



Technical Assistance Report

Project Number: 41609
October 2008

India: Promoting Inclusive Urban Development in Indian Cities

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 19 September 2008)

Currency Unit	–	Indian rupee/s (Re/Rs)
Re1.00	=	\$0.0216
\$1.00	=	Rs46.40

ABBREVIATIONS

ADB	–	Asian Development Bank
ADTA	–	advisory technical assistance
IA	–	implementing agency
JNNURM	–	Jawaharlal Nehru National Urban Renewal Mission
MHUPA	–	Ministry of Housing and Urban Poverty Alleviation
TA	–	technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Targeting Classification	–	General intervention
Sectors	–	Multisector: Water supply, sanitation, and solid waste management; transport and communications
Subsectors	–	Water supply and sanitation, waste management, multimodal transport and sector development
Themes	–	Sustainable economic growth, environmental sustainability, capacity development
Subthemes	–	Developing urban areas, fostering physical infrastructure development

NOTE

- (i) In this report, "\$" refers to US dollars.
- (ii) The fiscal year (FY) of the Government of India ends on 31 March. FY before a calendar year denotes the year in which the fiscal year ends, e.g., FY2009 ends on 31 March 2009.

Vice-President	X. Zhao, Operations Group 1
Director-General	K. Senga, South Asia Department (SARD)
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I. INTRODUCTION

1. The Government of India has requested technical assistance (TA) from the Asian Development Bank (ADB) to strengthen the capacities of Indian cities and states to promote inclusive urban development. The ADB country strategy and program update, 2006–2008, for India emphasizes supporting urban infrastructure development, especially water supply and sewerage, with targeted poverty reduction components and a strong focus on municipal reforms and capacity building.¹ The proposed TA is closely linked to the ADB country strategy for urban infrastructure development and poverty reduction² and is included in the country operations business plan, 2008–2010, for India for 2008.³

2. A fact-finding mission visited India from 21 to 23 April 2008 to formulate the proposed TA.⁴ The mission met the secretary, the joint secretary and senior officials of the Ministry of Housing and Urban Poverty Alleviation (MHUPA) in New Delhi; urban specialists of other multilateral and bilateral development partners; experts from academia; and other urban poverty experts. Based on these discussions and a review of related documents and lessons learned from earlier ADB urban infrastructure projects in India, the mission reached an understanding with the Government on the purpose, output, methodology, key activities, cost estimates and financing plan, implementation arrangements, and the design and monitoring framework (Appendix 1).

II. ISSUES

3. **Urban Poverty.** Rapid urbanization in India has increased the absolute number of urban poor. In 2004–2005, the number of urban poor in India was about 80.8 million (25.7% of the urban population).⁵ Most live in overcrowded housing conditions with very poor access to basic services and their lives are characterized by: (i) lack of tenure, poor quality shelter without ownership rights, no access to individual water connection and/or toilets, unhealthy and unsanitary living conditions; (ii) irregular and/or casual employment, lowly paid work, lack of access to credit on reasonable terms or to formal safety net programs, low ownership of productive assets, poor net worth, and legal constraints to self-employment; (iii) low levels of education, lack of skills, low social capital and/or caste status, inadequate access to food security programs, lack of access to health services, and exclusion from local institutions; and (iv) vulnerability to violence or intimidation, lack of information, and lack of access to justice.

4. **Living Conditions of the Urban Poor.** Surveys of urban poor households in India have shown that access to piped water supply varies between 15% and 48%.⁶ The remaining households depend on various other untreated sources of water supply. A significant proportion of slum dwellers often resort to open defecation. Most slum and squatter settlements lack underground sewerage systems and have inadequate above ground systems and road drainage. Wastewater tends to collect in low-lying areas and open drains, providing a breeding ground for vector-borne diseases. During the monsoon season, roads and pathways without drainage become flooded, impeding access to housing and posing a health risk to inhabitants.

¹ ADB. 2005. *India: Country Strategy and Program Update, 2006–2008*. Manila.

² ADB supports the Millennium Development Goals. Goal 11 is to achieve, by 2020, a significant improvement in the lives of at least 100 million slum dwellers, which the TA aims to facilitate.

³ ADB. 2007. *Country Operations Business Plan, 2008–2010*. Manila.

⁴ The TA first appeared in the business opportunities section of ADB's website on 15 September 2008.

⁵ National Sample Survey Organization of India. 2006. *Household Consumption Survey, 61st Round*. New Delhi.

⁶ Surveys include national family health surveys and the national sample survey of India.

5. Waste collection services are highly uneven, with services focused on city centers and commercial districts. They rarely reach slum areas, so most households dispose of their solid waste by throwing it into the street, public spaces or drains. The urban poor have limited entitlements, laws, and support systems for their working and living conditions. They also lack information and understanding of their entitlements and often cannot afford the means to use them. They are rarely formally involved in the decision-making process for planning and service provision. They are often victims of illegal elements.

6. **Government of India's Urban Poverty Alleviation Initiatives.** In December 2005, the Government launched the Jawaharlal Nehru National Urban Renewal Mission (JNNURM) to respond to the massive problems of poor urban infrastructure and lack of basic services for the urban poor. The JNNURM has two sub-missions. The first addresses urban infrastructure and governance and the second focuses on Basic Services for the Urban Poor,⁷ the flagship program for urban poverty alleviation in India implemented by the MHUPA.⁸ The main thrust of sub-mission II is integrated development to improve or rehabilitate slums by providing shelter; basic services such as water supply, sewerage, drains and/or storm water drains; solid waste management; community toilets and/or baths; street lighting; and related civic amenities such as community halls and child care centres for the urban poor. Sub-mission II also supports projects to build affordable houses for the urban poor and people living on low incomes. In addition, the Integrated Housing and Slum Development Program strives for holistic slum development with a healthy and enabling urban environment by providing adequate shelter and basic infrastructure facilities in specified urban areas.

7. **Challenges, Constraints and Gaps.** Programs for urban poverty alleviation often suffer from faulty or inadequate targeting of the poor, inefficient management, weak institutional mechanisms, and leakage of resources. Planning and implementing urban poverty reduction programs have to contend with unreliable and out-of-date information on the urban poor; urban planning that tends to exclude slums because of their illegal status; lack of implementation capacity for poverty reduction programs; lack of professionally qualified people in critical areas of municipal management, such as finance and accounting, engineering, public health, urban planning and management; and lack of institutional mechanisms to facilitate participation by the urban poor.

8. Municipal laws and associated rules and by-laws need to be amended to incorporate slum areas into the planning process and to provide services to them. Better municipal governance can lead to significant urban poverty reduction. Another constraint is the reluctance of finance institutions to lend to low-income communities for micro-enterprises and for skill development programs, even though many low-income households are willing to access market funds. Project design and development capacity constraints further limit the abilities of urban local bodies to access debt financing.⁹ There is now an acute awareness of the need to enhance institutional capacities and to develop enabling frameworks for urban poverty alleviation.

⁷ JNNURM has a 7-year timeframe: two fiscal years (FYs) of the 10th Five-Year Plan and the five-year period of the 11th Plan, i.e. FY2006 to FY2012.

⁸ Basic Services for the Urban Poor aims to improve slums through integrated provision of shelter, basic infrastructure and services, and other civic amenities. It has a seven point charter that includes affordable housing for the poor; permanent tenure for slum dwellers; water supply; sanitation; education; health; and social security.

⁹ "Bankable" projects can be undertaken with debt financing, freeing municipal finances for undertaking pro-poor development work.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

9. The impact of the TA will be inclusive urban development that improves the status of the urban poor. The outcome of the TA will be cities and states that are capable of carrying out inclusive urban development. Through preparatory tasks and capacity building, the TA will facilitate the development of statewide and citywide inclusive cities pilot projects. Specifically, the TA will focus on developing the capacities of the key stakeholders to: improve physical infrastructure in slums; strengthen basic urban services for the poor; make urban planning and municipal financing more inclusive; improve inclusive urban governance through municipal reforms and pro-poor policies relating to land tenure; generate employment; and provide affordable housing. The capacity building will support and strengthen ongoing Government efforts (para. 6) and facilitate scaling-up of inclusive urban development efforts. The TA will apply a systematic approach by mainstreaming international and national best practices and experiences into a robust framework and tool kits, which will be used in four cities to develop pilot projects.

B. Methodology and Key Activities

10. Given the scale of the urban poverty challenges in India, the TA's resources are limited. Hence, it is important to limit the scope of the TA to key areas. The TA will support capacity building for inclusive urban development in one city in each of four states. MHUPA is keen to assess relevant international experiences on inclusive urban development, and wants to evaluate how global best practices can be incorporated for inclusive urban development. One important feature of the TA will be to bring international experts with a deep understanding of urban poverty issues from countries in the region, including the People's Republic of China, Republic of Korea, Malaysia, and Thailand to work with local experts and local institutions in India.

11. However, ensuring sustainability of the TA outputs will be a challenge. Therefore, the TA, through international and national experts, will support capacity and knowledge building in national institutions and the government. Further engagement of ADB in this key area will be based on an assessment of the extent of the interest in the states and cities to undertake the recommendations that emerge from the TA.¹⁰ The Government has committed significant budget resources to the urban poverty alleviation programs, and can sustain the efforts of the TA through a network of national institutions and local experts and consultants.

12. The TA will have three components.

13. **Component 1: Develop Tool Kits.** This component will support the development of a framework and tool kits for designing inclusive urban development projects for Indian cities. The framework will be based on international and local best practices¹¹ on (i) inclusive urban governance and institutional development; (ii) urban planning, including land management for affordable housing; (iii) municipal financing with a special emphasis on financing of urban poverty alleviation and slum development and/or upgrading; and (iv) slum and urban

¹⁰ Project preparatory technical assistance is proposed for 2010 to prepare an urban poverty reduction and inclusive development project.

¹¹ These include, among others, DFID-supported urban services projects in Andhra Pradesh, Kolkata and Madhya Pradesh with an emphasis on municipal reforms for inclusive urban development.

development that encourages and enables inclusive urban development. The tool kits will be designed to provide a systematic approach for cities and states and other interested parties to develop detailed project reports relating to integrated inclusive urban development programs. The TA will support the development of policies and practices that enable the urban poor to improve their access to market funds.

14. **Component 2: Capacity Building.** This component will support capacity building of state and city level stakeholders in inclusive urban development by supporting four national training institutes from among the National Network of Resource Centers for Urban Poverty and Slums, each focusing on one of the four themes identified in component 1 (urban governance, urban planning, municipal financing, and slum development).¹² The TA will support national and state workshops and training programs.

15. **Component 3: Pilot Projects.** The third component will support the design of four pilot projects for inclusive urban development, one in each of the four selected states. The framework and tool kits developed under component 1 will be used to develop the projects in the cities with assistance from the TA. The process of developing the pilot projects will build capacity.

C. Cost and Financing

16. The total cost of the TA is estimated at \$1,250,000 equivalent. An amount of \$1,000,000 will be financed on a grant basis by ADB's TA funding program and the Government will finance the remaining \$250,000 equivalent toward the cost of capacity building, project preparation and training programs through its national network of resource centers. The detailed cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

17. The MHUPA will be the Executing Agency of the TA. It will implement the TA with the help of a project coordination cell (to be constituted in the MHUPA). A steering committee headed by the joint secretary and the mission director of JNNURM will guide the TA. The steering committee will include representatives from nongovernment organizations, academic institutions, and representatives of multilateral and bilateral agencies involved in urban poverty alleviation in India, including ADB, the United Nations Development Programme, and the Department for International Development of the UK. The steering committee will meet quarterly to review the progress of the TA. The joint secretary and mission director of JNNURM will also be the project director of the TA, and a senior officer from the MHUPA will be assigned as the project coordinator to assist the project director in the implementation of the TA.

18. To achieve the project outcomes, the TA will support 8 person-months of international consulting services and 120 person-months of national consulting services (the details of which are set out in the Appendix 3). The TA will support four national institutions and the project coordination cell in MHUPA. The Four selected national institutions will support one of the four themes: (i) urban governance and institutional development; (ii) urban planning and land management for affordable housing; (iii) municipal finance and urban poverty alleviation; and (iv) slum development, housing and inclusive urban development. The four national institutes

¹² Four national institutions are targeted for capacity building in line with MHUPA's strategy to develop a network of institutions on a thematic and geographical basis. Institutes that already specialize in the respective theme will be provided support to develop further capacities in inclusive city development and urban poverty alleviation.

will be selected by the steering committee. The steering committee will also select the four cities in each of the selected states for project development activities under component 3.

19. The consultants will be hired partly through a firm and partly on an individual basis in accordance with ADB's *Guidelines on the Use of Consultants* (2007, as amended from time to time). Support for MHUPA's project coordination cell (72 person-months of national consultants) will be recruited through a national consultancy firm. All the international consultants (8 person-months) and the national consultants supporting the four national institutions (48 person-months) will be hired on an individual basis. The consultant firm will be selected on a quality- and cost-basis based on a simplified technical proposal. Office equipment and materials to be financed by the TA will be procured using the shopping method, and in accordance with ADB's *Guidelines for Procurement* (2007, as amended from time to time). At the end of the TA, the procured equipment will belong to the government agency that has been using it. To facilitate implementation, the TA will use an advance payment facility for training, seminars, conferences and surveys. ADB and EA approval will be required before any payment is made under provisional sum items. The amount of the advance and its liquidation will be arranged in line with ADB's *Guidelines for Disbursement of Technical Assistance Grants*. TA implementation will last 28 months, from January 2009 to April 2011 (Appendix 4).

20. The following international consultants will be engaged for the TA on an individual basis: (i) urban governance and institutional development expert (2 person-months); (ii) urban planning, land management for affordable housing expert (2 person-months); (iii) municipal finance and urban poverty alleviation expert (2 person-months); and (iv) slum development, housing and inclusive urban development expert (2 person-months). The following national consultants will be engaged on an individual basis to support the four national institutions: (i) urban governance and institutional development expert (12 person-months); (ii) urban planning, land management for affordable housing expert (12 person-months); (iii) municipal finance and urban poverty alleviation expert (12 person-months); and (iv) slum development, housing and inclusive urban development expert (12 person-months). The following consultants will be selected through a firm to support the project coordination cell and overall coordination of the TA: (i) urban poverty, basic services and livelihood expert (24 person-months); (ii) knowledge resource management expert (24 person-months); and (iii) management information system, monitoring and evaluation expert (24 person-months). All individual consultants will submit inception, midterm, and final reports. The consultant firm hired to support the project coordination cell will submit (i) an inception report, including a detailed work plan within 4 weeks of being engaged; (ii) a midterm report, including an inclusive urban development framework and inclusive urban development project preparation tool kits within 8 months of being engaged; and (iii) a draft final report, within 18 months of being engaged, which will include copies of four pilot projects.

IV. THE PRESIDENT'S DECISION

21. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$1,000,000 on a grant basis to the Government of India for Promoting Inclusive Urban Development in Indian Cities, and hereby reports this action to the Board.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Inclusive urban development leading to improvement in the status of the urban poor</p>	<p>Physical improvement of slums</p> <p>Improved basic urban services for the poor</p>	<p>Household surveys</p> <p>Government reports</p> <p>ADB missions</p>	<p>Assumption</p> <ul style="list-style-type: none"> • Macroeconomic stability <p>Risk</p> <ul style="list-style-type: none"> • Migration of rural poor into urban areas overwhelm the cities' abilities to deal with urban poverty
<p>Outcomes</p> <p>Capacities for inclusive urban development of Indian cities enhanced at city and state levels</p>	<p>Enhanced capacities for pro-poor urban management, including city and municipal financing in four states</p> <p>Increased capacities for pro-poor urban governance, including capacities to undertake pro-poor municipal reforms and pro-poor policies in four states</p> <p>Increased capacities for pro-poor urban development including introducing policies and projects to increase job creation and employment opportunities for the poor in four states</p>	<p>Government reports</p> <p>TA reports</p> <p>ADB missions</p> <p>Resident survey</p>	<p>Assumption</p> <ul style="list-style-type: none"> • Government is committed to urban poverty alleviation <p>Risk</p> <ul style="list-style-type: none"> • Inability to develop capacities for inclusive urban development in a given timeframe

Design Summary	Performance Targets and/or Indicators	Data Sources and/or Reporting Mechanisms	Assumptions and Risks
<p>Outputs</p> <p>Component 1: Framework and tool kits for designing inclusive urban development of Indian cities</p> <p>Component 2: Capacities of state and city level stakeholders for inclusive urban development built by supporting a network of national institutions, and training programs</p> <p>Component 3: Pilot projects for inclusive urban development designed in at least four cities from four states</p>	<p>Analytical framework paper for integrated inclusive urban development developed based on internal and national best practices</p> <p>Tool kits for inclusive urban development and other matters prepared and uploaded to website</p> <p>Support to network of four national institutions for sustainable capacity building</p> <p>At least four workshops on inclusive urban development organized</p> <p>Utilizing the framework and tool kits, four pilot inclusive urban city development projects prepared for each of the four cities in four states</p>	<p>TA reports</p> <p>Specific consultant outputs</p> <p>Workshop reports</p> <p>Field visit reports</p> <p>ADB missions</p>	<p>Assumptions</p> <ul style="list-style-type: none"> • Good consultants can be hired • Stakeholders are committed to improving institutional capacities <p>Risk</p> <ul style="list-style-type: none"> • Long-term commitment to address institutional issues to inculcate good practices lacking
<p>Activities with Milestones</p> <ul style="list-style-type: none"> • Select four national institutions for support under the TA: January 2009 • Select the four states and one city in each state: January 2009 • Select national consultants: April 2009 • Select international consultants: April 2009 • Paper on international best practices in urban governance, urban policy, municipal financing, and slum development: July 2009 		<p>Inputs</p> <p>ADB</p> <p>ADB: \$1,000,000 ADB staff inputs: 3 person-months over the TA implementation period</p>	

<ul style="list-style-type: none"> • Paper on national best practices in urban governance, urban policy, municipal financing, and slum development: August 2009 • Framework on urban governance, urban policy, municipal financing, and slum development for project formulation: September 2009 • Develop tool kit for inclusive cities project formulation: February 2010 • Develop project proposal in four cities: April 2010 • Provide support for training to city and state stakeholders: February to April 2010 • Develop web-based tool kits: October 2009 onwards • Draft tool kit on inclusive cities project preparation: November 2009 • Organize inception workshop: June 2009 • Organize midterm workshop: October 2009 • Organize final workshop to disseminate the tool kit: January 2010 • Prepared draft tool kit: October 2009 • Prepare final tool kit: December 2009 • Develop inclusive cities proposal : May 2010 to April 2011 • Prepare knowledge resources on international and national best practices: April 2010 • Prepare web-based tool kit for inclusive cities project development: April 2010 	<p>Ministry of Housing and Urban Poverty Alleviation</p> <p>Counterpart staff</p> <p>Office accommodation and transport</p> <p>Administrative services</p> <p>Facilitation for meetings</p>
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ADB = Asian Development Bank, TA = technical assistance.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Total Cost
A. Asian Development Bank Financing ^a	
1. Consultants	
a. Remuneration and Per Diem	
i. International Consultants	200.0
ii. National Consultants	474.0
b. International and Local Travel	80.0
c. Reports and Communications	30.0
2. Equipment ^b	50.0
3. Surveys and workshops ^c	70.0
4. Miscellaneous Administration and Support Costs	10.0
5. Contingencies	86.0
Subtotal (A)	1,000.0
B. Government Financing	
1. Office Accommodation and Transport ^d	50.0
2. Capacity Building and Training Programs	200.0
Subtotal (B)	250.0
Total	1,250.0

^a Financed by the Asian Development Bank's technical assistance funding program.

^b Computers, printers, audiovisual, and office equipment.

^c Workshops at national and state levels on inclusive urban development; pro-poor urban planning, governance, municipal financing, and urban basic services. Surveys to be done as part of city pilot project development.

^d Transport costs include only those for government counterpart staff; office accommodation is for both consultants and counterpart staff.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. The outline terms of reference for each consultant are not exhaustive, and may be supplemented or expanded as required to meet Government of India and the Asian Development Bank (ADB) requirements.

A. International Consultants

2. The following four international consultants will be engaged on an individual basis:
- (i) urban governance and institutional development expert (2 person-months);
 - (ii) urban planning, land management for affordable housing expert (2 person-months);
 - (iii) municipal finance and urban poverty alleviation expert (2 person-months); and
 - (iv) slum development, housing and inclusive urban development expert (2 person-months).

3. **Qualifications.** The consultants should be international experts in their respective areas with a special focus on urban poverty alleviation and inclusive urban development. The consultants should have at least a master's degree in the relevant disciplines; candidates with relevant PhDs will be given preference. The consultants should have wide international experience; those with experience relating to the People's Republic of China, Republic of Korea, Malaysia, or Thailand will be given preference. The consultants should have a track record of conducting high-quality analytical studies; publications in peer-review journals would be desirable. The consultants should have demonstrated superior ability in organizing national and regional workshops, and excellent analytical and writing skills. Familiarity with ADB and other bilateral and/or multilateral projects and technical assistance (TA) will be an advantage.

4. **Terms of Reference.** The Government of India is developing a network of national institutions for urban poverty alleviation. It has sought ADB support through this TA to examine international and regional good practices in different areas of urban poverty alleviation. The consultants will work closely with four different national institutions to assist in assessing international best practices and to develop capacities and policies and program responses for inclusive urban development. The consultants will work closely with national consultants and faculty of the institutions to develop the following outputs: (i) a report summarizing international best practices that are relevant to the Indian context in their respective areas; (ii) an analytical report on what aspects of international best practices could be mainstreamed into the Indian context and how this could be done; and (iii) a framework for project and policy development for inclusive cities in urban governance, urban planning, municipal financing, and slum development. The consultants will also help the Government to identify international good practices and support in organizing field trips. The specific terms of reference are given below.

5. **Urban Governance and Institutional Development Expert** (international, 2 person-months). The consultant will have significant international experience in urban governance, including institutional development and urban poverty alleviation. Urban governance includes civil society, community-based organizations, nongovernment organizations (NGOs), businesses, and various branches of government and governmental agencies. The consultant will examine global best practices on urban governance and urban poverty alleviation. The key issue is how urban governance and associated institutions and processes can improve the lives of the urban poor. The consultant will bring an international perspective to inclusive economic

growth in cities and, in particular, to enabling the urban poor to influence the agenda of urban institutions and governance and to determining how and what political and institutional systems, processes and mechanisms can facilitate inclusive and pro-poor decisions and outcomes.

6. Urban Planning and Land Management for Affordable Housing Expert (international, 2 person-months). The consultant will support the host national institution in urban planning for urban poverty alleviation, including land use and affordable housing. With regard to land use, the consultant will provide international best practices on master plans, zoning regulations, factors that limit the land available for building (constricting cities' abilities to grow in accordance with changing needs), and accommodating the needs of the urban poor. With regard to affordable housing, the consultant will also provide insights from international best practices on building regulations that limit urban density and reduce the number of houses available, and planning and policies that increase the availability of urban land for affordable housing for the poor. The consultant will also assist with the following issues: (i) reserving land and creating a floor space index for housing and amenities for the urban poor; (ii) changes to rent control regulations to increase the stock of houses available for the poor; (iii) access to microfinance and mortgage finance for the poor; (iv) policy, planning, and regulation to reduce slums; (v) the role of the public sector in affordable housing for the poor; and (vi) the financial capacity of urban local bodies and service providers to build the infrastructure that housing developers need to develop new sites.

7. Municipal Finance and Urban Poverty Alleviation Expert (international, 2 person-months). The consultant will provide international best practice insights into, among others: (i) overcoming the mismatch between municipal functions and finances for urban poverty alleviation; (ii) increasing tax and nontax resources; (iii) mainstreaming inclusive urban development into the municipal budget process, and municipal capital investment process; (iv) predictable and performance-based intergovernmental fiscal transfers to municipalities with inclusive urban development focus as one of the performance parameters; (v) addressing the fiscal gap through innovative municipal financing; (vi) public expenditure tracking of inclusive urban development; (vii) municipal finance reforms to enable inclusive urban development; (viii) examining the role of municipal bond markets, specialized municipal funds, and public-private partnerships; (ix) expenditure management and professionalization of staff; and (x) improving budgeting and accounting systems to track the inclusiveness of expenditures, benchmark expenditures, earmark funds for basic services to the urban poor, budget for basic urban services, and carry out modern and transparent budgeting, accounting and financial management and financial sustainability.

8. Slum Development, Housing and Inclusive Urban Development Expert (international, 2 person-months), The consultant will provide international best practice insights into, among others: (i) mainstream poverty policies to form an integral part of urban development and investment decisions, rather than by limiting these to specific programs and institutions; (ii) livelihood and clustering economies in slums; (iii) access by poor groups to land in productive locations; (iv) upgrading of infrastructure and civic amenities; (v) infrastructure investments for developmental projects, rather than such investments being viewed only as "social" investments; (vi) inclusive participatory processes that can inform developmental priorities; (vii) clustering economies and multiple tenure status; (viii) flexible land development systems that allow residents to develop their properties incrementally as and when they gather resources; (ix) the role of private developers; (x) a regulatory system for mixed land use; and (xi) local groups, especially those that influence developmental priorities with regard to the poor.

B. National Consultants

9. National consultants will be recruited to support: (i) four national institutions (to be engaged on an individual basis), and (ii) the Ministry of Housing and Urban Poverty Alleviation (MHUPA) (to be engaged through a consultancy firm).

1. Support to National Institutions

10. The following four national consultants will be engaged on an individual basis to support four national institutions:

- (i) urban governance and institutional development expert (12 person-months);
- (ii) urban planning, land management for affordable housing expert (12 person-months);
- (iii) municipal finance and urban poverty alleviation expert (12 person-months); and
- (iv) slum development, housing and inclusive urban development expert (12 person-months).

11. **Qualifications.** The consultants should be national experts in their respective areas, with a special focus on urban poverty alleviation and inclusive urban development. The consultants should have at least a master's degree in the relevant disciplines; candidates with relevant PhDs will be given preference. The consultants should have a good understanding of the policy and program context in India, and a deep understanding of national best practices. They should have a track record of high-quality analytical studies; those with publications in peer review journals will be given preference. The consultants should have demonstrated ability to organize national workshops.

12. **Terms of Reference.** The consultants will work closely with the international consultants and the faculty of the respective institutions to assist in producing the following outputs: (i) a report summarizing various national best practices that can be scaled up for inclusive urban development; (ii) an analytical report on what aspects of national best practices can be mainstreamed and how they can be mainstreamed; and (iii) a framework for project and policy development for inclusive cities covering urban governance, urban planning, municipal financing, and slum development. The consultants will help the Government identify national best practices and support in organizing field trips. The specific terms of reference for each consultant will be similar to those of the corresponding international consultants.

2. Support to MHUPA

13. The following national consultants will be hired to support the project coordination cell in the MHUPA: (i) urban poverty, basic services, and livelihoods expert (24 person-months); (ii) knowledge resource management expert (24 person-months); and (iii) management information system, monitoring and evaluation expert (24 person-months).

14. **Urban Poverty, Basic Services and Livelihood Expert and Team Leader** (24 person-months). The team leader will be an urban poverty expert, with a strong background in general management and inclusive urban development. The consultant (i) will have an advanced degree in social sciences and at least 10 years' experience and a proven track record in inclusive urban development, (ii) work experience in bilateral and/or multilateral supported inclusive urban development projects will be desirable, and (iii) high-quality publications in inclusive urban development will be desirable. The team leader will report

directly to the joint secretary and the project coordinator and be responsible for the overall management of the consulting team and budget, and for the timely and efficient delivery of all project outputs; ensure effective mobilization and full utilization of all consulting inputs; and closely monitor the performance of all aspects of the project cell, in close collaboration with the MHUPA leadership. The team leader will coordinate the inputs of the project coordination cell as well as the TA inputs to the four national institutions. With the help of inputs from the four national institutions, the team leader and his team will develop a comprehensive tool kit for designing projects for inclusive urban development projects. The team leader will also be responsible for organizing national workshops as determined by the steering committee.

15. Knowledge Resource Management (24 person-months). There is a wealth of knowledge in programs and projects supported by the MHUPA and by bilateral and multilateral partners in India and elsewhere, which can provide important insights to improve inclusive urban development. Lessons from these projects are not shared widely. The knowledge resource management consultants will have at least 5 years' senior experience working with local and international organizations in knowledge management; knowledge of and expertise in setting-up systems and knowledge management strategies; expert knowledge of IT tools and communication needs for knowledge sharing; experience of working as a member of a multi-disciplinary team; and related formal education and training. The consultants will: (i) assist in developing MHUPA's knowledge management strategy; (ii) advise on implementing the strategy; (iii) assist in developing and institutionalizing strategies and measurement framework as required; (iv) identifying and strengthening knowledge management capacity needs of MHUPA; (v) provide advice and assistance to MHUPA and project partners in finding solutions to knowledge management challenges as they arise; (vi) provide advice on the effective use of information and communication technology to support the knowledge management strategy; (vii) provide assistance for in-country briefings on knowledge management and putting together information as needed; (viii) organize conduct and implementation of knowledge sharing activities such as workshops, discussion and learning groups and seminars; and (ix) document MHUPA's experience of knowledge management, highlighting lessons learned during the process and expert recommendations.

16. Management Information Systems, Monitoring, and Evaluation (24 person-months). The specialist will have an information and technology management background and at least 7 years' experience of monitoring and evaluating large projects and programs, preferably in the urban sector. The specialist will be responsible for monitoring the overall performance of the TA and other MHUPA programs. The specialist will work closely with the team leader and other experts in MHUPA to ensure that any issues or problems in implementing the TA and other projects are identified early. Specifically, the specialist will: (i) develop a methodology and format for collecting and tracking data on TA project progress, and other project responsibilities; (ii) assist the team leader in developing benchmarks and/or indicators against which the progress of the TA can be measured; (iii) assist in developing a database at the central level and a method for online data entry for continuous tracking of TA progress in each state and city; and (iv) in collaboration with the team leader, outsource (as a lump sum contract) the development and management of this platform to a national 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. The specialist will ensure that each city updates data regularly will and train and support staff from urban local bodies and state governments to meet this requirement.

IMPLEMENTATION PLAN

Item	Months >>>>>	1/09 to 4/09				5/09 to 4/10											5/10 to 4/11		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17-28	
1 Steering Committee Selection of four national institutions for support under the technical assistance Finalization of the terms of reference of consultants Selection of the four states and one city in each state Quarterly meetings to review the progress of the technical assistance		■	■																
					■		■		■		■		■		■		■		
2 Consultant Selection Selection of the national consultants Selection of international consultants			■	■	■														
3 Work by Four National Institutions (urban governance, urban policy, municipal financing, and slum development) International consultant inputs National consultant inputs Produce paper on international best practices Produce paper on local best practices Develop for project formulation Develop tool kit for inclusive cities project formulation Develop project proposal in four cities Provide support for training to city and state stakeholders Develop web-based tool kits						■				■			■						
						■	■	■	■	■	■	■	■	■	■	■	■	■	
								■											
									■										
										■									
												■	■	■	■	■	■	■	
														■	■	■	■	■	
4 Project Coordination Unit Workshops International best practices National best practices Draft tool kit on inclusive cities project preparation Organize workshops, including the final workshop on proposals																			

Item	Months >>>>>	1/09 to 4/09				5/09 to 4/10											5/10 to 4/11	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17-28
Organize inception workshop							■											
Organize midterm workshop											■							
Organize final workshop to disseminate the tool kit																■		
Develop the tool kit using inputs from other institutions								■	■	■								
Prepare draft tool kit											■							
Prepare final tool kit															■			
Inclusive Cities Proposal Development																		
Develop inclusive cities development proposals																		■
Knowledge Resource Management																		
knowledge management resources on international and national best practices																		
Prepare web-based tool kit for inclusive cities project development																		