

**GOVERNMENT OF INDIA
URBAN DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:4109
ANSWERED ON:19.02.2014
MANDATORY AND OPTIONAL REFORMS
Biswal Shri Hemanand

Will the Minister of URBAN DEVELOPMENT be pleased to state:

- (a) the details of mandatory and optional reforms to be carried out by the States and ULBs under the JNNURM scheme along with the reasons for delay in implementation of reforms;
- (b) the names of States which have not transferred the 12th Schedule functions to the ULBs;
- (c) the name of States which have not conducted regular elections for ULBs;
- (d) the name of States which have not enacted the public disclosure law and community participation law;
- (e) whether these States are getting funds under the JNNURM scheme continuously despite the delay in implementation of reforms and if so, the details thereof and the reasons therefor;
- (f) whether the Government proposes to take any action against these State Governments; and (g) if so, the details thereof and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF URBAN DEVELOPMENT (SMT. DEEPA DASMUNSHI)

(a): Jawaharlal Nehru National Urban Renewal Mission (JnNURM) is a reform driven, fast track programme to ensure planned development of identified cities with focus on efficiency in urban infrastructure/service delivery mechanisms through community participation, an enhanced accountability of Urban Local Bodies (ULBs)/ Parastatals agencies towards citizens. A total of 23 reforms have been divided into three sets namely State Level Reforms, ULB Level Reforms and Optional Level Reforms. All these reforms are mandatory. The optional reforms comprise of a set of mandatory reforms to be implemented by the state and local Governments. The only option is that any two reforms may be opted for implementation purpose in each year within the Mission period.

S.No Reforms

State level Reforms

1 Implementation of 74th CAA
(Transfer 12th Schedule Functions, Constitution of DPC & MPC)

2 Integration of City Planning & Delivery Functions

3 Reform in Rent Control

4 Stamp duty rationalization to 5%

5 Repeal of ULCRA

6 Enactment of Community Participation Law

7 Enactment of Public Disclosure Law

ULB Level Reforms

8 E-Governance Set-up

9 Shift to Double Entry Accounting

10 Property tax - (85% coverage &- 90% collection efficiency)

11 100 % O&M cost recovery - (Water Supply & SWM)

12 Internal Earmarking of Funds for Services to Urban Poor

13 Provision of Basic Services to Urban Poor

Optional Reforms

14 Introduction of Property Title Certification System in ULBs

15 Revision of Building Bye Laws - streamlining the Approval Process

16 Revision of Building Bye laws - Mandatory Rainwater Harvesting in all buildings

17 Earmarking 25% developed land in all housing projects for EWS/LIG

18 Simplification of legal and procedural framework for conversion of agricultural land for non-agricultural purposes

19 Introduction of computerized process of Registration of land and property

20 Byelaws on Reuse of Recycled Water

21 Administrative Reforms

22 Structural Reforms

23 Encouraging Public Private Partnership

States/Urban Local Bodies (ULBs) have achieved some of the reforms as per their commitment in the Memorandum of Agreement

(MoA) and some of the reforms are yet to be achieved or slow in implementation for various reasons viz. the reforms being resource intensive and requires political support as having impact on the States' revenue etc.

(b): Details based on Quarterly Progress Reports (QPRs) of States and reports of reform appraisal agencies. 19 States namely Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chandigarh, Goa, Haryana, Karnataka, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Sikkim, Tamil Nadu, Tripura, Uttarakhand, Uttar Pradesh and West Bengal have not transferred the 12th schedule functions to the ULBs. (Delhi not applicable as per Cabinet Committee on Infrastructure: GNCTD is exempted from implementation of this reform). Remaining States have transferred some of the 12th schedule functions to the ULBs.

(c): All the States have reported the conduct of municipal elections.

(d): The enactment of Public Disclosure Law is pending in 5 states namely, Arunachal Pradesh, Bihar, Delhi, Manipur and Sikkim.

The enactment of Community Participation Law is pending in 18 States namely, Arunachal Pradesh, Bihar, Chandigarh, Chhattisgarh, Delhi, Goa, Haryana, Jharkhand, Madhya Pradesh, Manipur, Meghalaya, Nagaland, Orissa, Puducherry, Punjab, Rajasthan, Sikkim and Uttarakhand.

(e) to (g): Yes, Madam. Under Urban Infrastructure & Governance (UIG) of JnNURM, the release of further installment of Additional Central Assistance (ACA) is dependent upon receipt of Utilization Certificates (UCs) to the extent of 70% of grants (Central and State) and subject to the achievement of milestones agreed for implementation of mandatory and optional reforms at the State and ULB/Parastatals level as envisaged in the memorandum of agreement. As states and cities have not completed all reforms as per timelines, the release of installments was withheld leading to stoppage of work and consequent cost escalation, complication of contractual obligation and poor quality of project implementation etc, the Government on 01-12-2010 approved that for the remaining Mission period, in case of UIG projects where significant progress has been made in the implementation of reforms by the States/Cities, Additional Central Assistance may be released after withholding 10% of the central share. States may use their own funds to meet the balance amount and complete the ongoing projects and obtain reimbursement of the withheld amount upon completion of reforms.