's major cities.

9. The specific outcomes of the TA will be (i) a well-staffed project cell set up within MUD to help ramp up and implement the JNNURM effectively and efficiently; (ii) significantly enhanced capacity of MUD to evaluate and appraise CDPs, DPRs, and related policy reforms; (iii) enhanced capacity within MUD to provide technical and advisory support to state and ULB governments in implementing and managing integrated urban development and governance reform programs funded through the JNNURM; (iv) increased awareness at state and ULB levels about the resources available through the JNNURM and the procedures to access such funds; (v) significantly enhanced reach and effectiveness of the JNNURM through close monitoring of overall performance and technical support to ULB and state governments in implementing reforms and project interventions; (vi) decreased urban poverty due to improved urban infrastructure and access to basic services in India's largest cities; and (vii) a significant increase in private sector participation in urban infrastructure development and management throughout India.

B. Methodology and Key Activities

10. The TA will primarily comprise consulting support to enable MUD to effectively manage and implement the JNNURM, and maximize its policy reform and urban development impacts. The consulting team will form part of the project cell within the JNNURM Project Directorate at MUD, which will spearhead JNNURM implementation. Consulting inputs at the early stages of the TA will help MUD refine the guidelines and processes for project preparation, appraisal, and evaluation; and assist city and state governments in meeting such requirements. The TA will also assist MUD in setting up systems and procedures to monitor the progress of project, city, or state investments individually, and of the JNNURM as a whole. The consulting team will work closely with MUD staff assigned to the JNNURM. Significant transfer of expertise in financial management, project management, monitoring, and implementation to MUD over the TA period is expected. Key activities under the TA will include the following:

- (i) Support the setup of the JNNURM project cell within the Project Directorate of MUD and assist MUD in the overall management and implementation of the JNNURM.
- (ii) Assist MUD in promoting the JNNURM at the state and local levels, refine the requirements and guidelines for accessing funds, and provide close support to state

¹¹ A memorandum of agreement between each of the ULBs, states, and JNNURM will outline a series of required and optional reforms aimed at greater transparency and efficiency, and creating an enabling regulatory environment for private sector investment. The TA will support states/ULBs in defining their individual reform agendas, in managing associated change processes, and in monitoring performance.

- and city governments at all stages in the process to ensure efficient disbursements and smooth implementation.
- (iii) Conduct a baseline survey of the infrastructure and regulatory environments in ULBs slated for JNNURM investment, assist states and cities to define their reform agendas and to enter into MOAs with the Government, and monitor their progress over time.
 - (iv) Refine guidelines for preparing and appraising CDPs and DPRs, advise city and/or state governments on CDP and DPR preparation requirements/methods, and build MUD capacity to check compliance, ensure quality, and evaluate the appraisals of CDPs and DPRs.
 - (v) Monitor the progress of project and governance reform interventions funded through the JNNURM, conduct physical and financial audits of projects to ensure full accountability, and assist state and city governments to resolve any issues in project implementation.
 - (vi) Create a management information system (MIS) that will allow city and state governments to update project indicators on-line and allow MUD to track overall performance of the JNNURM, forecast funding requirements, and monitor individual project performance efficiently.
 - (vii) Advise the cities in accessing other funds to supplement JNNURM grants, and ensure that the JNNURM catalyses greater investment in urban infrastructure from other sources—especially the private sector.

11. Further details on the expertise to be provided through the TA and the specific tasks to be carried out are included in the outline terms of reference for consulting services.

C. Cost and Financing

12. The TA will be financed on a grant basis by ADB's TA funding program. The total cost of the TA is \$2.5 million equivalent, comprising foreign exchange of \$.005 million and local currency equivalent of \$2.495 million. The entire foreign exchange cost and \$1.995 million in local currency equivalent will be financed on a grant basis by ADB. The Government will contribute the remaining local currency equivalent of \$0.5 million for counterpart staff support, office accommodation, facilities for meetings and workshops, and other administrative expenses. The Government will also provide all information and logistical support required for the TA activities. The detailed cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

13. MUD will be the EA and will be responsible for overall coordination of all TA activities. The consultants will report directly to the designated mission director of the JNNURM who will be appointed by MUD. The Government will appoint counterpart staff¹² to be part of the JNNURM project cell, who will work directly with the TA consultants. The TA will be implemented over 3 years beginning about March 2006.

¹² Counterpart staff will include a mission director, three coordinators, three directors, two deputy secretaries, three undersecretaries, four section officers, four data entry officers, and three accounts officers.

14. Consulting services will total 310 person-months of inputs, all to be provided by domestic consultants.¹³ The core consulting team will comprise a management specialist (team leader), a municipal finance specialist, municipal engineer, and an urban planner for 36 person-months each. Other consultants that will provide intermittent inputs over the project duration will include a project monitoring and evaluation specialist, financial analyst, and a governance and change management specialist for 24 person-months each; a project implementation specialist, legal and regulatory specialist, and urban renewal specialist for 18 person-months each; an economist and a transportation planner for 12 person-months each; and a social development specialist and environment specialist for 8 person-months each. A consulting firm will be engaged using the quality- and cost-based selection method and a simplified technical proposal, in accordance with ADB's *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for the selection and engagement of domestic consultants. The outline terms of reference for consulting services is in Appendix 3.

15. The consultants will produce an inception report within 30 days of TA commencement. The report will include a detailed work plan and implementation strategy for all TA activities. The inception report and work plan will be developed in close collaboration with MUD, and will also indicate a projected schedule of all workshops and training sessions to be conducted through the TA. Brief quarterly reports will be submitted, summarizing progress of the TA and the JNNURM, highlighting any issues to be addressed. More detailed annual reports will document overall performance of the TA and the JNNURM, milestones achieved, and constraints faced. A final report due at the end of the TA will document the overall impacts achieved through the JNNURM and the effectiveness of the TA. During implementation, other reports or documents may be prepared by the consultants, as required, based on the needs of MUD or ADB.

16. The Government will provide office space, furniture, logistical and all administrative support necessary to coordinate TA activities with state and city governments, as well as with other government agencies as required. Office equipment and materials to be financed by the TA will be procured by the consultants in accordance with ADB's *Guidelines for Procurement* or other procedures acceptable to ADB. Upon completion of the TA, the procured equipment will become the property of MUD.

IV. THE PRESIDENT'S RECOMMENDATION

17. The President recommends that the Board approve the provision of technical assistance not exceeding the equivalent of \$2,000,000 on a grant basis to the Government of India for Support for the Jawaharlal Nehru National Urban Renewal Mission Project.

¹³ Qualified domestic consultants with required expertise are available in India for efficient and cost effective delivery of the consulting services under the TA.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Impact Effective management and disbursement of JNNURM funds</p> <p>Significant governance reforms at state and ULB levels</p> <p>Efficient processing and implementation of JNNURM-funded interventions at the ULB level</p> <p>Sustainable improvements in urban environment in the 63 cities slated for financing under the JNNURM</p>	<p>Transparent processes for project appraisal and evaluation in place</p> <p>Disbursements and implementation of JNNURM-funded projects completed on schedule</p> <p>Achieved individual reform agendas laid out in MOAs</p> <p>Project schedules agreed upon during project appraisal largely adhered to</p> <p>Improved city environments and public health</p> <p>Significantly improved Access to basic urban services in India's largest cities.</p> <p>Increased private sector participation in urban infrastructure</p> <p>Enhanced managerial and financial capacities of ULBs</p>	<p>Government of India statistics and reports</p> <p>Consultants' reports based on JNNURM MIS data</p> <p>TA review missions</p> <p>Consultants' reports and MIS data</p> <p>Consultants' reports and project MIS data</p> <p>Government of India statistics and reports</p> <p>JNNURM project reports</p> <p>Reports of bilateral and multilateral organizations</p> <p>TA review missions</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • The Government is committed to transparent management of the JNNURM and to sustainable development of India's largest urban settlements. • Additional funds to co-finance JNNURM-funded infrastructure developments will be made available through the private sector and external funding agencies. <p>Risks</p> <ul style="list-style-type: none"> • The reform process at the state level will take longer than anticipated by the central Government. • Political issues may delay implementation of infrastructure projects.
<p>Outcome Well-staffed project cell set up within MUD to help ramp up and implement the JNNURM effectively and efficiently</p> <p>Significantly enhanced capacity of MUD to evaluate and appraise CDPs, DPRs, and related policy reforms</p>	<p>Consulting team mobilized and counterpart staff appointed by mid-2006</p> <p>MIS and management systems/procedures in place by end of 2006</p> <p>Clear and transparent procedures and guidelines for CDP and DPR development, appraisal, and approval</p>	<p>Consultant reports</p> <p>TA review missions</p> <p>Consultant reports</p> <p>TA review missions</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Government is committed to implement the JNNURM and all projected staff support will be in place by mid-2006. • Government is committed to transparent and efficient management of the JNNURM. • Government is committed to effective implementation of all subprojects and the institutionalizing governance reforms in the

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Enhanced capacity within MUD to provide technical and advisory support to state and ULB governments in implementing and managing integrated urban development and governance reform programs funded through the JNNURM</p> <p>Increased awareness at the state and ULB levels about resources available through the JNNURM and procedures to access such funds</p> <p>Significantly enhanced reach and effectiveness of the JNNURM through close monitoring of overall performance and technical support to ULB and state governments in implementing reforms and project interventions</p> <p>Decreased urban poverty due to</p>	<p>established</p> <p>Adequate staff and resources within project cell to conduct appraisals and provide technical support</p> <p>Consulting team and MUD counterpart staff with required technical capacity</p> <p>MUD able to continue managing JNNURM activities after TA completion</p> <p>Information sessions on the JNNURM conducted in each state, clarifying all procedures for accessing funds</p> <p>CDPs and DPRs received from all eligible cities</p> <p>CDPs and DPRs prepared in accordance with all pertinent JNNURM and Government guidelines, and approved without significant delays</p> <p>JNNURM-funded urban infrastructure investments successfully under way in all 63 target cities</p> <p>Performance of JNNURM investments closely monitored and necessary actions taken to ensure smooth implementation</p> <p>Significant benefits from infrastructure</p>	<p>TA review missions</p> <p>Quarterly and annual JNNURM reports</p> <p>Government of India reports and statistics</p> <p>Quarterly and annual JNNURM reports, TA review missions, Government of India reports and statistics, and reports from bilateral and multilateral agencies</p>	<p>urban sector.</p> <ul style="list-style-type: none"> • All 63 eligible cities will want to participate in the JNNURM program. <p>Risks</p> <ul style="list-style-type: none"> • Commitment to governance reforms and efficient implementation may not be consistent across all states and ULBs. • Private sector investments may be less than anticipated due to slow progress on governance reforms.

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>improved urban infrastructure and access to basic services in India's largest cities</p> <p>Increase in PSP in urban infrastructure development and management throughout India</p>	<p>improvements realized by the urban poor in participant cities</p> <p>Significant increase in the amount of private capital invested in urban infrastructure</p> <p>Increased number of private sector operators in urban service delivery in India</p>	<p>Government of India reports and statistics</p> <p>Reports from bilateral and multilateral institutions</p> <p>Quarterly and annual JNNURM reports, TA review missions</p> <p>Government of India reports and statistics</p> <p>Reports from bilateral and multilateral institutions</p>	
<p>Outputs</p> <ul style="list-style-type: none"> • Inception report • Quarterly progress reports • Annual reports • Final report • Refined guidelines for CDP and DPR preparation and appraisal • MIS system for monitoring JNNURM performance • Feasible and bankable subprojects, financed in part through the JNNURM • Substantial volume of private capital mobilized to develop urban infrastructure 	<p>All reports submitted by deadlines indicated in implementation arrangements</p> <p>Refined CDP and DPR appraisal guidelines accepted and fully utilized by MUD/Government of India</p> <p>MIS data updated regularly and system capable of generating JNNURM performance reports and analysis efficiently</p> <p>Subprojects deemed commercially viable and able to attract private capital to finance funding gaps</p>	<p>TA review missions and consultants reports</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Government will not have adopted and finalized detailed CDP/DPR appraisal guidelines by the time consultants are mobilized. • ULB/state governments will regularly update project MIS data, in order to access further funds disbursements. • ULBs are committed to institutionalizing reforms necessary to attract private capital. <p>Risks</p> <ul style="list-style-type: none"> • Government may not be committed to a clear and transparent CDP/DPR appraisal process. • Regulatory reforms may be delayed, resulting in difficulty attracting private capital or PSP in infrastructure development and management.

Activities with Milestones	Inputs
<ol style="list-style-type: none"> 1. Submission of TA inception report including detailed work plan, within 30 days of mobilization 2. Submission of quarterly reports 3. Submission of annual reports 4. MIS system fully operational, within 90 days of mobilization 5. CDP/DPR development and appraisal guidelines refined and adopted by MUD, within 120 days of mobilization 6. State-level information dissemination workshops completed, within 90 days of mobilization 7. Training needs assessment for MUD completed and training program defined (within 90 days of mobilization) 	<ul style="list-style-type: none"> • \$2 million equivalent in grant financing from ADB • 310 person-months of consulting services • \$500,000 equivalent in Government financing for counterpart staff time, office space, and other expenses

ADB = Asian Development Bank, CDP = city development plan, DPR = detailed project report, EA = executing agency, JNNURM = Jawaharlal Nehru National Urban Renewal Mission, MIS = management information system, MOA = memorandum of agreement, MUD = Ministry of Urban Development, PSP = private sector participation, TA = technical assistance, ULB = urban local body.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank (ADB) Financing^a			
1. Consultants			
a. Remuneration for Domestic Consultants	0.0	1,240.0	1,240.0
b. Per Diem	0.0	90.0	90.0
c. Domestic Travel	0.0	200.0	200.0
2. Office Equipment ^b	0.0	35.0	35.0
3. Studies and Surveys ^c	0.0	30.0	30.0
4. Workshops, Seminars, Dissemination Activities, etc.	0.0	45.0	45.0
5. MIS system development, support, and maintenance Miscellaneous Administration Costs, Office	0.0	50.0	50.0
6. Expenses, etc.	0.0	60.0	60.0
7. Communications	0.0	30.0	30.0
8. Report Preparation	0.0	10.0	10.0
9. Contract Negotiations (Government)	5.0	0.0	5.0
10. Contingencies	0.0	205.0	205.0
Subtotal (A)	5.0	1,995.0	2,000.0
B. Government Financing			
1. Office Accommodation and Utilities	0.0	72.0	72.0
2. Counterpart Staff Remunerations and Per Diems	0.0	220.0	220.0
3. Data Gathering	0.0	150.0	150.0
4. Workshop and Training Venues	0.0	33.0	33.0
5. Other Logistical Support	0.0	25.0	25.0
Subtotal (B)	0.0	500.0	500.0
Total	5.0	2,495.0	2,500.0

MIS = management information system.

^a Financed by ADB's technical assistance funding program.

^b Equipment will include 10 desktop and 2 laptop computers, a network server, computer software, photocopier, facsimile machine, printer, two projectors, computer peripherals, telephones, and other equipment as required. Office equipment will be purchased by the consultants in accordance with ADB's *Guidelines for Procurement*. The equipment will be handed over to the Ministry of Urban Development Government of India on completion of the technical assistance.

^c Includes cost for the initial benchmarking survey and other social/monitoring surveys.

Source: ADB estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. Consulting services will total 310 person-months of inputs, all to be provided by domestic consultants. A consulting firm will provide the full package of support using the quality- and cost-based selection method, in accordance with Asian Development Bank's (ADB) *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for selecting and engaging domestic consultants. A simplified technical proposal will be used.

2. The outline terms of reference for each consultant in this document are not exhaustive, and may be supplemented and expanded as required to meet Government of India and ADB requirements.

A. Management Expert/Team Leader (36 person-months)

3. The team leader will be a management expert, with a strong background in finance and general management. The consultant (i) will have an advanced degree in management/finance and at least 10 years experience and proven track record at a senior general management level in the private sector; (ii) should have demonstrated experience in large-scale investment decision making, interaction with India's capital market, managing large interdisciplinary teams, preparing and managing budgets, and managing and improving overall performance of an organizational unit; and (iii) should be intimately familiar with the Indian business environment, and the full range of issues associated with urban infrastructure development, finance, and the interface between government and external funding agencies. Additional background in engineering, urban planning, or policy will be an advantage. The consultant will do the following:

- (i) Report directly to the joint secretary, Ministry of Urban Development (MUD) and the mission director of the Project Directorate.
- (ii) Be responsible for the overall management of the consulting team and budget, and for the timely and efficient delivery of all project outputs.
- (iii) Ensure effective mobilization and full utilization of all consulting inputs.
- (iv) Closely monitor the performance of all aspects of the project cell, in close collaboration with the MUD leadership, and allocate resources and consultant support as required to ensure that requirements of national, state, and urban local bodies (ULB) governments requirements related to the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) are fully addressed.
- (v) Direct a study assessing the existing status of reforms in all JNNURM cities and states, including the capacity to undertake reforms.
- (vi) Develop a set of benchmarks/indicators against which progress of the JNNURM can be measured, especially with respect to project management and implementation, and outcomes of city development plans (CDPs) and detailed project reports (DPRs).
- (vii) Make one-to-one visits to JNNURM cities for assessment of their intention, ability, and capacity to access the JNNURM, as well as initial sensitization the JNNURM.
- (viii) Provide knowledge support—including presentation of regional best practices—for initiating CDPs on a demand basis, specially to northeast and other economically backward states.
- (ix) Undertake at the state capital workshops on implementation of mandatory and obligatory reforms for state and cities. The focus will be on identifying road maps for implementing mandatory and obligatory reforms.
- (x) Provide wherever called for, hand-holding support to states, for developing memorandum of agreements (MOAs).
- (xi) Lead the technical support group at the project cell, which will provide support to cities and states on demand basis.

- (xii) Support the Mission Directorate in refining guidelines and timelines for the JNNURM as required.
- (xiii) Assist the Mission Directorate in developing a consolidated fund flow for the JNNURM.
- (xiv) Provide other necessary support to the Mission Directorate including making presentations to the national steering group.

B. Municipal Finance Specialist (36 person-months)

4. The specialist will have a graduate degree in business or finance, and extensive experience and training in municipal finance, project finance, resource mobilization, public-private partnerships, and urban infrastructure investment. Experience in evaluating and financing urban infrastructure investments from a private sector view will be an advantage. The primary responsibility is to explore and advise MUD, as well as state and city governments, on all possible financing modalities for projects proposed for JNNURM financing. Specifically, the specialist will do the following:

- (i) Review, assess, and maintain an inventory of all sources of municipal finance of all JNNURM cities and assist in identifying avenues for leveraging funds for infrastructure.
- (ii) Wherever called for, assist city governments in developing road maps for implementing reforms for improved revenue mobilization, with focus on property tax, user charges, accessing central funds, accessing market-based funds, debt swaps, etc.
- (iii) Explore alternate long-term municipal finance options available for financing urban infrastructure in cities and leveraging the JNNURM funds.
- (iv) Review the current financial status of JNNURM cities and suggest measures for making them more creditworthy during the appraisal and implementation of the JNNURM.
- (v) Maintain active dialog with potential sources of financing and encourage broad-based support for the JNNURM.
- (vi) Support the team leader in making one-to-one visits to JNNURM cities for assessing their intention, ability, and capacity to access JNNURM, as well as initial sensitization to the JNNURM.
- (vii) Support the team leader in assessing existing status of reforms in all JNNURM cities and states, including their capacity to undertake reforms.
- (viii) Assess CDPs and DPRs specifically with respect to identified areas of local government financing and, if required, help city governments identify and secure additional sources of funds for proposed infrastructure investments.
- (ix) Serve as a core member of the technical support group at the project cell, and provide support to cities and states as required.
- (x) Advise MUD as well as state and city governments on innovative ways to structure financing and reforms related to select infrastructure investments so as to minimize costs, maximize efficiency of implementation, enable private sector participation, and ensure financial sustainability.

C. Municipal Engineer (36 person-months)

5. The engineer will (i) have a broad range of experience in urban infrastructure and a strong background in public health engineering, especially water supply and sanitation;(ii) have at least 7 years experience in designing and managing municipal infrastructure projects, preferably projects funded by aid agencies; and (iii) be very familiar with the laws and procedures of the Indian municipal environment. Experience as municipal engineer across a number of states will be an advantage. Specifically, the consultant will do the following:

- (i) Assist in ensuring quality and monitoring compliance of DPRs, and project implementation.

- (ii) Wherever called for, provide city governments with technical guidance on project formulation and support city governments with implementing DPRs.
- (iii) Support the team leader in making one-to-one visits to JNNURM cities for assessing their intention, ability, and capacity to access the JNNURM, as well as for initial sensitization to the JNNURM.
- (iv) Ensure adequate provision for operation and maintenance, value for money urban infrastructure creation, and overall sustainability.
- (v) As a core member of the technical support group at the project cell, provide support to cities and states as required.
- (vi) Support the team leader in undertaking workshops at the state capital on implementation of mandatory and obligatory reforms for state and cities. The focus will be on identifying road maps for implementing mandatory and obligatory reforms.
- (vii) Assist the team leader and the monitoring and evaluation expert in developing municipal infrastructure-related benchmarks/indicators against which progress of DPR implementation can be measured.

D. Urban Planner (36 person-months)

6. The consultant should have a graduate degree in urban planning with at least 6 years of experience in urban planning in developing countries. Experience with developing city strategies, development plans, land use and zoning, master planning, and integrated urban infrastructure development is required. Experience in housing and real estate development, water supply and sanitation, and other urban services will be an advantage. The consultant is primarily responsible for quality assurance of CDPs, and for ensuring that all project investments are considered and evaluated in the context of the broader planning requirements of each city. Specifically, the consultant will do the following:

- (i) Evaluate, assure quality, and check all CDPs and DPRs to ensure full compliance with all JNNURM planning requirements, as well as other prevailing state and city planning documents.
- (ii) Assist the team leader in developing guidelines for preparing, appraising, and evaluating CDPs.
- (iii) Provide technical support to state and city governments to ensure that CDPs are developed in a comprehensive and meaningful manner, and meet all JNNURM requirements.
- (iv) Wherever called for, provide technical support to state and city governments, in implementing mandatory and obligatory reforms including those related to land tenure, building bylaws, water conservation, streamlining the approval process for construction, provision of basic services to the urban poor, earmarking of developed land in housing projects for the poor, etc.
- (v) Support the team leader in undertaking workshops on implementation of mandatory and obligatory reforms for state and cities at the state capital. The focus will be on identifying road maps for implementing mandatory and obligatory reforms.
- (vi) Provide other necessary support as identified by the team leader.

E. Project Monitoring and Evaluation Specialist (24 person-months)

7. The specialist will have a management background and at least 7 years experience in monitoring and evaluating large projects and programs, preferably in the urban sector. The specialist will be responsible for monitoring the overall performance of the JNNURM, progress on the reform agenda of state governments and ULBs, and of project interventions funded through the JNNURM. The specialist will work closely with the team leader and other sector experts to ensure that any issues or problems in implementing the JNNURM are identified early, and that adequate

financial and staff and/or consultant resources are mobilized to address any concerns. Specifically, the specialist will do the following:

- (i) Develop a methodology and format for collecting and tracking data on JNNURM progress.
- (ii) Assist the team leader in developing benchmarks and/or indicators against which progress of the JNNURM can be measured.
- (iii) Conduct a baseline survey to assess the conditions of important reforms at each level of government, as well as the status of the full-range basic services and systems expected to be covered through the JNNURM in the 63 eligible cities and states.
- (iv) Develop a database at the central level and a method for on-line data entry for continuous tracking of JNNURM progress in each state and city. In collaboration with the team leader, outsource (as a lump sum contract) the development and management of this platform to a domestic information technology firm, but be responsible for its effectiveness and comprehensiveness. The database system to be used should be an off-the-shelf database software that will require minimal customization and training. City and state governments must have the ability to update implementation data remotely via the internet.
- (v) Ensure that each city updates monitoring data regularly, and train and support ULBs and state governments to meet this requirement.
- (vi) Submit aggregate quarterly reports to the Mission Directorate on the progress of reforms, financial disbursements, and other relevant indicators.
- (vii) If required, provide technical support to the Mission Directorate for evaluating the benefits of JNNURM interventions.
- (viii) Work with MUD, the team leader, and other experts to ensure that any concerns identified are promptly addressed.

F. Financial Analyst (24 person-months)

8. The analyst will have a university degree in finance, accounting, or business, and at least 5 years experience in financial management, as well as in financial and economic analyses of large-scale infrastructure-type projects. The analyst will have primary responsibility for tracking all MUD expenditures, disbursements, and other financial activity associated with the JNNURM, and for providing regular updates to the team leader and MUD. The analyst will also be responsible for quality assurance and checking compliance of DPRs to ensure least-cost interventions, and financial and/or economic viability of all JNNURM investments. Specifically, the analyst will do the following:

- (i) Work with the project monitoring and evaluation specialist to ensure that all important financial metrics are included in the baseline survey and management information system (MIS) to be institutionalized.
- (ii) Develop, maintain, and continuously update financial and disbursement projections for the JNNURM, based on approved CDPs and DPRs and progress reports from state and city governments.
- (iii) Undertake desk appraisal of annual statements/reports, including cash utilization certificates submitted by cities accessing JNNURM grants, and check them for completeness and veracity.
- (iv) Advise MUD leadership on financial management issues related to the JNNURM, and provide them with regular updates on the financial performance of the JNNURM.
- (v) Identify any bottlenecks in the performance of the JNNURM and work with the consulting team and MUD to address any issues.
- (vi) Evaluate, and assure quality of appraisals of CDPs and DPRs submitted for funding through the JNNURM.

- (vii) Provide technical support to city and state governments to ensure that all interventions financed through the JNNURM are financially and/or economically viable.
- (viii) Advise MUD and state and city governments on innovative financing and financial management strategies, where appropriate.
- (ix) Assist the Directorate to review and consolidate JNNURM accounts.

G. Governance and Change Management Specialist (24 person-months)

9. The specialist should have (i) training in organizational behavior and management, and wide experience in governance reform, institutional development, and management of institutional change processes; (ii) at least 7 years experience in implementing governance reforms in developing countries; and (iii) experience in providing/designing training inputs in the municipal environment. Previous experience in identifying/developing best practices will be an advantage. The specialist's primary responsibility will be to monitor, manage, and support governance reforms and change processes in JNNURM-funded cities and states to ensure successful implementation of the JNNURM. The specialist will also serve as the lead trainer in the technical assistance (TA) team, and be responsible for identifying regional best practices in urban infrastructure development/management and institutional reform, and for ensuring their effective dissemination throughout JNNURM-supported cities/states. Specifically, the specialist will do the following:

- (i) Support MUD in identifying and implementing governance reforms necessary at both central and state/ULB levels to ensure greater transparency and efficiency of the JNNURM and its successful implementation.
- (ii) Identify governance-related indicators to be included in the baseline survey, and tracked through the MIS to be developed through the TA.
- (iii) Assist state and city governments in assessing their institutional conditions, and in developing their individual reform agendas for inclusion in the MOAs.
- (iv) Assist the state and city governments in structuring and implementing effective and realistic change management processes, aimed at achieving the governance reforms included in the MOAs.
- (v) Monitor progress and provide one-on-one support to cities and states, as required, to meet their institutional development targets.
- (vi) Identify and document best practices in India relating to mandatory and obligatory reforms indicated in the JNNURM. In case suitable practices cannot be identified in India, regional best practices may be documented.
- (vii) Disseminate best practices and other necessary training among city and state officials through workshops, training sessions, and regional Government of India training centers. Develop training modules that can be used by regional trainers for JNNURM-related programs.
- (viii) Undertake a rapid training needs assessment of MUD officials and identify areas where capacity strengthening would be required. Provide training for designated MUD officers and members of the project cell during the initial stages of the TA.
- (ix) Assist the team leader in providing knowledge support as required.

H. Project Implementation Specialist (18 person-months)

10. The specialist will have an engineering, planning, or management background with at least 7 years experience in monitoring and evaluating large development projects or programs. The specialist will be responsible for assuring quality and checking compliance of CDPs and DPRs, in collaboration with the municipal engineer, and for assisting state and city governments to ensure efficient implementation of project interventions. The implementation specialist will also work with the project monitoring and evaluation specialist to continuously assess progress on JNNURM-

funded interventions and provide any needed support to resolve bottlenecks. Specifically, the implementation specialist:

- (i) Ensure quality and check compliance of CDPs and DPRs.
- (ii) Monitor the status of reforms under the JNNURM at the city and state levels.
- (iii) Monitor the status of implementation of JNNURM-funded project investments vis-à-vis approved timelines and key deliverables.
- (iv) Develop quarterly aggregate reports on progress of reforms, financial disbursements, and other relevant indicators.
- (v) Provide technical support to the Mission Directorate in evaluating the benefits of JNNURM interventions, if required.
- (vi) Work with MUD, the team leader, and other experts to ensure that any concerns identified are promptly addressed.
- (vii) Provide other necessary support as identified by the team leader.

I. Legal and Regulatory Specialist (18 person-months)

11. The consultant should have at least 7 years experience in legislative and regulatory reforms in the government sector, preferably in the urban environment. Key inputs of this expert will include the following:

- (i) Assess the MOAs, CDPs, and DPRs from a legal perspective, and give recommendations on how to resolve any issues.
- (ii) Provide necessary support in facilitating structuring reforms and simplifying legal and procedural frameworks at state and city levels where appropriate.
- (iii) Support the training and change management specialist in developing reform agendas and strategies for JNNURM-funded cities and states.
- (iv) Identify key bottlenecks in the regulatory environment related to JNNURM interventions and recommend how to resolve them. Reforms to be explored in detail include urban land ceilings, rent control, stamp duty, public disclosure, community participation, etc.
- (v) Review guidelines and documents for procurement, contracting, safeguards, compliance, etc. that may be required to ensure effective implementation of the JNNURM.
- (vi) Address any other legal matter relating to the JNNURM that may need to be addressed by the Directorate.
- (vii) Provide other necessary support as identified by the team leader.

J. Urban Renewal Specialist (18 person-months)

12. The specialist should have a graduate degree in urban planning and/or conservation and at least 5 years experience in urban planning, urban renewal, and conservation in developing countries. Experience in renewal and redevelopment of inner city areas, housing development, and slum upgrading is required. Experience in integrated urban infrastructure master planning and other urban services is encouraged. The consultant is primarily responsible for (i) quality assurance of redevelopment plans of inner city areas, development proposals of heritage areas, and proposals for preservation of water bodies; and (ii) ensuring that all project investments are considered and evaluated in the context of the broader planning requirements of each city. Specifically, the specialist will do the following:

- (i) Evaluate, ensure quality of, and check all DPRs regarding redevelopment of inner city areas, development of heritage areas and preservation of water bodies; and ensure full compliance with CDPs and all JNNURM planning requirements, as well as other prevailing state and city planning documents.

- (ii) Assist the team leader in developing guidelines for preparing, appraising, and evaluating CDPs and/or redevelopment plans of inner city areas, development proposals of heritage areas, and proposals for preservation of water bodies.
- (iii) Provide technical support to state and city governments to ensure that the redevelopment of inner city areas, development of heritage areas, and preservation of water bodies are done in a comprehensive and meaningful manner as per the CDP and meet all JNNURM requirements.
- (iv) Provide technical support to state or city government, wherever called for, in supporting implementation of mandatory and obligatory reforms including those related to building bylaws, redevelopment of inner city areas, development of heritage areas, preservation of water bodies, conservation of water, and streamlining the approval process for construction and/or redevelopment, etc.
- (v) Support the team leader in undertaking workshops on implementation of mandatory and obligatory reforms for state and cities at the state capital. The focus will be on identifying road maps for implementing mandatory and obligatory reforms.
- (vi) Provide other necessary support as identified by the team leader.

K. Economist (12 person-months)

13. The economist will have at least a master's degree in economics and a minimum of 5 years experience in economic analysis of projects and governance programs. The expert must be able to demonstrate a solid understanding of economic principles and to advise MUD and state and ULB governments on strategies to maximize positive economic impacts through JNNURM interventions. Specifically, the economist will do the following:

- (i) Work with the project monitoring and evaluation specialist to ensure that all important economic metrics are included in the baseline survey and MIS to be institutionalized.
- (ii) Advise MUD leadership on economic and policy issues related to the JNNURM.
- (iii) Ensure that CDP and DPR project appraisal guidelines include clear and transparent methodologies for assessing economic impact and viability of proposed projects.
- (iv) Evaluate, ensure quality of appraisals of CDPs and DPRs submitted for funding through the JNNURM.
- (v) Provide technical support to city and state governments to ensure that all interventions financed through the JNNURM are economically optimized and viable.
- (vi) Advise state and local governments, as required, on strategies to prioritize investments included in CDPs in the basis of their economic impacts.

L. Transportation Planner (12 person-months)

14. The consultant will have university degrees in transportation planning and a related engineering discipline, combined with at least 7 years experience in transportation planning and development. The consultant will be responsible for ensuring the quality of all DPR appraisals of transportation-related projects, and related CDPs as required. Previous experience with mass transit systems will be an advantage. Specifically, the consultant will do the following:

- (i) Ensure that all CDPs effectively address issues of urban traffic and public transportation.
- (ii) Assist in ensuring quality and monitoring compliance of DPRs related to traffic and transportation, and project implementation.
- (iii) Wherever called for, provide technical support to cities in implementing transportation-related projects funded through the JNNURM.
- (iv) Provide other necessary support as identified by the team leader.

M. Social Development Specialist (8 person-months)

15. The specialist will primarily assist the core team in ensuring that all CDPs and DPRs include adequate social safeguard measures, and respond to the needs of the poor. The specialist should have at least 7 years experience in undertaking social and community development initiatives and appraisals in the municipal environment, especially in relation to urban infrastructure projects. Specifically, the specialist will do the following:

- (i) Ensure that social development indicators are part of the initial benchmarking survey and are monitored over time.
- (ii) Ensure all CDPs and DPRs submitted to MUD have been developed based on principles of social inclusion, and that they address the needs of the poor.
- (iii) Assess the social impacts of proposed projects, and monitor their impacts over time.
- (iv) Assist and guide state and city governments on strategies to minimize any negative impacts, and ensure full compliance with Government of India policies related to resettlement and social protection.
- (v) Advise MUD, and state and city governments on reforms related to community development including community participation law, earmarking of developed land for subsidized housing (wherever applicable), ensuring adequate earmarking in local government budgets for pro-poor development, etc.
- (vi) Ensure that JNNURM-funded initiatives are planned and developed in a participatory manner.
- (vii) Assist in establishing and institutionalizing systems of participatory decision making and information sharing in participating cities/ULBs.
- (viii) Provide other necessary support as identified by the team leader.

N. Environment Specialist (8 person-months)

16. The specialist will have a university degree in environmental engineering or similar field and at least 5 years experience in assessing, monitoring, and mitigating environmental impacts of urban infrastructure investments. The consultant will primarily be responsible for ensuring quality on and checking compliance of CDPs and DPRs on environmental issues, and ensuring that negative environmental impacts of JNNURM- funded projects are minimized. The consultant will do the following:

- (i) Ensure that environmental indicators are part of the initial baseline survey of JNNURM cities, and that such indicators are monitored over time.
- (ii) Ensure all CDPs and DPRs submitted to MUD are environmentally sound, and that all efforts have been taken to minimize any negative impacts.
- (iii) Assess the social impacts of proposed projects, and monitor their impacts over time.
- (iv) In instances where negative impacts are expected, work closely with city and state governments, to ensure that all interventions are in full compliance with the Government and other acceptable guidelines. Ensure that all reasonable efforts to minimize negative impacts are taken.
- (v) Provide other necessary support as identified by the team leader.