

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

STARRED QUESTION NO:237

ANSWERED ON:12.03.2010

FUNDS CRUNCH IN JNNURM

Gaddigoudar Shri P.C.;Panda Shri Baijayant

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) whether funds crunch is affecting the implementation of the Jawaharlal Nehru National Urban Renewal Mission (JNNURM);
- (b) if so, the details thereof;
- (c) whether the Planning Commission has also expressed its concern in this regard and has proposed for the private sector participation in the projects under the JNNURM; and
- (d) if so, the details thereof and the reaction of the Union Government thereto ?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SHRI SAUGATA ROY)

(a)to (d): A Statement is laid on the Table of the Sabha.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PART (a) to (d) of LOK SABHA STARRED QUESTION NO. 237 POSITION 17TH FOR ANSWER ON 12-03-2010 REGARDING FUNDS CRUNCH IN JNNURM .

(a): Yes, Madam.

(b): A sum of Rs.31,500 crore has been allocated as Additional Central Assistance (ACA) for sanctioning of projects under Urban Infrastructure & Governance (UIG) of Jawaharlal Nehru National Urban Renewal Mission (JNNURM) for the Mission period of seven years, beginning from 2005-06 and Rs.11,400 crore for sanction of projects under Urban Infrastructure Development Scheme for Small & Medium Town (UIDSSMT). The committed ACA against the above mentioned provision is Rs. 27189.04 crore for UIG and Rs.10342.78 crore under UIDSSMT. Some of the States like Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Maharashtra, Meghalaya, Orissa, Pudducherry, Rajasthan, Tamil Nadu, Tripura and Uttar Pradesh have either exceeded or almost reached their 7 years allocation under UIG of JNNURM. Only States /UTs like Andaman Nicobar, Bihar, Goa, Haryana, Jharkhand, Lakshadweep, Uttar Pradesh and Nagaland are left with some balance in their 7 year allocation under UIDSSMT. The States are in need of more funds for their urban infrastructure projects but due to non-availability of funds in their 7 years' allocations, it is not possible to commit any further assistance to them.

For Basic Services to Urban Poor (BSUP) & Integrated Housing & Slum Development Programme (IHSDP) components of JNNURM, an amount of Rs.18141.34 crore was initially allocated by the Planning commission and it was subsequently, on demands from the Ministry of Housing & UrbanPoverty Alleviation and the State Governments, increased to Rs.23184.66 crore by January, 2010. Against this Rs.19245.64 crore (about 83% of new total allocation) have been committed. The present allocation of funds are not sufficient to cater to the needs of slum development in the country.

(c) & (d): Yes, Madam. Implementation of JNNURM in the first four years has shown that there is huge demand for infrastructure projects for providing basic needs like Water Supply, Sewerage, Solid Waste Management, Storm Water Drainage, City Transport, etc. both from Mission cities (UIG & BSUP) and non-Mission cities (UIDSSMT & IHSDP). The Eleventh Plan document also stresses that there is a substantial need and potential for private sector participation in the Water Supply and Sanitation sectors.

JNNURM aims to leverage and incorporate private sector efficiencies in development, management, implementation and financing of projects, through Public Private Partnership (PPP) arrangements, wherever, appropriate.